



Government of Gibraltar

Public Accounts of Gibraltar 2018-19

Together with the report of the Principal Auditor Thereon





Suite 3.30 World Trade Center
6 Bayside Road
Gibraltar

31 May 2025

P A Borge McCarthy Esq.
Clerk to the Gibraltar Parliament
The Parliament
Gibraltar

Dear Mr Borge McCarthy,

I herewith enclose my report on the audit of the public accounts of Gibraltar for the year ended 31 March 2019, together with the accounts certified by me.

In accordance with rule 12(3) of the Gibraltar Parliament Standing Rules and Orders, I shall be grateful if you would arrange for the report and accounts to be laid in the next session of the Parliament, pursuant to section 74(2) of the Gibraltar Constitution 2006.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'A R Sacramento', with a long horizontal flourish extending to the right.

A R Sacramento
Principal Auditor



Report of the Principal Auditor
on the Public Accounts of Gibraltar
for the financial year ended
31 March 2019

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PART 1 - INTRODUCTION

Reporting Authority

- 1.1.1** Section 74(1) of the Constitution of Gibraltar requires the public accounts of Gibraltar and of all courts of law and all authorities and offices of the Government to be audited and reported on by the Principal Auditor. Section 74(2) requires that such reports be submitted and laid before the Gibraltar Parliament. Section 74(3) lays down that in the exercise of his functions under the Constitution the Principal Auditor shall not be subject to the direction or control of any other person or authority.
- 1.1.2** The provisions of Part IX of the Public Finance (Control and Audit) Act empower the Principal Auditor to audit and report on the accounts of every person or body that is in receipt of a contribution from public monies, or in respect of whom the Government has given a guarantee to any person, or whose operations may impose or create a liability on any public monies - not being a body corporate whose accounts the Principal Auditor is for the time being specifically required or empowered to audit and report on under any other law. A copy of every such audited account and any report of the Principal Auditor thereon is required to be laid before the Gibraltar Parliament.
- 1.1.3** The Principal Auditor is also required to audit the accounts of a number of other bodies, such as those of statutory corporations, authorities and agencies; and, by agreement, audits other accounts; and reports thereon in accordance with the relevant legislation. He also has a statutory obligation to examine liquidators' accounts in respect of companies in compulsory liquidation and official trustee accounts of debtors adjudged bankrupt where the winding up commenced prior to 1 November 2014, the date of the coming into force of the Insolvency Act 2011.

Audit Evidence

- 1.2.1** The audit programme of work, decided annually by the Principal Auditor, is designed to provide sufficient and appropriate audit evidence in order to offer a reasonable basis for an opinion to be given on the general accuracy and regularity of the Government's financial and accounting transactions. Given the significant volume and diversity of these transactions such evidence is obtained by applying selective and sampling procedures. In deciding the level of selective testing and sample sizes, account is taken of the results of in-depth reviews designed to identify possible areas of weakness and/or risk and also on the degree to which reliance and assurance can be placed on Treasury, departmental accounting practices and internal control systems.

Reporting Process

- 1.3.1** The Principal Auditor has discretion as to the form and content of his annual report on the public accounts of Gibraltar. However, he generally restricts himself to reporting matters that he considers significant and/or constitute an actual or potential loss of public resources, a lack of financial control, an impairment of accountability and a breach of, or non-compliance with, legislative or other requirements. He does not generally report errors or deficiencies that, in his opinion, have been, or are being, satisfactorily rectified, except where deficiencies have resulted in a loss to the public purse. Departments covered in this report are not the only departments that have been subjected to audit examination since the last report.
- 1.3.2** Audit views, advice, recommendations and other observations contained in the report on the annual accounts are discussed with Controlling Officers and Receivers of Revenue who are requested for their views and comments. Where appropriate, responses from auditees are summarised for inclusion in the annual report.

Value for Money Audit

- 1.4.1** Value for Money (VFM) examinations assess the extent to which government departments and other public bodies have employed their resources; whether financial, human or material; in the performance of their functions and activities. VFM audits principally provide independent information, advice and assurance concerning economy, efficiency and effectiveness in the major fields of revenue, expenditure and the management of resources, including the evaluation of service quality and the measurement of performance. VFM reviews also highlight appropriate means of securing improvements in financial control and value for money, and encourage, support and assist audited bodies in taking proper action where improvements are shown to be necessary and cost effective in order to enhance accountability.
- 1.4.2** Although the Principal Auditor does not yet have specific statutory authority to carry out VFM examinations he has been doing so, with the support of the Government, since 1992. VFM reviews do not question the merits of policy objectives. However, the means by which policy objectives are pursued, the implementation arrangements and controls, the costs incurred and the results achieved are all legitimate subjects for VFM studies.
- 1.4.3** The Principal Auditor reports both good practice and management deficiencies. The selection of topics for investigation is based on a systematic review of government spending with particular attention given to areas where the largest resources are involved, where VFM is judged most at risk and where there are greater opportunities to enhance performance. All studies undertaken as part of the VFM programme should have a lasting benefit to the audited body through improved service delivery, financial savings and/or improved governance.
- 1.4.4** Draft VFM reports are discussed with the audited body concerned with a view to identify any fundamental differences of opinion on the main facts and conclusions to ensure accuracy and completeness as well as a balanced and fair presentation. Reports do incorporate responses received to the main issues raised.
- 1.4.5** Audit work on VFM reviews conducted so far has generally provided a positive and valuable effect on departments and other public bodies, by delivering a greater awareness in the areas covered by the audit programme of VFM studies and from improvements made to systems and procedures on the specific areas examined.
- 1.4.6** Six VFM reviews were completed since the audit report on the annual accounts for the financial years 2016-17 and 2017-18 was published. A summary of the main findings and recommendations is presented in Part 5 of this report.
- 1.4.7** The Principal Auditor is committed to continue undertaking VFM reviews given that VFM examinations play a crucial role in providing an independent assessment on whether government departments and other public entities are spending taxpayers' money economically, efficiently and effectively.

PART 2 – AUDIT OF THE ANNUAL ACCOUNTS STATEMENTS

General

- 2.1.1** Section 52 of the Public Finance (Control and Audit) Act (“the Act”) requires the Accountant General within a period of nine months, or such longer period as shall be allowed, after the close of each financial year to sign and transmit to the Principal Auditor accounts showing fully the financial position of the Government of Gibraltar at the end of such financial year.
- 2.1.2** On 12 December 2019, the Minister responsible for Finance granted an extension for the said public accounts to be submitted to me by the Accountant General, in accordance with the provisions of Section 52 (1) of the Act, until such time as the Supplementary Appropriation Bill was sanctioned by Parliament and the Appropriation Act was published in the Gazette.
- 2.1.3** Pursuant to Section 52 of the Act the Accountant General submitted to me on 28 July 2021 the public accounts of Gibraltar for the financial year ended 31 March 2019, subsequent to the publication of the Supplementary Appropriation (2018/2019) Act 2021 in Legal Notice No. 16 of 2021 of the First Supplement to the Gibraltar Gazette No. 4881 of 27 July 2021, which provides, inter alia, for the appropriation of further sums of money to the service of the year ended 31 March 2019 in respect of Consolidated Fund Recurrent Expenditure (£8.80m); Consolidated Fund Contributions towards the Social Assistance Fund (£25.00m) and the Improvement and Development Fund (£13.50m); Improvement and Development Fund Capital Expenditure (£11.83m); Recurrent Expenditure of Public Undertakings (£12.93m); and Capital Expenditure of Public Undertakings (£0.19m).
- 2.1.4** However, the Accountant General re-submitted to me the final set of accounts on 30 May 2025 after the majority of the adjustments and amendments to the public accounts of Gibraltar had been carried out. I need to highlight that there were a number of audit adjustments relating to revenue and expenditure transactions that the Accountant General did not agree to adjust which I have commented in paragraphs 2.13.1 to 2.13.13 of this report.

Statement of Assets and Liabilities

- 2.2.1** The Statement of Assets and Liabilities, prepared as part of the public accounts of Gibraltar, does not reflect a large number of government assets, as the government accounting system is principally maintained on a cash basis, except for interest earned on investments, as well as investments, which are accounted for on an accrual basis. Assets not shown include government housing and buildings, vehicles, debtors, as well as shareholding in government-owned companies and joint venture companies. Liabilities, such as sundry creditors are similarly not shown in the statement.
- 2.2.2** The Statement of Assets and Liabilities therefore represents mainly year-end cash assets and liabilities. A note to this effect appears in the Notes to the Accounts in the Annual Accounts.

Consolidated Fund

- 2.3.1 General** - The Consolidated Fund consists of all revenues and other monies raised or received for the purposes of the Government of Gibraltar, except revenues or other monies that are payable by or under any law into some other fund. All expenditure from the Consolidated Fund must be authorised by an appropriation law or by the Gibraltar Constitution or any other law in force in Gibraltar.
- 2.3.2** The Consolidated Fund Balance on 31 March 2019 stood at £125.28m, compared to £119.44m on 31 March 2018, an original estimate of £95.68m and a forecast outturn of £120.74m.

PART 2 - ANNUAL ACCOUNTS STATEMENTS

2.3.3 Consolidated Fund - Revenue - Recurrent revenue during the financial year 2018-19 was £708.25m, compared to an original estimate of £651.68m, a forecast outturn of £706.62m and an increase of £70.19m (11.00%) compared to the previous year's recurrent revenue yield of £638.06m.

2.3.4 The year-on-year rise of £70.19m in recurrent revenue was due to net increases in receipts principally in the following revenue subheads:

Figure 1

Increase in Revenue	Amount	Decrease in Revenue	Amount
Company Tax	£52.90m	Gambling Charges and Fees	£6.01m
Income Tax	£15.26m	Import Duties	£2.25m
Gambling Licences	£3.80m	Sale of Electricity to Consumers: Other Revenue	£1.15m
Stamp Duties	£2.95m	Other Reimbursements	£0.71m
Group Practice Medical Scheme	£1.88m	Ground and Sundry Rents	£0.67m
Tourist Sites Receipts	£1.66m	Postal Services Receipts	£0.65m
Commercial Works (Gib Electricity Authority)	£1.09m	Court Fees	£0.64m
Tobacco Licences	£0.46m	Airport Departure Tax	£0.46m
Port, Operator & Harbour Craft Licences	£0.41m	WOPS Contributions	£0.42m
Sale of Electricity to Consumers: Billed Charges to Consumers	£0.35m	Licences and Fees	£0.31m
Bunkering Charges	£0.30m	Ship Registration Fees	£0.12m
Fines and Forfeitures	£0.30m	Revenues Received: Mega Concert	£0.11m
Other Receipts (Hospital Fees)	£0.28m	Revenues Received: Miscellaneous & Other Events	£0.11m
Town Planning & Building Control Fees	£0.26m		
Island Games 2019	£0.21m		
Circulating Coinage	£0.17m		
Companies House Fees	£0.17m		
Government Lottery Surplus	£0.17m		
Recovery of Airport Fire and Rescue Service Costs – MOD	£0.17m		
Berthing Charges	£0.16m		
GHA ERS Residents' Contributions	£0.13m		
General Rates and Salt Water Charges	£0.11m		
	<u>£83.19m</u>		<u>£13.61m</u>

2.3.5 The titles of the Receivers of Revenue and Controlling Officers referred to hereunder are as specified in the Approved Government of Gibraltar Estimates of Revenue and Expenditure 2018-2019, notwithstanding that the titles might have changed at the time I requested an explanation for a variance. However, if the responsibilities changed to a different Receiver of Revenue or Controlling Officer at the time that I requested an explanation for a variance, I have then made reference to the latter Receiver of Revenue or Controlling Officer.

2.3.6 I hereunder provide the explanations received from Receivers of Revenue for the major variances between original estimates and actual revenue during the financial year 2018-19:

Head 1 – Income Taxes
Subhead 1 – Income Tax

Original Estimate - £165,000,000

Actual Revenue - £181,885,672

In his reply, the Commissioner of Income Tax explained that it was important to note that increases or decreases in the level of income tax revenue are sensitive to prevailing external market conditions and risks. Such fluctuations, he said, do not provide a sound basis for any reliable forecast or estimate without a detailed market trend analysis by reference to properly documented assumptions, risk profiling and assessment, actual market data and industry benchmarks. The Commissioner clarified that notwithstanding this, the positive variance of £16.89m over the approved estimate was likely due to a number of factors, including:

- the increase in the annual average earnings at the material time as compared to the basis used in forecasting;
- evolving growth in certain pillars and sectors of the economy that are significant employers domestically (e.g. financial services and construction); and
- revenue optimisation and efficiency through the continuing efforts of both the Income Tax Office and the Central Arrears Unit in seeking the timely payment of current PAYE Tax by local employers.

Head 1 – Income Taxes

Subhead 2 – Company Tax

Original Estimate - £130,000,000

Actual Revenue - £163,801,193

The Commissioner of Income Tax informed me that in line with the above-mentioned explanations relating to Income Tax, any comparison of tax revenue between forecasted results and actual yield must consider the impact of external market forces on profits reported by companies, particularly in the absence of detailed forecasting techniques, identification and assessment of market risks and the necessary sensitivity analysis. The Commissioner explained that nonetheless, in his view, the positive variance of £33.80m over the approved estimate observed in company tax revenues continued to be attributable to the growth from key industry sectors such as gaming and financial services, in line with the Government's strategy to develop and expand this market, attracting new business and inward investment. The revenue collected was overstated by £267,259, due to a bank credit that was recorded twice and has been corrected in the financial year 2025-26, see paragraphs 2.13.4 and 2.13.5 for further details.

Head 2 – Duties, Taxes and Other Receipts

Subhead 1 – Import Duties

Original Estimate - £168,000,000

Actual Revenue - £173,710,983

The Collector of Customs informed me that the reason for the positive variance of £5.71m between estimated revenue and the actual revenue collected was largely as a consequence of budget measures, which resulted in increases in import duty on cigarettes, rolling tobacco and water pipe tobacco; diesel and unleaded fuel; motor vehicles with diesel engines under 1495cc; single use plastics; wines, spirits and alcoholic beverages; diamonds and gems; and toothbrushes and other electric appliances.

Head 2 – Duties, Taxes and Other Receipts

Subhead 4 – Stamp Duties

Original Estimate - £5,500,000

Actual Revenue - £7,611,859

Alike previous years, the acting Accountant General informed me that the estimate for Stamp Duties was based on information provided by Land Property Services Limited, which is largely based on the previous year's collections, as it is difficult to predict with accuracy the volume of real property transactions that will occur in the financial year.

Head 3 – Gambling Charges, Fees and Lottery

Subhead 1 – Gambling Charges and Fees

Original Estimate - £10,000,000

Actual Revenue - £7,962,506

The Principal Secretary (Tourism, Employment, Commercial Aviation and the Port), informed me that the negative variance of £2.04m was attributable to the fact that only 3 quarters of gaming duty was collected in the financial year 2018-19. He explained that at the time, a new duties and licensing fees model was being introduced. This would then be ratified upon completion of the quarter and any differences paid the following financial year. The Principal Secretary added that upon the implementation of the new Gambling (Duties and Licensing Fees) Regulations 2018, with effect from 1 April 2018, the collection of gaming duty payments was brought in line with the other quarterly payments. The Principal Secretary further explained that gaming duties are now payable in arrears on 1st April, 1st July, 1st October and 1st January and the duty payable due by no later than the 28th of the month. This resulted, he said, in the gaming dues in respect of the quarter January 2019 to March 2019, amounting to £2.10m, being received in the subsequent financial year 2019-21.

Head 4 – Rates and Rents

Subhead 1 – General Rates and Salt Water Charges

Original Estimate - £28,000,000

Actual Revenue - £26,784,402

The acting Accountant General explained that the estimates figure is provided by Land Property Services Limited, based on the level of rents billed in the previous financial year. The acting Accountant General further explained that Land Property Services Limited had also informed her that the increase in the rates discount granted for early payment in the retail and distributive trades, including catering establishments, from 30% to 50%, had likely contributed to the decrease in revenue collected in the financial year 2018-19.

Head 5 – Departmental Fees and Receipts

Subhead – 18 Commercial Works

Original Estimate - £3,800,000

Actual Revenue - £4,813,229

The Finance and Administration Director explained, on behalf of the Chief Executive Officer of the Gibraltar Electricity Authority, that the positive revenue variance of £1.01m was largely attributable to 83 new commercial projects, totalling £1.19m, which started during the financial year 2018-19 but had not originally been included in the revenue estimates bid for the year. In contrast, the revenue received from the projects that were included in the bid for 2018-19, amounting to £3.62m, fell short of the budgeted sum by £0.25m. This was as a result of some projects commencing later than expected, and as a consequence being affected by market fluctuations in the price of equipment when placing the purchase orders, as well as changes to the scope of the works and required electrical loads.

Head 5 – Departmental Fees and Receipts

Subhead 39 – Group Practice Medical Scheme

Original Estimate - £57,000,000

Actual Revenue - £57,842,099

The Executive Director of Finance, Gibraltar Health Authority (GHA) informed me, on behalf of the Director General of the GHA, that the reason for the increase in Group Practice Medical Scheme revenue was primarily due to the increase in social insurance contributions, effective from 1 July 2018, that had not been fully factored into the budget projections, likely leading to an underestimation during the GHA budgeting process and a consequent under-projection of revenue. The Executive Director of Finance added that this analysis indicated that the positive variance of £842,099 might stem from the GHA's initially

conservative estimates, or from the unanticipated increase in the rates of social insurance contributions.

2.3.7 Consolidated Fund – Expenditure - Recurrent expenditure for 2018-19 stood at £620.91m, compared to an original estimate of £627.82m, a forecast outturn of £623.82m and an increase of £26.48m (4.43%) compared against the previous year's recurrent expenditure of £597.34m.

2.3.8 Consolidated Fund – Expenditure – Consolidated Fund Contributions - There was a contribution of £56.50m from the Consolidated Fund to the Improvement and Development Fund in the year 2018-19 compared to £26.00m in the previous financial year. There was also a contribution of £25.00m to Government-owned companies during the year, which was identical to the contribution made in 2017-18, and which I comment in paragraph 2.3.9 below. Furthermore, there was a transfer from Government Surplus to the Social Assistance Fund of £25.00m compared to £15.00m in the previous financial year.

2.3.9 As mentioned in paragraph 2.3.8, in the financial year 2018-19 there was an approved budgeted sum of £25.00m under Head 55, Subhead 1 Contribution to Government-owned companies. In previous financial years, I had written to the Financial Secretary, who not only is the officer responsible for the preparation of the annual estimates of revenue and expenditure that are presented in Parliament, but is also the Controlling Officer of this Head of Expenditure, requesting that he provide me with information on what the £25m was budgeted to be spent on, and which Government-owned companies received the contribution from the Consolidated Fund, and the type of expenditure they ultimately contributed to fund within them. The previous Financial Secretary had refused to provide me with this information. However, I am pleased to say that in late December 2023, the current Financial Secretary agreed to provide me with the information I required in regard to the Government contributions of £25.00m to Government-owned companies in the financial years 2016-17 and 2017-18. In May 2024, I requested similar information regarding the £25.00m contribution from the Consolidated Fund to Government-owned companies in the financial year 2018-19.

2.3.10 The Financial Secretary informed me that the £25.00m contribution was provided by the Consolidated Fund to Gibraltar Investment (Holdings) Limited. He explained that the funds were apportioned by Gibraltar Investment (Holdings) Limited to its subsidiary companies to meet the net recurrent expenditure of these companies. Expenditure of the subsidiaries includes items that would form part of any limited company's normal course of business, such as: payroll and related costs; repairs and maintenance; rent & rates; electricity & water; accounting and legal fees; security expenses; insurance; service charges, etc. Figure 2 shows a breakdown of how Gibraltar Investment (Holdings) Limited largely apportioned the contribution received from the Consolidated Fund in the financial years 2018-19:

Figure 2

Contributions provided by GIH to Subsidiary Public Companies for the Financial Year 2018-19

Gibraltar Air Terminal Ltd	£12,114,986
Gibraltar Car Parks Ltd	£6,539,540
Gibraltar Bus Company Ltd	£4,343,082
Kings Bastion Leisure Centre Company Ltd	£2,000,892
Total	£24,998,500

2.3.11 I draw attention hereunder to the reasons provided by Controlling Officers regarding the major variances between the original estimates and the actual expenditure for the financial year 2018-19, which in my opinion warrant an explanation:

Head 03 – Pensions Subhead 1 – Pensions

Original Estimate - £40,000,000

Actual Expenditure - £40,495,521

The acting Accountant General explained that pension payments are difficult to project with accuracy. She said it is likely that there will always be a variance within this subhead as Treasury depend on employees who have indicated their intention to retire to follow through. She added that variances will also arise due to the various commutation options that are available.

Head 03 – Pensions Subhead 2 – Gratuities under the Pensions Act and Parliament Act

Original Estimate - £1,000,000

Actual Expenditure - £297,708

The acting Accountant General informed me that providing a precise estimate under this subhead is challenging, as it is very difficult to provide an accurate estimate of the gratuities that will be paid during the year; as a result, a token sum of £1.00m is reflected every year in the Estimates. She highlighted that this subhead is charged with the pre- April 2012 revised gratuities, in addition to gratuities paid under the Pensions Act and Parliament Act to those who pass away in service.

Head 07 – Revenue Repayments Subhead 1 – Repayment of Revenue

Original Estimate - £15,500,000

Actual Expenditure - £16,911,972

The acting Accountant General explained that the Treasury budget submission to the Financial Secretary was reduced from £16.60m to £15.50m. Notwithstanding the reduction, the actual expenditure for the year exceeded the estimate due to the release of tax assessments for the tax years 2011-12 and 2012-13 and the resulting refund of income tax.

Head 1 – Treasury Subhead 2 – Other Charges – (6) Circulating and Commemorative Coinage Expenses: (a) Circulating Coinage Expenses

Original Estimate - £1,000,000

Actual Expenditure - £306,340

The acting Accountant General informed me that following the United Kingdom's introduction of the new 12-sided £1 coin, the Government of Gibraltar planned to follow suit. The costs for minting this coin was obtained and included in the annual budget submission. However, this plan never materialised.

Head 18 – Education Subhead 2 – Other Charges – (5) Scholarships (a) Mandatory

Original Estimate - £17,846,000

Actual Expenditure - £15,568,918

The Director of Education, although not the head of department, or controlling officer at the time, provided me with the reasons for the positive variance of £2.28m in mandatory scholarships expenditure. She explained that it was difficult to predict with accuracy the number of mandatory scholarship awards that will be granted in any academic cycle, further to the uptake of university/higher education placements which will be government funded. She made clear that the number of mandatory scholarship awards granted in any one academic cycle was dependent on a number of factors, such as:

- The number of students there are in Year 13 across all 3 secondary schools, and the number of these who are interested in pursuing higher education and apply for government funding and are eligible;
- The number of scholarship applicants from the private schools in Gibraltar who are eligible;
- The number of individuals who have taken a gap year and subsequently opt to apply for funding and are found to be eligible;
- The nature of the courses individuals wish to undertake, and the tuition fees associated with these;
- Whether individuals complete courses abroad via Distance Learning, or at the University of Gibraltar;
- If studying abroad, the location where individuals opt to study and the corresponding funds for travel (flight and rail) and general assistance (maintenance grant) associated with their location;
- The tuition fees associated with students' courses of study;
- The number of government sponsored students who continue onto a master's degree course within the same field of study as their undergraduate course, as these are awarded mandatory scholarship awards. Uptake in this regard varies and is not possible to predict; and
- The number of students who continue their previously awarded mandatory award after a period of deferral or suspension of studies.

The Director highlighted that essentially the department endeavoured to predict the expenditure for a service that is demand-led, and the scope of which is wide-ranging, adding that budgetary expenditure was determined by all the aforementioned variables, and the range of outcomes for each variable. The Director further explained that the department strives to calculate the estimated expenditure in as detailed a manner as possible, using educated guesses and averages for each variable as outlined above, based on the details they have at their disposal, and taking into account current trends and observed patterns from previous academic cycles and their experience within the field. However, it is always a calculated guess.

Head 24 – Economic Development Subhead 1 – Payroll – (1)(a) Salaries

Original Estimate - £1,240,000

Actual Expenditure - £819,512

The Principal Secretary (Economic Development), although not the head of department or Controlling Officer at the time, provided me with the reasons for the expenditure underspend amounting to £0.42m. He explained that the major part of the variance, around £0.30m, corresponds to vacancies included as part of the bid that surprisingly appear to have been approved by the Office of the Financial Secretary, with the vacancies subsequently not having been filled. The Principal Secretary added that the remaining part of the variance of £0.12m can be attributed to officers in the complement retiring, and others moving on promotion during the year without being replaced.

Head 30 – Care Agency Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Care Agency (b) Additional Contribution

Original Estimate - £16,897,000

Actual Expenditure - £15,806,000

The acting Accountant General, being the controlling officer of this vote of expenditure during the financial year 2018-19, informed me that the estimate was based on the Care

Agency's budget submission. She said the Care Agency had explained that the underspend in expenditure was largely due to savings in Payroll, as a result of a number of vacancies across different services in the Agency; and to a lesser extent, due to a decrease in the number of hours performed under Domiciliary Care.

Head 38 – Port

Subhead 2 – Other Charges – (1) Contribution from the Consolidated Fund to the Gibraltar Port Authority (a) Contribution from Revenues Received

Original Estimate - £7,107,000

Actual Expenditure - £6,705,000

The Principal Secretary (Tourism, Employment, Commercial Aviation and the Port) explained that the positive variance of £0.42m was largely due to:

- there being 8 vacancies in the Gibraltar Port Authority over the year (£0.12m);
- a saving in waste discharge expenditure (£0.12m) attributable to a credit adjustment applied in the year, arising from an overpayment of these costs during 2017-18; and
- a saving as a result of the port launch being non-operational for the major part of the year.

Head 40 – Social Security

Subhead 2 – Other Charges – (6) Payment to Social Assistance Fund – Import Duty

Original Estimate - £15,200,000

Actual Expenditure - £7,500,000

The Financial Secretary explained to me that the level of funding was determined by the actual expenditure incurred by the Social Assistance Fund as at the end of March 2019. The saving of £7.70m was due to the extant policy which the previous Financial Secretary had provided to me in his reply to a similar query for this same subhead of expenditure in the 2016-17 accounts (see page 12 in my report on the public accounts of Gibraltar for the financial year 2016-17). The standing Government policy is that the level of contribution made to the Social Assistance Fund out of this subhead of expenditure continues to be determined by the actual level of expenditure incurred by the Social Assistance Fund in any given year before the contribution to Gibraltar Community Care Trust is effected. The Financial Secretary explained that this accounting approach was adopted following Government's policy decision to exclusively fund the Social Assistance Fund's contribution to Gibraltar Community Care Trust from the Government's recurrent surplus. He added, that only in the unlikely event that the Government surplus were to prove insufficient, would this subhead provide the element of funds required to allow the Social Assistance Fund to meet the contribution payment to Gibraltar Community Care Trust. The Financial Secretary said that it is for this reason that a prudent approach is taken at budget time to provide for these costs. He added that, nevertheless, by the time the Estimates book is produced with the forecast outturn, the Government is in a position to determine its surplus and decide how much should be shown as a contribution to Gibraltar Community Care Trust from that surplus, which then invariably results in a saving from this subhead.

Head 48 – Financial Services

Subhead 2 – Other Charges – (8) Financial Services Commission (b) Extraordinary Investigation Expenses

Original Estimate - £0

Actual Expenditure - £774,661

The Principal Secretary (Tourism, Employment, Commercial Aviation and the Port) informed me that there was no budgetary provision for this expenditure at the beginning of the financial year. The Principal Secretary explained that the Government agreed with the Gibraltar Financial Services Commission (GFSC) to meet any shortfall relating to legal and investigation costs incurred by the Commission in relation to particular investigations

and regulatory action. The cost of this during the financial year 2018-19 amounted to £670,851. Additionally, the Government also agreed to reimburse the GFSC with the cost of a construction premium (£103,810) paid by the Commission to Land Property Services Ltd for the development of offices in Block 5, Europort.

I wrote to the Office of the Financial Secretary on 6 November 2024 enquiring to know the reasons why it had been decided to charge the reimbursement of the construction premium to Head 48, Subhead 2 (8)(b) Extraordinary Investigation Expenses, when the nature of this expenditure does not relate to investigation expenses. I said that I did not consider the cost of the construction premium amounting to £103,810 to be a proper charge to Head 48, Subhead 2 (8)(b) Extraordinary Investigation Expenses.

The Senior Executive Officer of the Office of the Financial Secretary replied saying that the opening of subhead 2 (8)(b) Extraordinary Investigation Expenses had been authorised by their office to reimburse the GFSC for expenditure directly attributable to an investigation being carried out. Any unrelated expenditure such as the reimbursement of the construction premium would be an incorrect charge to this subhead. She further explained that although there are exchanges that show that the former Financial Secretary was aware of Government's decision to reimburse the GFSC for the construction premium, after carrying out a search through their records they had not found any evidence to suggest that an instruction to charge the cost of the construction premium to the investigations expenses subhead had been issued by their Office. She could only conclude that charging this construction premium expense had been an administrative error.

On 24 January 2025, the Financial Secretary wrote to me agreeing that the expenditure was not related to any investigation and given the nature of the payment an appropriate Head of Charge would have been: Head 48 Subhead 2(8)(a) Financial Services Commission – Subvention. Although the Accountant General agreed that the sum of £103,810 had been misallocated to Head 48 Subhead 2(8)(b) when the more appropriate expenditure allocation would have been Head 48 Subhead 2(8)(a). Nevertheless, she did not agree to make the necessary adjustments to the Treasury books of account to reflect the misallocation but instead included an explanatory note at the footer of the relevant page on the public accounts. Further details are provided in paragraphs 2.13.1 to 2.13.13 of this report.

Consolidated Fund - Unauthorised Expenditure

- 2.4.1** All Consolidated Fund expenditure in the financial year 2018-19 was covered by appropriation as required under Section 69 of the Constitution of Gibraltar.

Consolidated Fund - Unauthorised Use of Savings

- 2.5.1** There was no unauthorised use of expenditure savings in the financial year 2018-19.

Improvement and Development Fund

- 2.6.1 General** - The Improvement and Development Fund (I&DF) consists of contributions appropriated from the Consolidated Fund, in addition to monies derived from the sale of Government properties and other premia, as well as grants received for the purpose of meeting expenditure relating to capital projects, development works and the provision and acquisition of capital assets.
- 2.6.2** The balance in the I&DF on 31 March 2019 stood at £1.45m, compared to an original estimate of £0.43m, a forecast outturn of £0.81m and the comparative previous year's closing balance of £0.71m.
- 2.6.3 Improvement and Development Fund Revenue** - The revenue of the I&DF for the financial year 2018-19 was £84.55m, compared to an original estimate of £72.10m, a forecast outturn of £84.48m and the previous year's revenue of £55.22m.

- 2.6.4** I obtained explanations from Receivers of Revenue for the larger variances between original estimates and actual revenue for the financial year 2018-19 and highlight the explanations provided to me hereunder:

Head 101 – Contribution and Loans

Subhead 1 – Contribution from Consolidated Fund - Reserve

Original Estimate - £43,000,000

Actual Revenue - £56,500,000

The Financial Secretary informed me that the net actual expenditure incurred (£83.81m) under the I&DF was higher than had originally been budgeted (£71.99m), consequently the I&DF required a higher level of contribution from the Consolidated Fund in order to allow the I&DF to meet its 2018-19 capital expenditure needs.

Head 102 – Sale of Government Property and Other Premia

Subhead 1 – Land, Building Sales and Leases and Other Premia

Original Estimate - £22,500,000

Actual Revenue - £18,829,205

The Financial Secretary explained that the I&DF revenue was a difficult area to project and the revenue estimate for the financial year 2018-19 provided for the sale of properties that had not materialised during the year.

Head 104 – Reimbursements

Subhead 5 – Other Reimbursements

Original Estimate - £1,000

Actual Revenue - £2,964,929

The Financial Secretary informed me that a token figure of £1k was included in the Estimates for the year, as at the time no significant revenue was expected to be received in the financial year 2018-19. However, during the year a decision was taken to finance the Gibraltar Island Games Lathbury Barracks Sports Project expenditure, that had initially been charged to the I&DF in the previous financial year 2017-18, through a government-owned company. This resulted in the need of an accounting adjustment in order to reimburse the I&DF for the costs incurred in the previous financial year amounting to £2.93m.

Head 104 – Reimbursements

Subhead 8 – MOD Contribution towards Relocation Costs – Project Euston

Original Estimate - £4,200,000

Actual Revenue - £3,860,893

The Chief Technical Officer informed me that the projected revenue under this subhead was in relation to infrastructure works being undertaken for the MOD by the Government contractor within the Four Corners estate linked to Project Euston. The Chief Technical Officer explained that the reason for the lower receipt of revenue was due to a slower rate of progress with the works than had been anticipated.

- 2.6.5** **Improvement and Development Fund Expenditure** - The expenditure of the I&DF for the financial year 2018-19 was £83.81m, compared to an original estimate of £71.99m, a forecast outturn of £84.38m and the previous year's expenditure of £62.40m.

- 2.6.6** I hereunder detail the reasons and explanations provided to me by Controlling Officers on the variances between the original estimates and the actual expenditure for the financial year 2018-19 that I considered of major significance:

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Head 102 – Projects

Subhead 4 – Other Projects (zb)(i) Island Games Facilities

Original Estimate - £14,000,000

Actual Expenditure - £17,446,796

The total expenditure for the year under this subhead, of £17.45m, was divided for internal purposes into two components, namely: (i) works; and (ii) equipment. The expenditure incurred under each component consisted of: £16.99m in respect of works, and £0.46m in respect of equipment. The total expenditure of £17.45m was partly met by a virement of £1.57m from Head 54 – Supplementary Provision; Subhead 1 – Supplementary Funding, producing an overall excess of £1.88m under this subhead, see Figure 3.

Figure 3

I&DF Expenditure Head	Subhead	Approved Estimate	Supplementary Funding	Total Authorised Expenditure	Actual Expenditure	(Excess) /Saving
102	4(zb)(i) Island Games Facilities: Works	£14,000,000			£16,984,887	(£2,984,887)
102	4(zb)(i) Island Games Facilities: Equipment	£0			£461,909	(£461,909)
		£14,000,000			£17,446,796	(£3,446,796)
Add Supplementary Funding						£1,570,000
		£14,000,000	£1,570,000	£15,570,000	£17,446,796	(£1,876,796)

The Chief Executive Officer of the Gibraltar Sports and Leisure Authority informed me that he was the Controlling Officer responsible for the Island Games Facilities comprising the Europa Point facility, the Clay Target facility and the Special Olympics Complex. He further explained that at the time of the Estimates submission for the financial year 2018-19 the expenditure budget figure of £14.00m was provided by the Project Management Team at AKS Architects & Engineers. This figure was the estimate of works certificates, etc. that were expected to be paid during 2018-19 as a result of the works being undertaken in respect of the sports facilities for the Island Games.

The Chief Executive Officer of the Gibraltar Sports and Leisure Authority explained that the variance of £2.98m under the 'Works' internal component of the subhead was attributed to unexpected increased costs in relation to material procurement, transport, and issues with regard to construction, that increased the cost of labour and the increased reliance on extra machinery to accelerate the works, given the tight time frames to complete construction in time for the Island Games in July 2019.

In regard to the variance of £0.46m under the 'Equipment' component of the subhead, the Chief Executive Officer of the Gibraltar Sports and Leisure Authority further explained that at the time of the 2018-19 budget submission, no consideration/allocation had been made for equipment to kit out, not only the new facilities, but also the existing ones to an 'Island Games' standard. As a consequence, he wrote to the Financial Secretary requesting the extra funding required for equipment, in addition to a revised mechanism from which to pay this cost. It was decided that I&DF Head 102, Subhead 4(zb)(i) Island Games Facilities would be split for internal purposes into: (i) Works, and (ii) Equipment.

Head 102 – Projects

Subhead 4 – Other Projects (zr) Urban Wastewater Treatment Plant

Original Estimate - £1,000

Actual Expenditure - £771,454

The Chief Technical Officer informed me that the expenditure under this subhead related to works and consultants' fees undertaken in respect of the planned wastewater treatment plant project at Europa Point. This was comprised of work carried out at pre-contract stage,

including on-going assessments by the specialist consultants and works undertaken by the Gibraltar Electricity Authority for the provision and installation of an electrical substation that would power the facility in future. The Chief Technical Officer explained that his Estimates submission for this project had been a part bid of £3.00m, but instead a token funding allocation of £1k had been approved by the Office of the Financial Secretary which is what had generated the over expenditure in this subhead.

Head 102 – Projects

Subhead 4 – Other Projects (zt) Relocation of Bus Depot/Technical Services Garage /Calypso

Original Estimate - £1,425,000

Actual Expenditure - £918,349

The Chief Technical Officer explained that the funding allocated to this subhead related to works at the ex-Ministry of Defence Motor Transport Workshop compound on Dockyard Road to relocate the Technical Services Department Motor Transport Garage out of Waterport and the Gibraltar Bus Company depot out of the Four Corners area. The Chief Technical officer further explained that this was an on-going project, started during the financial year 2017-18 and the funding bid made for the financial year 2018-19 was based on a forecast outturn for 2017-18 (£1.480m) which was lower than the actual (£1.475m). This therefore meant that there was less expenditure during 2018-19 to complete the project thus leading to the under expenditure indicated.

Head 102 – Projects

Subhead 4 – Other Projects (zv) Completion of Infrastructure Service Corridor (North Front Area)

Original Estimate - £1,000,000

Actual Expenditure - £5,129

The Chief Technical Officer informed me that the funding allocated under this subhead related to the project to construct a new sewage pumping station at Western Beach to replace an existing one and to the construction of a services corridor, which included the pumping station's associated infrastructure, up to the area of the new Air Terminal. The new pumping station was to be located on what was Ministry of Defence land adjacent to the Western Beach area and which needed to be transferred over to the Government of Gibraltar before the project could commence. The Chief Technical Officer further explained that, unfortunately this land transfer did not take place during the financial year 2018-19 so it was not possible to start the planned works. This led to the under expenditure indicated under this subhead.

Head 102 – Projects

Subhead 4 – Other Projects (zzh) Works to Buena Vista Estate

Original Estimate - £500,000

Actual Expenditure - £97,377

The Chief Technical Officer explained that the funding allocated under this subhead related to works to be carried out to Buena Vista Estate. The bid made for the project was based on the assumption that the contractor would start mobilising for the works during August 2018. This however did not materialise until later in the year, which therefore meant the expenditure on the project was lower than had been estimated, leading to the under expenditure indicated.

Head 102 – Projects

Subhead 4 – Other Projects (zzk) Other Community Projects

Original Estimate - £400,000

Actual Expenditure - £0

The current Principal Secretary (Economic Development) explained to me that during the financial period in question, he was not the Controlling Officer for Economic Development.

Nevertheless, he endeavoured to provide me with the following explanation: The Government allocated funding under this I&DF subhead to use as a 'rainy day' capital fund for community projects that would otherwise have no other means to fund necessary capital works – an example of this being works to Nazareth House Refuge by Hospital Ramp. In the year under review, the funding was not utilised because no project arose that required this exceptional type of ad-hoc capital funding. The Principal Secretary (Economic Development) pointed out that funding to this I&DF subhead has since reduced and in recent years the funding appeared as a token sum of £1k.

2.6.7 Improvement and Development Fund – Misallocation - On 4 March 2019, BV Homes paid a partial premium of £1,000,000 to the Government of Gibraltar in consideration for the grant of the Lease (Premium) for the plot of land in Europa Walks for £7,250,000. The remaining balance of £6,250,000 was paid to Land Property Services Limited, acting as agents for the Government. While the £6.25m was correctly credited to I&DF Revenue Head 102, Subhead 1 Land, Building Sales and Leases and other Premia, the £1.00m paid directly to the Government was erroneously credited to I&DF Revenue Head 102, Subhead 2 Ex-MOD Sales.

2.6.8 On highlighting the misallocation to the acting Accountant General, she acknowledged that the partial premium sum of £1.00m had been incorrectly recorded at the time. She also agreed that the public accounts should reflect the correct categorisation to maintain transparency and ensure accurate reporting. However, given the considerable time elapsed, she believed that it would be more procedurally sound to reflect this correction as a note to the Annual Accounts statements rather than making a retrospective adjustment in the Treasury accounting system. In her view, this approach would preserve the integrity of the historical financial records whilst ensuring that the readers of the 2018-19 public accounts were made aware of the misallocation. She believed this represented a fair balance between audit requirements and accounting best practice. Further details of this, and other, misallocations are covered in paragraphs 2.13.1 to 2.13.13.

2.6.9 Improvement and Development Fund – General - As I commented in my previous report, the explanations provided to me by a number of Controlling Officers seems to indicate that there are weaknesses in the control and management of some capital projects. As I have previously emphasised there is a need that existing procedures be reassessed in order to ensure that, as far as practicable and possible, capital projects are completed on time, given that delays in the commencement and completion of works normally result in higher costs to Government.

Special Funds

2.7.1 Statutory Benefits Fund - A contribution of £7.00m was made from the Consolidated Fund to the Statutory Benefits Fund in the financial year 2018-19, which is the same level of contribution made in the preceding four financial years. The social insurance contributions collected during the year 2018-19, amounting £36.60, increased by £6.47m (21.47%) from the previous year's collections amounting to £30.13m. The significant increase in social insurance contributions collected during the financial year 2018-19 was as a result of three factors: Firstly, as from 1 July 2018 the rates of social insurance contributions increased by 10% on all contributor categories; secondly, also with effect from 1 July 2018, the apportionment of the social insurance contributions collected and assigned to the Statutory Benefits Fund increased from 35% of contributions collected to 40%; and lastly, there was a sizeable increase in the total number of employee jobs in Gibraltar during the year from 29,995 employee jobs in October 2018 to 30,603 employee jobs in October 2019 (*Source: Statistics Office - Employment Survey Reports*).

2.7.2 There was a year-on-year increase in total payments amounting to £1.20m (3.14%) from £38.19m during the previous financial year to £39.39m in the financial year 2018-19. This increase was mainly attributable to a year-on-year rise in local Old Age Pension payments amounting to £1.39m, from £34.07m to £35.46m. The increase in Old Age Pensions was

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principally as a result of a year-on-year net increase of 403 in newly classified old age pensioners, in addition to an annual pension increase of 2.5% as from 1 August 2018.

2.7.3 Figures 4 and 5 show that, other than in the first accounting period ending 31 March 2009, when the Statutory Benefits Fund was established on 1 July 2008, total annual expenditure of the Fund has exceeded the income received by the Fund in every successive financial year up to 2017-18. The effect of this has been that in the first ten years since the Statutory Benefits Fund was established, the balance in the Fund decreased from £20.73m as at 31 March 2009 to a negative fund balance of - £7.04m at the end of the financial year 2017-18. The shortfall in net payments of £6.86m during 2016-17 was partially met by an advance from the Consolidated Fund of £6.10m, and the net payments of £1.00m in 2017-18 was similarly met in part by an advance of £0.97m from the Consolidated Fund.

2.7.4 In the financial year 2018-19, the Statutory Benefits Fund, for the first time since March 2009, showed an excess of income over expenditure in the amount of £4.28m as at 31 March 2019. During 2018-19, the Statutory Benefits Fund repaid £3.50m of the total outstanding advance received from the Consolidated Fund, thus lowering the negative Fund Account balance from -£7.04m to -£2.77m as at 31 March 2019.

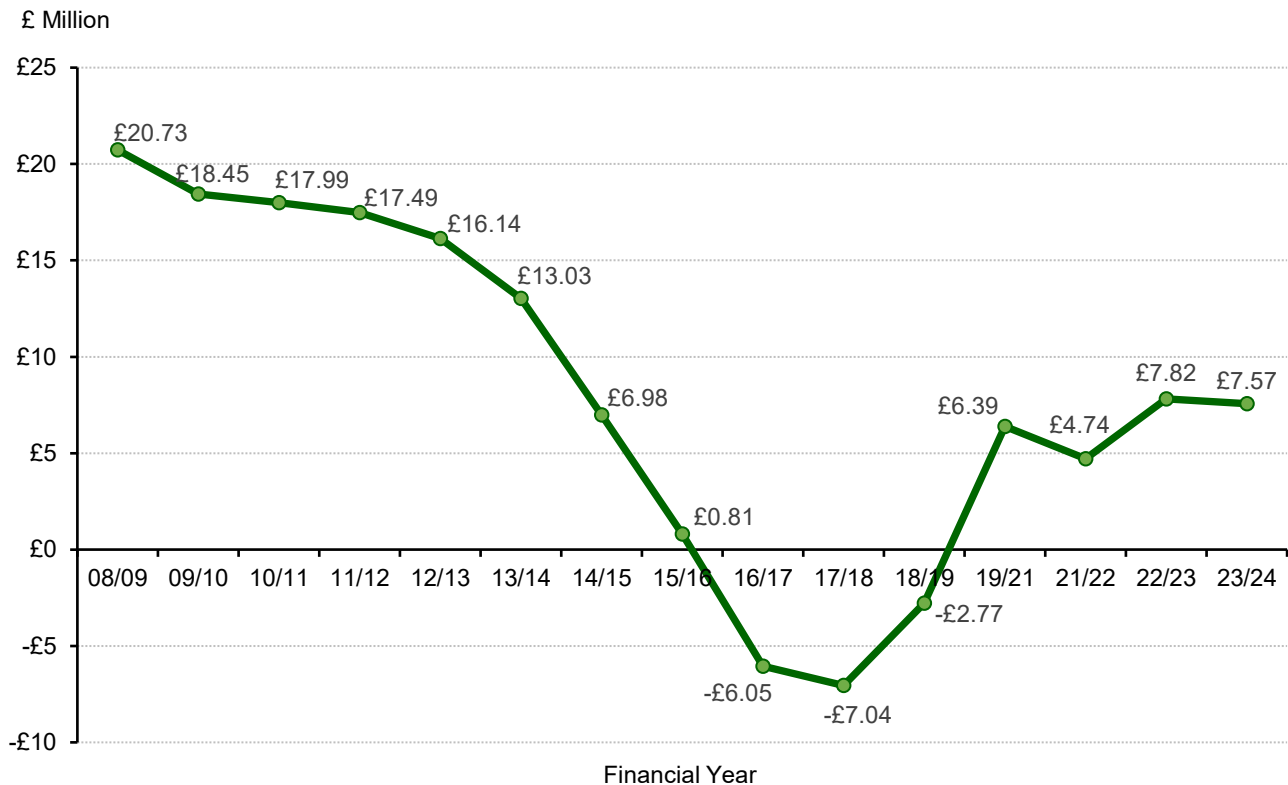
2.7.5 Since the end of 2018-19, and as a consequence of successive annual increases in the rates of social insurance contributions on 1 July 2021, 4 August 2022 and 1 July 2023, the Statutory Benefits Fund has been able to revert its negative Fund Account balance of - 2.77m to a positive Fund Account balance of £7.57m at the close of 2023-24. The Statutory Benefits fund was also able to repay, during the financial period 2019-21, the outstanding balance of £3.57m advanced from the Consolidated Fund.

Figure 4

Financial Year	Transfer from Consolidated Fund	Social Insurance Contrs. Collected	Other Income	Transfer from Social Insurance Funds	Total Statutory Benefits Fund Income	Total Statutory Benefits Fund Payments	Statutory Benefits Fund Balance at Year-end	Advance/ Repayment from/to the Consolidated Fund
Jul '08 – Mar '09	£10.00m	£11.53m	£0.52m	£17.74m	£39.79m	£19.06m	£20.73m	-
2009-10	£8.50m	£15.76m	£0.18m	-	£24.44m	£26.72m	£18.45m	-
2010-11	£7.50m	£17.53m	£0.20m	-	£25.23m	£25.69m	£17.99m	-
2011-12	£10.00m	£18.39m	£0.20m	-	£28.59m	£29.09m	£17.49m	-
2012-13	£10.00m	£18.60m	£0.18m	-	£28.78m	£30.13m	£16.14m	-
2013-14	£9.00m	£19.92m	£0.15m	-	£29.07m	£32.18m	£13.03m	-
2014-15	£7.00m	£21.12m	£0.15m	-	£28.27m	£34.32m	£6.98m	-
2015-16	£7.00m	£22.00m	£0.13m	-	£29.13m	£35.30m	£0.81m	-
2016-17	£7.00m	£22.56m	£0.07m	-	£29.63m	£36.49m	-£6.05m *	£6.10m
2017-18	£7.00m	£30.13m	£0.06m	-	£37.19m	£38.18m	-£7.04m *	£0.97m
2018-19	£7.00m	£36.60m	£0.07m	-	£43.67m	£39.39m	-£2.77m *	-£3.50m
2019-21	£14.00m	£72.79m	£5.11m	-	£91.89m	£82.74m	£6.39m	-
2021-22	£0.00m	£44.10m	£0.28m	-	£44.38m	£46.05m	£4.72m	-
2022-23	£0.00m	£48.79m	£0.79m	-	£48.87m	£45.77m	£7.83m	-
2023-24	£0.00m	£50.19m	£0.29m	-	£50.48m	£50.74m	£7.57m	-

* The Statutory Benefits Fund balance as 31 March 2017, 31 March 2018 and 31 March 2019 do not include the advances received/repaid from the Consolidated Fund which are shown in the adjoining column.

Figure 5



2.7.6 Arrears of social insurance contributions as at 31 March 2019 stood at £6,089,879 of which 40% £2,435,952 was receivable by the Statutory Benefits Fund (60% was receivable by the Consolidated Fund Revenue Head 5 Subhead 39, Group Practice Medical Scheme). See paragraphs 3.1.67 to 3.1.72 of this report for more detailed comments on the arrears of Social Insurance contributions.

2.7.7 Social Assistance Fund - The total sum paid to the Social Assistance Fund from the Consolidated Fund during the financial year 2018-19 amounted to £32.50m (£7.50m in respect of Import Duty Collections and £25.00m transferred from the Government Surplus), compared to the approved estimate of £15.20m (a token sum of £1k from Consolidated Fund Head 56 and £15.20m from Consolidated Fund Head 40); a forecast outturn of £32.50m (£7.50m from Head 40 and £25.00m from Head 56) and the previous financial year's payment from the Consolidated Fund of £22.90m (£7.90m from Head 39 and £15.00m from Head 54).

2.7.8 Total expenditure for the financial year 2018-19 amounted to £32.51m, £17.31m more than the approved estimate of £15.20m and £9.91m more than the previous year's expenditure of £22.60m. The variance between the approved estimate and actual expenditure during the financial year 2018-19 was mainly attributable to a supplementary contribution from the Government Surplus amounting to £25.00m paid to Gibraltar Community Care Trust when only a token sum of £1k was provided in the approved estimate. However, there was no recurrent contribution to Gibraltar Community Care Trust notwithstanding an approved estimate of £7.50m.

2.7.9 Note Security Fund - The Note Security Fund ended the financial year 2018-19 with net receipts of £2.46m compared to £0.12m in 2017-18. Total currency notes issued during 2018-19 amounted to £20.72m, an increase of £0.25m compared to the currency notes issued in the previous year amounting to £20.47m. Currency notes redeemed in 2018-19 totalled £18.31m, a decrease of £2.15m compared to £20.46m in notes redeemed during 2017-18.

2.7.10 The value of Gibraltar currency notes in circulation at the end of the financial year 2018-19 stood at £42.24m, compared with £39.83m at the end of March 2018; an increase of £2.41m (6.05%). However, alike the previous financial year, £12.00m of the currency notes in circulation as at 31 March 2019 was held by the Savings Bank Fund in the Treasury Department's vault. Although holding an element of currency notes in deposit with the Savings Bank Fund complies with section 8(4) of the Currency Notes Act 2011, this liquid portion of the fund does not generate bank interest.

2.7.11 Due to the high volume of new currency notes that were procured in December 2015, these currency notes are held in storage by the Government's currency note manufacturer in the UK. Fees for the storage of these currency notes decreased from £47.39k in the previous financial year to £46.87k in the year 2018-19. However, the aggregate cost to Government in storage fees between December 2015 to March 2019 amounts to £156.32k.

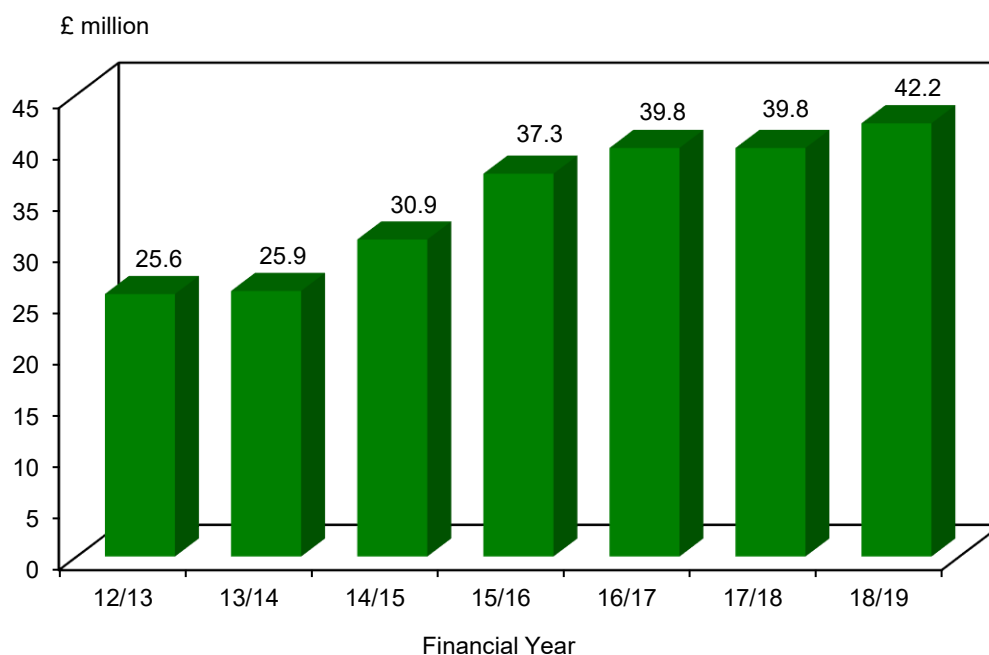
2.7.12 The currency notes in circulation by denomination as at 31 March 2019 are shown in Figure 6 hereunder:

Figure 6

Notes in Circulation				Value	
£100	Series Polymer	3,044	x	£100	£304,400
£100	Series A/AA	129,600	x	£100	£12,960,000
£50	Series A/AA	206,900	x	£50	£10,345,000
£20	Series A/AA - A/AD	636,600	x	£20	£12,732,000
£10	Series A/AA - A/AC	506,400	x	£10	£5,064,000
£5	Series A/AA	167,000	x	£5	£835,500
					<u>£42,240,400</u>

2.7.13 Figure 7 graphically illustrates the value of Gibraltar currency notes in circulation during the last seven years:

Figure 7



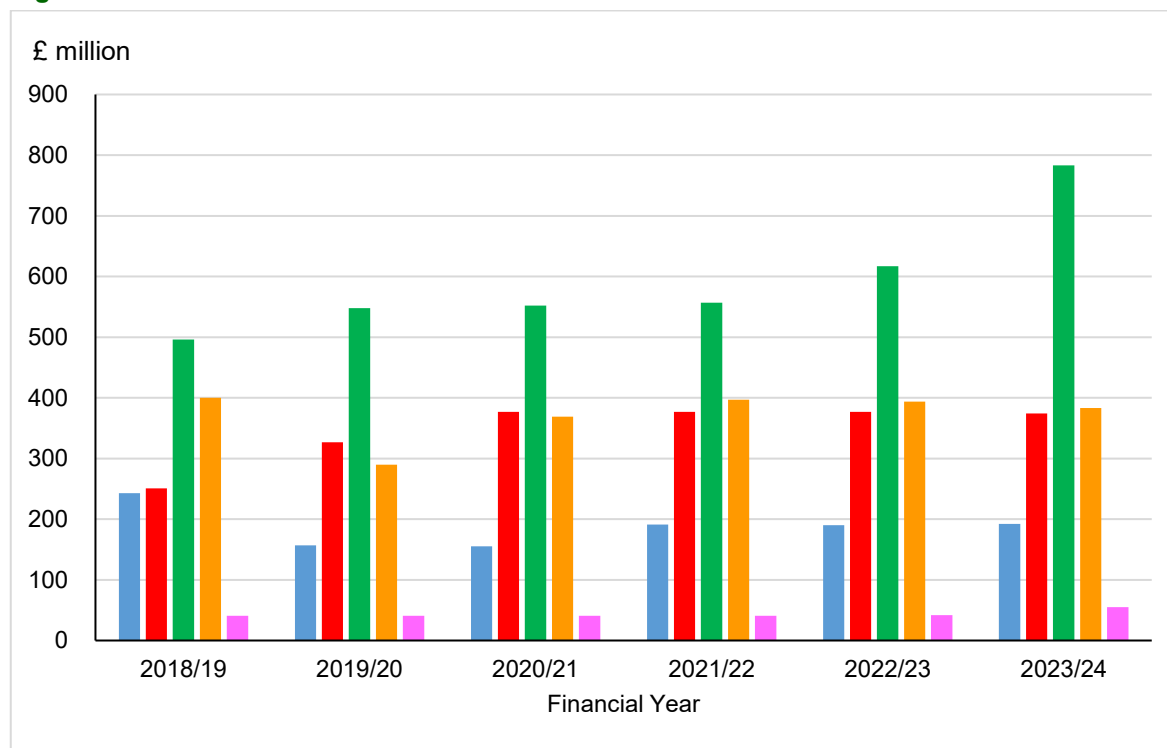
- 2.7.14** In my previous reports to Parliament, I reported that for a number of years the acting Accountant General and her staff have been reviewing the current procedures used for the destruction of currency notes, specifically where soiled notes are first cancelled by cutting the notes in half using a guillotine and then destroyed by incineration. Treasury have been looking into the possibility of cancelling soiled currency notes by having these shredded using the shredding facility of the currency notes counting machine (Security Banknote Processing Equipment) and thereafter burning the notes and wanted to ensure that all procedures and controls were satisfactory. I recommended to the acting Accountant General that under Rule 16 of the Currency Notes Rules, currency notes selected for destruction need to be cancelled by either stamping, perforating, cutting or otherwise defacing the notes in such manner as the Commissioner of Currency (the Financial Secretary) may approve, and any portion of such currency notes that have been removed shall be burnt; therefore, in my view, having the notes shredded instead of being cut would not require an amendment to Rule 16 as shredding would constitute an alternate form of defacing currency notes. The only requirement would be for the Commissioner of Currency to formally approve in writing the proposed new methodology of cancelling currency notes. I added that, in terms of control, the proposed method of cancelling would still require the presence of at least one currency officer (there are usually two officers present) and a representative of the Commissioner of Currency and a representative of the Principal Auditor.
- 2.7.15** I nevertheless highlighted to the acting Accountant General that the intention of her predecessors, as far back as 2002, was to make use of the Security Banknote Processing Equipment as the means of both cancelling and destroying currency notes, although to change the methodology of destroying currency notes the Currency Notes Rules would require to be amended. I highlighted that the use of the Security Banknote Processing Equipment would not only accelerate the destruction process and generally ensure that currency notes are destroyed more efficiently, but it would also reduce Note Security Fund expenditure as it would eliminate the security transportation costs, the cost of the special container bins used in the incineration process and, of course, the actual cost of incineration. I therefore recommended that the Commissioner of Currency approve the new cancelling methodology and that the Currency Notes Rules be reviewed so that the Security Banknote Processing Equipment can be utilised as a means of destroying currency notes.
- 2.7.16** The Commissioner of Currency informed me in October 2017 that it was his and the Government's intention to make the necessary amendments to the Currency Notes Rules to enable currency notes to be destroyed by means of shredding as opposed to being destroyed by fire. Additionally, the Commissioner said he would also be formally approving the new cancelling methodology to have the notes shredded instead of cutting the currency notes in half. In mid-March 2018, I wrote to the Accountant General enquiring if there had been any developments on the matter. The Accountant General reported on 19 March 2018 that changes to the currency legislation had been drafted and were pending Government approval.
- 2.7.17** I wrote a number of times to the former Commissioner of Currency enquiring if there had been any developments on the matter; however, despite my reminders, there was no reply from the Commissioner for Currency. The cost of destroying currency notes over the last ten financial years ending in March 2024, amounted to £19,023; these are costs which could easily have been avoided if the pertinent changes to the procedures and legislation governing the cancelling and destruction of currency notes had been amended in good time.
- 2.7.18** As I was aware that during the year 2024, the Senior Executive Officer responsible for the Currency Section in Treasury had been carrying out a further review of the Currency Notes Rules with a view of making further amendments to this legislation, I wrote to the acting Accountant General on 2 February 2025 and 19 March 2025, enquiring what was the latest position on this matter. Additionally, I asked the Commissioner of Currency whether in the

meantime, whilst the Currency Notes Rules are amended, he had the intention of giving his formal approval to the cancellation of the currency notes by having these shredded instead of cutting them in half as is currently the practice in accordance with the present legislation.

- 2.7.19** The acting Accountant General replied to me on 10 February 2025 and 19 March 2025 respectively, explaining that the final version of the draft amended Currency Notes Rules were with the Gibraltar Law Offices and she was hopeful to have this finalised soonest. She further informed me that the Commissioner for Currency was agreeable to change the methodology for defacing the currency notes, all that was waiting was to formalise this as soon as administratively possible.
- 2.7.20 General Sinking Fund** - The balance in the General Sinking Fund at the end of the financial year 2018-19 stood at £12.12m, representing an increase of £3.36m compared to the year-end position of £8.76m in 2017-18. The revenue received by the Fund in the financial year 2018-19 consisted of a contribution from Consolidated Fund Charges, amounting to £10.00m. Expenditure from the Fund, in respect of public debt interest totalled £6.64m at the end of the financial year 2018-19.
- 2.7.21 Savings Bank Fund** - The return on investments income for the year ended 31 March 2019 amounted to £45.50m, a year-on-year decrease of £4.60m compared against £50.10m received in the financial year 2017-18. Interest paid during the financial year 2018-19 totalled £44.95m compared to £42.62m during the previous financial year. Other expenditure of the Savings Bank Fund during 2018-19 included: £0.21m in respect of the cost of the new banking platform and annual licence fees; and £0.02m in connection with bank expansion costs, which included payments relating to information technology support services.
- 2.7.22** The net income from the operations of the Savings Bank Fund during the financial year ended 31 March 2019 was £9.14m, compared to a net income of £6.70m during the previous financial year.
- 2.7.23** On 31 March 2019, the deposits of the bank, excluding £3.59m of accrued interest, stood at £1,394.98m, an increase of £58.10m compared to the previous year's total deposits of the bank, excluding £3.51m of accrued interest, amounting to £1,336.88m.
- 2.7.24** As I mentioned in paragraph 2.12.10 of this report, the Savings Bank Fund held the sum of £12.00m, of the currency notes in circulation as at 31 March 2019 in the Treasury Department's vault, as cash in hand.
- 2.7.25** The level of non-Government deposits at the end of the year 2018-19 increased by £49.85m to £1,225.18m compared to the balance held at the end of the previous year of £1,175.33m. The increase in non-Government deposits during the year was mainly as a result of an increase in Gibraltar Savings Bank debentures; an increase in the Guaranteed Superannuation Fund Bond; an increase in the Children's Bond; and an increase in the level of Ordinary Deposits.
- 2.7.26** Government deposits on 31 March 2019 stood at £169.81m, an increase of £8.26m compared against the balance held at the end of the previous financial year amounting to £161.55m, reflecting an increase in Government Liquid Reserves held by the Gibraltar Savings Bank. On-Call Investments accounts under Government Deposits include the £12.00m of cash safekeeping deposits, previously mentioned in paragraphs 2.7.10 that does not generate interest.
- 2.7.27** There was a net capital loss on the Fund's investments during 2018-19, amounting to £1.56m, compared to a similar net capital loss of £1.61m in the previous financial year.
- 2.7.28** Figure 8 shows the comparable position of the Gibraltar Savings Bank investments (at the year-end) during the period 2018-19 to 2023-24. As can be seen, there has been a

decrease in the investments of the Savings Bank Fund with the Crown Agents in recent years, although there was further investment in this sector in 2021-22. Whilst conversely, there has been a significant increase in investments in the Government of Gibraltar and Government-owned companies/corporations during the same period.

Figure 8



Gibraltar Savings Bank Investments	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Crown Agents	£242.70m	£157.48m	£154.96m	£190.78m	£190.43m	£191.70m
Government of Gibraltar (Public Debt)	£251.44m	£326.68m	£376.78m	£376.83m	£377.20m	£373.80m
Government-owned Companies & Corporations	£495.89m	£547.89m	£552.17m	£557.22m	£617.45m	£782.87m
Other Banks *	£400.29m	£290.31m	£369.32m	£396.80m	£394.14m	£382.88m
Bank of England	£40.89m	£41.14m	£41.15m	£41.18m	£42.18m	£55.19m
Total Investments	£1,431.21m	£1,363.50m	£1,494.38m	£1,562.81m	£1,621.40m	£1,786.44m

* Includes investments held with the Gibraltar International Bank, which is a partly-owned Government bank.

2.7.29 The Gibraltar Savings Bank (Amendment) Act 2008, which came into operation on 24 July 2008, provides, inter alia, for the surplus in revenues in any year to be transferred to the Consolidated Fund provided that the assets of the Gibraltar Savings Bank will thereafter be not less than the liabilities to depositors, as represented by the deposits in the Gibraltar Savings Bank. The consequence of the amendment is that it is no longer necessary for the Savings Bank Fund to maintain a reserve balance. No transfers were made from the Savings Bank Fund's Reserve Account to the Consolidated Fund during financial year 2018-19. The reserves at the end of the financial year 2018-19 stood at £44.78m reflecting an increase of £7.58m compared to the position at the end of the previous financial year of £37.20m.

2.7.30 Section 12 of the Gibraltar Savings Bank Act, prescribes that I audit the annual accounts of the Gibraltar Savings Bank and that the accounts, once audited and certified, be laid before the Minister with responsibility for the Gibraltar Savings Bank not later than the 31st day of October ensuing in every year (prior to the financial year 2018-19, the statutory deadline for submitting the audited accounts of the Gibraltar Savings Bank was 31st August); and published in the Gibraltar Gazette. Figure 9 depicts the dates that the accounts of the Gibraltar Savings Bank were gazetted in the last 17 years, showing the time taken to publish the accounts after these have been audited and submitted to the Minister:

Figure 9

Financial Year	Date of Audit Certificate on GSB Accounts	Date the Accounts of the GSB were Gazetted	Time taken to Gazette the Accounts of the GSB
2007-08	14 August 2008	18 September 2008	1 month, 4 days
2008-09	21 August 2009	1 October 2009	1 month, 10 days
2009-10	16 August 2010	21 October 2010	2 months, 5 days
2010-11	17 August 2011	29 September 2011	1 month, 12 days
2011-12	29 August 2012	3 October 2013	1 year, 1 month, 4 days
2012-13	30 August 2013	30 October 2014	1 year, 2 months
2013-14	27 August 2014	19 March 2015	6 months, 20 days
2014-15	28 August 2015	19 January 2017	1 year, 4 months, 22 days
2015-16	31 August 2016	28 March 2019	2 years, 6 months, 28 days
2016-17	31 August 2017	22 August 2019	1 year, 11 months, 22 days
2017-18	31 August 2018	22 August 2019	11 months, 22 days
2018-19 *	31 October 2019	(not yet Gazetted)	(over 5 years and ongoing)
2019-20	27 October 2020	(not yet Gazetted)	(over 4 years and ongoing)
2020-21	29 October 2021	(not yet Gazetted)	(over 3 years and ongoing)
2021-22	31 October 2022	(not yet Gazetted)	(over 2 years and ongoing)
2022-23	31 October 2023	(not yet Gazetted)	(over 1 year and ongoing)
2023-24	31 October 2024	(not yet Gazetted)	(7 months and ongoing)

* As from the financial year 2018-19, the statutory deadline for submitting the audited accounts of the Gibraltar Savings Bank was changed to 31st October, previously the statutory deadline had been 31st August.

As can be seen in Figure 9, there is considerable delay in recent years in the time taken to publish (and make public) in the gazette the audited accounts of the Gibraltar Savings Bank. The average time taken to publish these accounts during the last 17 years has been 1 year and 11 months. However, the greatest delay in publishing the Gibraltar Savings Bank accounts has been those for the financial year 2018-19, which, as at the date of this report, had still not been gazetted after having been submitted to the Minister over 5 years ago, which is an excessively prolonged time for the Government to place these accounts in the public domain. In my previous report to Parliament I reported that I had written to the Accountant General on 19 January 2023, informing her that in my view, once the audit examination of the Gibraltar Savings Bank accounts has been finalised and the accounts certified by me, the accounts should be published in the Gazette immediately and without delay. In her reply to me, dated 28 September 2023, the acting Accountant General said she agreed with my comments and that she was awaiting the Minister's approval to proceed with the publication of the unpublished Gibraltar Savings Bank accounts.

2.7.31 I am aware that after the tabling in Parliament of my previous report on the public accounts of Gibraltar for the financial years 2016-17 and 2017-18, in a parliamentary session held on 25 January 2024, where the contents of my report were debated, the Minister with responsibility for the Gibraltar Savings Bank, in answer to questions from Members from the Opposition in Parliament, said that [Quote], "*The accounts of the Gibraltar Savings Bank for the relevant years will be gazetted when the public accounts of Gibraltar for those same years are completed*". The Minister with responsibility for the Gibraltar Savings Bank reiterated that this was the position of the Government.

2.7.32 It should be noted that when gazetted, the full set of audited Gibraltar Savings Bank accounts are not published, but instead, solely the Income and Expenditure Account, the Deposits and Withdrawals Account, the Balance Sheet and the Statement of Investments are gazetted. The Notes to the Accounts, the Report of the Director of the Gibraltar Savings Bank and the Audit Certificate together with the Audit Report on the Accounts are not published in the Gibraltar Gazette even though these are an integral and indispensable part of any audited financial statements. This means that the complete audited Gibraltar Savings

Bank accounts are never made public. I raised this matter with the Director of the Gibraltar Savings Bank who informed me that the Minister responsible for the Savings Bank had said that the annual accounts of the Gibraltar Savings Bank are published strictly in accordance with the provisions of section 12 of the Gibraltar Savings Bank Act, and as this legislation does not specify for the aforementioned elements of the audited accounts to be gazetted, this is not done. I informed the Director of the Gibraltar Savings Bank that, with respect, I considered this to be a very simplistic view and interpretation of what requires to be published and that in my opinion the full set of the Gibraltar Savings Bank audited accounts should be gazetted, as otherwise there is no public disclosure on the accounts. I also informed the Director of the Gibraltar Savings Bank that given the prominence that the Gibraltar Savings Bank has in the public accounts of Gibraltar I was of the strong view that these accounts, once audited, should be presented in Parliament as is the case with the public accounts of Gibraltar and the accounts of all statutory authorities and agencies. This would ensure that the full set of audited accounts of the Gibraltar Savings Bank are made more transparent and accessible to the public in a timely manner.

2.7.33 With a view of securing maximum public disclosure of the Gibraltar Savings Bank accounts, I wrote to the Speaker of the Gibraltar Parliament on finalising the audit of the Gibraltar Savings Bank accounts on 31 October 2024, requesting her to kindly arrange for the report and accounts to be laid in the next session of the Parliament, pursuant to section 74(2) of the Gibraltar Constitution 2006. The Speaker replied to me on 22 November 2024, respectfully drawing my attention to section 12(1)(a) of the Gibraltar Savings Bank Act, explaining that this section of the law made it incumbent upon me to lay the annual accounts of the Gibraltar Savings Bank before the Minister with responsibility for the Gibraltar Savings Bank. The Speaker added that it was not for Parliament (at this stage in any event) to action the report under discussion. She further explained that whilst I relied on section 74(2) of the Constitution, she was of the tentative view that this provision relates to the public accounts of Gibraltar as distinct to the Gibraltar Savings Bank Accounts. To this end, she returned the financial statements of the Gibraltar Savings Bank to me.

2.7.34 On 26 November 2024, I replied to the Speaker explaining, with respect, that I was well aware that once audited, the financial statements of the Gibraltar Savings Bank require to be submitted to the Minister with responsibility for the Gibraltar Savings Bank, pursuant to section 12(a) of the Gibraltar Savings Bank Act. I reassured her that this has been, and continues to be the process, as evidenced by my recent submission of the 2023-24 Gibraltar Savings Bank certified accounts to the Minister (via the Director of the Gibraltar Savings Bank) on 31 October 2024. I informed the Speaker that the only difference now was that the Minister was reluctant to publish the bank's annual accounts in the Gazette, as required under section 12(b) of the Gibraltar Savings Bank Act. I explained to the Speaker that the last accounts of the Gibraltar Savings Bank that were published in the Gibraltar Gazette were those for the year ended 31 March 2018, meaning that the Minister had not authorised the publishing of the Gibraltar Savings Bank accounts for the last 6 years, contrary to his statutory obligation to do so. I further informed the Speaker that in an endeavour to make public the Gibraltar Savings Bank accounts for the financial years 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23, which had not yet been gazetted, I had included a copy of these accounts in my last report to Parliament on the public accounts of Gibraltar for the years ended 31 March 2017 and 31 March 2018, and in this way ensured the Gibraltar Savings Bank accounts were brought to the public domain. I also informed the Speaker that this was also the reason why I was submitting to her the 2023-24 Gibraltar Savings Bank accounts, so that these could similarly be made public by being tabled in Parliament at the earliest opportunity, in the interests of transparency and accountability.

2.7.35 In my letter to the Speaker of the Gibraltar Parliament, I informed her that, with respect, I did not share her view that section 74(2) of the Gibraltar Constitution relates to the public accounts of Gibraltar as distinct to the Gibraltar Savings Bank accounts. Firstly, because the accounts of the Gibraltar Savings Bank form an intrinsic and important part of the public

accounts of Gibraltar. The fact is that the accounts of the Gibraltar Savings Bank are accounted for by way of a government special fund, namely the Savings Bank Fund, a special fund specified as such under section 18(1) of the Public Finance (Control and Audit) Act and listed accordingly in Schedule 1 of this Act; and secondly, I pointed out to the Speaker that importantly under section 74(1) of the Gibraltar Constitution I am not only empowered to audit the public accounts of Gibraltar, but also of all courts of law and all authorities and offices of the Government. This evidently includes all government departments, offices (including the Gibraltar Savings Bank), authorities and agencies. Hence, I informed the Speaker that in my view, on the basis that the accounts of the Savings Bank Fund are part and parcel of the public accounts of Gibraltar, and taking into account that my constitutional remit is not limited simply to the public accounts of Gibraltar but encompasses the accounts of all courts of law and all authorities and offices of the Government, I considered that I had the constitutional right to submit and lay the Gibraltar Savings Bank accounts in Parliament. I therefore kindly requested the Speaker to reconsider to lay the Gibraltar Savings Bank accounts in Parliament in accordance with section 74(2) of the Gibraltar Constitution.

2.7.36 The Speaker of the Gibraltar Parliament replied to me on 10 December 2024, informing me that she had read with interest my interpretation of the 'public accounts of Gibraltar'. She said that it might well be that generically speaking the public accounts of Gibraltar encompass the accounts of the Gibraltar Savings Bank, however, there are specific provisions made for the Gibraltar Savings Bank accounts in the Gibraltar Savings Bank Act. It was her understanding from my letter that, pursuant to section 12 of the Gibraltar Savings Bank Act, I had laid the Gibraltar Savings Bank accounts before the relevant Minister, however, I now wished her to table these accounts, because in my view the relevant Minister 'appears to be reluctant to publish the bank's annual accounts in the Gazette'. The Speaker continued saying that [in my correspondence with her] I had stated that in the past the Gibraltar Savings Bank Accounts had been included in my Report to Parliament on the public accounts of Gibraltar. She was of the view that in the event that the Gibraltar Savings Bank Accounts are so included, then section 74 of the Gibraltar Constitution would bite, if however, I was reporting on the Gibraltar Savings Bank Account as a distinct report, (as appeared from the Report I had submitted to Parliament), she was not certain whether, in those circumstances, section 74 of the Gibraltar Constitution comes into play. The Speaker said that, leaving the uncertainty aside for a moment and assuming for arguments sake that section 74 of the Gibraltar Constitution does apply, the Principal Auditor would have to submit and lay his reports before Parliament. He would 'submit' his reports by sending them to Parliament. In so far as laying the reports is concerned, she said she was of the view that the Speaker has not the power to lay such reports before Parliament, and following the UK House of Commons practice, the Clerk could in certain instances lay a paper only, in respect of which there is no direct relevant Ministerial responsibility. The Speaker said that this was clearly not the case in the present circumstances. The Speaker interpreted section 74 of the Constitution as meaning that the Principal Auditor's duty to lay his reports before Parliament shall be via the Minister with responsibility for the Gibraltar Savings Bank.

2.7.37 The Speaker added that even though I had made no reference to it, she did not ignore rule 12 of the Gibraltar Parliament Standing Rules and Orders, which provides inter-alia that, '*The Principal Auditor and the Ombudsman may present their Annual Reports to the Parliament through the Clerk*'. She said that she had looked back at Parliamentary practice and procedure over the years in both this and previous Governments and both the Principal Auditor's annual reports and the Ombudsman's annual reports, have always been laid in Parliament by a Minister. The Speaker said that, given the provisions of the Gibraltar Constitution Order 2006 and the Gibraltar Savings Bank Act 1935 as discussed, and taking into account Parliamentary procedure, rule 12 of the Gibraltar Parliament Standing Rules and Orders is best interpreted as meaning that the Principal Auditor and the Ombudsman may present their reports to the Clerk who then notifies the Government, of their wish to have the Reports presented to Parliament through the relevant Minister. The Speaker pointed out that, in this regard however it is important to note that Parliament does not set

the agenda for meetings, nor does it control the business timetable. The Speaker ended by saying that she would ask the Clerk to pass my report [on the Gibraltar Savings Bank accounts] to Government for them to action.

2.7.38 On 30 May 2025, I replied to the Speaker, informing her that all the Government and statutory accounts that I audit are required to be tabled in Parliament, with a view that they are made public. Having said this, the financial statements of the Gibraltar Savings Bank are somewhat different as, even though they are part of the public accounts of Gibraltar, I am separately required under section 12(a) of the Gibraltar Savings Bank Act to submit it to the Minister with responsibility for the Gibraltar Savings Bank so that he gazettes these accounts, i.e. make these accounts available to the public. I highlighted to the Speaker that even when the Minister does gazette these accounts, they are not the full financial statements that contain my audit certificate and my report and the report from the bank's Director, as the Minister chooses to omit these parts of the audited financial statements when these are published.

2.7.39 I reiterated to the Speaker that given the Minister's apparent unwillingness to gazette the Gibraltar Savings Bank accounts, I consider it appropriate and altogether right that I lay my report on the Gibraltar Savings Bank's accounts in Parliament once these have been audited. There is no doubt in my mind that I am empowered to do so under section 74 of the Gibraltar Constitution, despite the Speaker's uncertainty as to whether I have the constitutional right to do so, as otherwise, it would impinge on the principle of accountability and transparency in regard to the accounts I audit under statute.

2.7.40 I explained to the Speaker that all the Principal Auditor's reports on the public accounts of Gibraltar that have been submitted by my predecessors to Parliament in the past have been submitted to the Speaker of the Parliament, and since I took up my appointment in 2017 I had followed suit, although I am aware that rule 12(3) of the Gibraltar Parliament Standing Rules and Orders prescribes that the Principal Auditor (and the Ombudsman) may present his annual reports to the Parliament through the Clerk [my emphasis].

2.7.41 I drew attention to the fact that in her reply, the Speaker had stated that, "*she had looked back at Parliamentary practice and procedure over the years in both this and previous Governments and both the Principal Auditor's annual reports and the Ombudsman's annual reports, had always been laid in Parliament by a Minister*". I informed the Speaker that with the utmost respect this statement was not altogether correct. It is true in as far as the reports of the Principal Auditor on the accounts of statutory authorities and agencies are concerned, e.g. the accounts of the Gibraltar Health Authority, or the accounts of the Housing Works Agency, etc. where the respective legislation of these statutory entities prescribes that their annual accounts, once audited, shall be tabled in Parliament by the Minister responsible for the organisation concerned. However, in as far as the annual reports of the Principal Auditor on the public accounts of Gibraltar are concerned, these have always been submitted by the Principal Auditor directly to the Speaker of the Parliament for her/him to arrange to have this tabled in Parliament. I stressed to the Speaker that at no time had the Principal Auditor submitted his annual report directly to the Chief Minister for him to lay in Parliament. I told the Speaker that this could be easily verified by looking at any of the Principal Auditor's annual reports, all of which contain, on immediately opening the report, a copy of the covering letter by the Principal Auditor to the Speaker of the Parliament advising her/him to arrange for the report and accounts to be laid before the Parliament pursuant to section 74(2) of the Gibraltar Constitution. I added that at the same time that I submit my annual report on the public accounts of Gibraltar to the Speaker for tabling in Parliament, I do send the Chief Minister a copy of my report solely as a complimentary gesture for his information, but I emphasised to the Speaker that I was not obliged to do so. I explained to the Speaker that this must not be confused and does not mean in any way that I present my report to the Chief Minister for tabling in Parliament.

- 2.7.42** I told the Speaker that in contrast, the Ombudsman, who is also mentioned in rule 12(3) of the Gibraltar Parliament Standing Rules and Orders, is required to submit her annual report to the Chief Minister, who thereafter has 60 days in which to lay the Ombudsman's report before the Parliament, pursuant to section 20 of the Public Services Ombudsman Act 1998.
- 2.7.43** Consequently, aside from my reports on the accounts of statutory authorities and agencies that I submit to the Chief Executive Officers of each statutory entity once I have completed my audit (so that these can be laid in Parliament by the relevant Minister responsible for the statutory body) in my view, pursuant to section 74(2) of the Gibraltar Constitution and in adherence to rule 12 of the Gibraltar Parliament Standing Rules and Orders, I have the right to submit and lay my reports before the Parliament, through the Clerk of the Parliament.
- 2.7.44** I took note of the Speaker's interpretation, in the last paragraph of her letter, that "*Given the provisions of the Gibraltar Constitution Order 2006 and the Gibraltar Savings Bank Act 1935 as discussed, and taking into account Parliamentary procedure, rule 12 [of the Gibraltar Parliament Standing Rules and Orders] is best interpreted as meaning that the Principal Auditor and the Ombudsman may present their reports to the Clerk who then notifies the Government, of their wish to have the Reports presented to Parliament through the relevant Minister. In this regard however it is important to note that Parliament does not set the agenda for meetings, nor does it control the business timetable*". However, I highlighted to the Speaker that even though Parliament might not set the agenda for meetings, surely as regards the timing of the tabling of reports by the Principal Auditor this should be set by the Clerk of the Parliament and must necessarily be at the next sitting of Parliament. Taking into consideration the independence of the Principal Auditor and bearing in mind that he is an officer of Parliament, the laying of the reports of the Principal Auditor in Parliament cannot be decided by the Government, not even by way of parliamentary procedure, as otherwise the Principal Auditor's independence in regard to his constitutional duty to submit and lay his reports before the Parliament (which is one of the core principles of an external public audit body) is wholly compromised. In this respect the provisions of section 74(3) of the Gibraltar Constitution, which states, "*In the exercise of his functions under this Constitution the Principal Auditor shall not be subject to the direction or control of any other person or authority*", are especially relevant.
- 2.7.45** I reminded the Speaker that prior to submitting my report to Parliament on the public accounts of Gibraltar for the financial years 2016-17 and 2017-18 on 21 December 2023, I requested to meet with her. I told her that when we met on 7 December 2023, I explained that in my previous report to Parliament on the public accounts of Gibraltar for the financial year 2015-16, I had submitted my report to the Speaker of Parliament on 30 January 2019 yet the report was tabled 4 months later on 30 May 2019, despite there being parliamentary meetings in February, March and April 2019. I further reminded the Speaker that I had expressed my concern to her that the tabling of the Principal Auditor's reports in Parliament should not be unnecessarily delayed or withheld by a third party, not even by the Government. This is why I consider that the tabling of reports by the Principal Auditor must be set by the Clerk to the Parliament and must be at the next available sitting of Parliament, thus ensuring that the process is independent.
- 2.7.46** In the final analysis, I expressed my concern to the Speaker that in regard to my request to have the Principal Auditor's report on the Gibraltar Savings Bank accounts for the financial year ended 31 March 2024 tabled in Parliament, she had chosen to ask the Clerk to the Parliament to pass my report to Government for them to action, when, as I had already mentioned, it is a matter solely for Parliament to action by proceeding to lay my report at the next sitting of Parliament and in this way uphold my constitutional independence and my position as an officer of Parliament. I therefore reiterated my request to the Speaker that she kindly proceed to lay the Gibraltar Savings Bank accounts for the financial year ended 31 March 2024 in Parliament in accordance with section 74(2) of the Gibraltar Constitution.

- 2.7.47** I am of course mindful that I forwarded my last correspondence to the Speaker of the Gibraltar Parliament in the latter stage of finalising my report to Parliament and therefore understandably she would not have the necessary time to issue a reply in time for inclusion in this report.
- 2.7.48** In order to ensure maximum public disclosure of the Gibraltar Savings Bank accounts, I have again included a copy of the full set of the bank's accounts in respect of the financial year 2023-24 which as previously mentioned has still not been gazetted; this is contained in Appendix A on pages 45 to 66 of this report.
- 2.7.49** **Audit of the Gibraltar Savings Bank under the Proceeds of Crime Act 2015** - Subsequent to initial discussions held in 2017 with the then Director of the Savings Bank, on 26 March 2021 the Director of the Gibraltar Savings Bank formally requested that I perform an independent audit of the Gibraltar Savings Bank to be conducted for the purposes of testing the policies, controls and procedures as referred to under section 26(1A) of the Proceeds of Crime Act 2015. The Director added that this independent audit would be in addition to the audit of the Gibraltar Savings Bank and annual audit of financial statements of the Gibraltar Savings Bank that I regularly perform. I accepted the audit engagement and proceeded to undertake the compliance audit of the Gibraltar Savings Bank.
- 2.7.50** Notably, besides my appointment to undertake the independent audit of the Gibraltar Savings Bank in March 2021, and unbeknown to me, the Director of the Gibraltar Savings Bank also simultaneously commissioned a similar audit to be undertaken by a contracted private audit firm. Once I learned of this separate audit at a later date, which I found extraordinary, I questioned the logic and reasons to commission a parallel audit that I had already been formally appointed to undertake in accordance with the Proceeds of Crime Act 2015. No reply was forthcoming from the Director of the Savings Bank.
- 2.7.51** On 13 October 2021, I submitted to the Director of the Gibraltar Savings Bank my report on the audit carried out in accordance with section 26(1A) of the Proceeds of Crime Act 2015. The report highlighted that although the Gibraltar Savings Bank does meet most of its obligations under the Proceeds of Crime Act 2015 effectively and efficiently, there were various areas where there was scope for improvement. In my report I also underlined that despite requests over a period of a year, for evidence to be presented to me, as the appointed auditor in accordance with section 26(1A) of the Proceeds of Crime Act 2015, to show that the Financial Secretary, as supervisory authority for the Gibraltar Savings Bank, had complied with his obligations under the Proceeds of Crime Act 2015 and the Supervisory Bodies (Powers etc.) Regulations 2017, no information was made available to me by the Financial Secretary. Additionally, the Director of the Gibraltar Savings Bank never replied to the issues raised in the audit report.
- 2.7.52** Compliance Audit of the Gibraltar Savings Bank - On 18 March 2025, I informed the acting Director of the Gibraltar Savings Bank that I would shortly be conducting a compliance audit of the GSB to assess the Bank's compliance with the requirements of the Proceeds of Crime Act 2015. The acting Director contacted me thereafter and enquired under what legislation I was performing this audit, given that under section 26(1A) of the Proceeds of Crime Act 2015, it is the Gibraltar Savings Bank, as the 'relevant financial business' that decides who undertakes an independent audit for the purpose of testing the policies, controls and procedures of the bank.
- 2.7.53** I informed the acting Director on 28 March 2025 that this audit was to be carried out in accordance with my powers under the Gibraltar Constitution and the Public Finance (Control and Audit) Act and was not under any engagement or appointment by agreement under the provisions of section 26(1A) of the Proceeds of Crime Act 2015. I also provided the Director with the objective and scope of the audit, which I detail in paragraph 2.7.56.

2.7.54 The acting Director of the Gibraltar Savings Bank replied to me on 31 March 2025, informing me that her understanding was that the legal provisions I had quoted primarily grant oversight over public accounts and financial reporting, effectively ensuring transparency and accountability in the management of public funds. However, compliance audits under the Proceeds of Crime Act 2015 appear to be distinct in nature, focusing on regulatory obligations related to anti-money laundering and financial crime. Her understanding was that such audits are typically conducted by specialist regulatory bodies, or an auditor engaged by the relevant financial business itself, i.e. the Gibraltar Savings Bank, in lines with Section 26(1A) of this Act, which states that a *'relevant financial business must undertake an independent audit function'*. Her interpretation was that this placed the responsibility on the Gibraltar Savings Bank to appoint an independent auditor for such compliance reviews. The acting Director added that in consideration of the above, she would appreciate if I would clarify the specific statutory provision that grants me the authority to conduct regulatory compliance audits under the Proceeds of Crime Act 2015. If this authority is derived from the Proceeds of Crime Act 2015 or related legislation, she required details of the relevant legal provision. The acting Director said that she wanted this clarified before the actual audit commenced.

2.7.55 I wrote to the acting Director of the Gibraltar Savings Bank on 1 April 2025 informing her that aside from the fact that I am the statutory auditor of the Gibraltar Savings Bank by virtue of section 12 of the Gibraltar Savings Bank Act, section 74(1) of the Gibraltar Constitution prescribes that, as Principal Auditor, I am empowered to audit and report on the public accounts of Gibraltar and of all courts of law and all authorities and offices of the Government. On the basis that the Gibraltar Savings Bank forms part of the public accounts of Gibraltar (note, this is accounted for by way of the Savings Bank Fund – a Government special fund listed in Schedule 1 to the Public Finance (Control and Audit) Act, pursuant to section 18 of the Public Finance (Control and Audit) Act), then it follows that I have the constitutional right to audit the Gibraltar Savings Bank. I further informed her that as she was aware, there are various types of audit that are carried out, the main audits being:

- Financial Audit - A financial audit is the independent process of reviewing a set of financial statements to provide an opinion as to whether the financial statements are presented in accordance with the applicable financial reporting and regulatory framework.
- Compliance Audit - A compliance audit is the process of independently evaluating an organisation to ensure that the relevant rules, regulations and laws as well as internal policies and procedures are being followed. A compliance audit comprehensively reviews an organisation's adherence to regulatory guidelines.
- Performance Audit - A performance audit, or value for money audit, is an independent assessment of an entity's operations to determine if economy, efficiency and effectiveness is being obtained by the organisation being audited to achieve its stated goals or objectives.

I further explained to the acting Director that as Principal Auditor and external auditor to the Government of Gibraltar, I am not limited or restricted to undertake solely one type of audit. In this case, it was my intention to undertake a compliance audit on the Gibraltar Savings Bank in regard to its adherence to the provisions of the Proceeds of Crime Act 2015. I was doing so under the provisions of section 74(1) of the Gibraltar Constitution and of section 57 of the Public Finance (Control and Audit) Act. I clarified that this was separate and independent of the Director's obligation to appoint an independent audit to be carried out in accordance with section 26(1A) of the Proceeds of Crime Act 2015. The acting Director was thankful and appreciative of the clarification provided.

2.7.56 I afforded the acting Director of the Gibraltar Savings Bank with the objective and scope of the compliance audit of the Gibraltar Savings Bank, which I detail hereunder:

"Objective and Scope of the Audit
Introduction

- The Proceeds of Crime Act 2015 prescribes the policies and procedures that must be implemented by businesses and financial institutions in Gibraltar to ensure that transactions processed, and business relationships entered into, have been appropriately executed in order to mitigate the risks associated with the possibility of Money Laundering and Terrorist Financing.
- The Gibraltar Savings Bank, being a relevant financial business under the Proceeds of Crime Act 2015, is required to strictly comply with the provisions of this legislation.
- Whilst in 2021, it was the Director of the GSB who commissioned an audit to be carried out by the Principal Auditor pursuant to section 26(1A) of the POCA, on this occasion the audit review was being conducted exclusively at the Principal Auditor's volition.

Objective

- The objective of the audit review is to assess the Gibraltar Savings Bank's compliance with the requirements of the Proceeds of Crime Act 2015 as applicable to its business and operations.

Audit Scope

- The audit will entail a review of the requirements of the Proceeds of Crime Act 2015 and the Gibraltar Savings Bank's internal systems for compliance to these legal requirements, including testing the policies, procedures and controls of the following:
 - a) Customer due diligence measures and ongoing monitoring measures.
 - b) Reporting.
 - c) Record-keeping.
 - d) Internal control.
 - e) Risk assessment and management.
 - f) Compliance management including the allocation of responsibility for the establishment of effective systems of control to a compliance officer at management level.
 - g) Employee screening.
- The audit review will also examine the duties and obligations of the Gibraltar Savings Bank's supervisory authority, i.e. the Financial Secretary, with regard to its impact on the Gibraltar Savings Bank, as a relevant financial business (for which it is statutorily responsible under the provisions of the Proceeds of Crime Act 2015 and the Supervisory Bodies (Powers etc.) Regulations 2017, or any other enactment).
- Furthermore, the review will also examine whether the recommendations highlighted in the previous audit by the Principal Auditor, dated October 2021, have been actioned and implemented. Additionally, the recommendations of the PwC report of 2021 will also be reviewed to assess whether these have similarly been implemented.
- The scope of the audit may not be limited to this, as there may be a requirement to examine additional areas as necessary."

2.7.57 The acting Director of the Gibraltar Savings Bank agreed and accepted that I was empowered to carry out the compliance audit of the Gibraltar Savings Bank and it was decided that we would meet to discuss the scope and other aspects of the audit. At the same time, I contacted the Financial Secretary to inform him of the compliance audit I would be undertaking and that I wished to meet with him to discuss how his work as the supervisory authority of the Gibraltar Savings Bank, under the Proceeds of Crime Act 2015, and his application of the Supervisory Bodies (Powers etc.) Regulations 2017 will be used as part of my scope for the compliance audit of the Gibraltar Savings Bank, to which the Financial Secretary agreed. Meetings were agreed to be held with the Director and separately with the Financial Secretary on Monday 7 April 2025.

2.7.58 However, on Sunday 6 April 2025, the acting Director of the Gibraltar Savings Bank informed me via email, that it was best to cancel the meeting that had been scheduled for

the next day as she had been informed that the Chief Minister wished to meet with me, together with the Financial Secretary and her the following day on 7 April 2025.

2.7.59 At the meeting, the Chief Minister, with the aforementioned officers and the Minister responsible for the Gibraltar Savings Bank present, told me that the Government did not want me to undertake the audit of the Gibraltar Savings Bank as it had obtained a legal opinion advising that I did not have the power to undertake such an audit under the Proceeds of Crime Act 2015. Firstly, I respectfully informed the Chief Minister that I should not be having this conversation with him given that my statutory duties do not entail discussing matters of audit with Ministers but rather with public officers. Secondly, I explained to the Chief Minister that my intention was to do a compliance audit of the Gibraltar Savings Bank not under the Proceeds of Crime Act 2015, but under the provisions of the Constitution and the Public Finance (Control and Audit) Act which allowed me to do so as external auditor to the Government of Gibraltar. In return, the Chief Minister told me he had a duty to inform me of his view and explained his concerns that such an audit could bring about public loss of confidence in the Gibraltar Savings Bank, and this is why he did not want me to undertake this audit.

2.7.60 As a result of this intervention, and my having to seek further legal opinion on the matter, I have not been able to perform the compliance audit before the closure of this report.

2.7.61 On the same date, after the meeting with the Chief Minister, I requested the Private Secretary to the Chief Minister, who was also present in the meeting, to provide me with the following documents, in writing:

- A record of the minutes of the meeting;
- The Chief Minister's position, that the Government would not permit me, as Principal Auditor, to undertake an Anti-Money Laundering Compliance Audit of the Gibraltar Savings Bank in accordance with the Public Finance (Control and Audit) Act; and
- The legal opinion obtained by the Chief Minister that supports the Government's position not to permit me to undertake an Anti-Money Laundering Compliance Audit of the Gibraltar Savings Bank.

The Private Secretary to the Chief Minister replied to me on 22 April 2025, explaining that he had been directed to inform me that the Government does not share legal advice, nor minutes of meetings with external parties. I replied to him on the same day and informed him, for the record, that considering that I was the person invited to attend the meeting at the request of the Chief Minister, and the fact that I am the statutory auditor to the Government of Gibraltar, I do not consider myself to be an 'external party' in the context of the compliance audit of the Gibraltar Savings Bank that I was planning to undertake, and that this is the reason why the Government is unwilling to share the legal advice received or the minutes of the meeting held. I also reminded the Private Secretary to the Chief Minister that he had not replied to my other request of a written record of the Chief Minister's position regarding my undertaking of an Anti-Money Laundering Compliance Audit of the Gibraltar Savings Bank. At the close of this report the Private Secretary to the Chief Minister had not replied to this last point.

2.7.62 In my view, it is unacceptable that the Chief Minister has sought to prevent the Principal Auditor from undertaking an audit which it is my right to perform under the Gibraltar Constitution and Public Finance (Control and Audit) Act. I consider the Chief Minister's action to be improper and unconstitutional, as indeed section 74(3) of the Constitution clearly states, *'In the exercise of his functions under this Constitution the Principal Auditor shall not be subject to the direction or control of any other person or authority'*.

2.7.63 Even though my intention to undertake an Anti-Money Laundering compliance audit of the Gibraltar Savings Bank has been obstructed, I can report that at present the Gibraltar Savings Bank does not have an appointed Compliance Officer. I am conscious that the

Director of the Gibraltar Savings has been persistently requesting the Government to appoint a compliance officer, but at present this has not yet transpired. This clearly contravenes section 9B of the Proceeds of Crime Act 2015, which states:

'9B. A relevant financial business [such as the Gibraltar Savings Bank] which is a legal person or a legal arrangement (other than a trust) must, appoint a director, senior manager or partner, and it shall be that person's duty to ensure compliance with Part II and this Part [of the Act].'

2.7.64 Another significant issue I must highlight is that the Financial Secretary undertakes functions relating to the Gibraltar Savings Bank which, in my opinion, stand in conflict with his separate role as the statutorily appointed supervisory authority of the Gibraltar Savings Bank under the Proceeds of Crime Act 2015. These entail:

- **Approving the withdrawal of funds in respect of debentures held by debenture holders before the maturity date.** According to the publicly available prospectus of the 10 year fixed term monthly income registered debentures, no further withdrawals, other than 25% of the initial capital investment, can be withdrawn by debenture holders until the maturity date of the debentures, unless exceptionally approved by the Financial Secretary. The Financial Secretary also has a similar function in the 3 year fixed term monthly income debentures, and indeed has had this authorising and sanctioning role historically for many years in many other debentures that were issued by the Gibraltar Savings Bank, except the recent Economic Development registered debentures which do not permit the early withdrawal of funds until the maturity date of the debentures.
- **Approving depositors' investments if these are £500k or over.** Although all applications for the purchase of debentures are subject to acceptance by the Director of the Gibraltar Savings Bank, in accordance with the pertinent debenture prospectuses, investments of half a million pounds or over, are also vetted and approved by the Financial Secretary.
- **Undertaking statutory duties under the Gibraltar Savings Bank Act.** The Financial Secretary is tasked with various functions and duties specified in the Gibraltar Savings Bank Act. These consist of:
 - **Section 2 – Interpretation** - Defines “expenses incurred in the execution of this Act” as being the cost of any work or service done by or in connection with the Gibraltar Savings Bank, including such sum on account of administrative or other overhead expenses as may, with the approval of the Financial Secretary, be reasonably assigned to that work or service;
 - **Section 8 – Security of Government** - The repayment of all moneys deposited in the Gibraltar Savings Bank together with interest thereon is guaranteed by the Government, and accordingly if at any time or times the assets of the Savings Bank shall be insufficient to pay the lawful claims of every depositor, the Minister responsible for the Gibraltar Savings Bank shall cause such deficiency to be met out of the Consolidated Fund, and the Financial Secretary shall certify such deficiency to the Minister without delay.
 - **Section 11(1) – Investment of moneys in Ordinary Accounts** - Except so far as any sums may be prescribed to be kept in hand for the general purposes of the Gibraltar Savings Bank, moneys in the ordinary accounts shall be deposited in the Treasury and shall, as far as practicable, be invested on behalf of the Gibraltar Savings Bank, under the direction of the Financial Secretary in such securities or be employed at interest in such manner as shall be approved from time to time by the Government.
 - **Section 11C – Investment of moneys in Investment Accounts** - The moneys in the investment accounts shall, as far as practicable, be invested on behalf of the Savings Bank, under the direction of the Financial Secretary, in such securities or

be employed at interest in such manner as shall be approved from time to time by the Government.

- **Section 11D – Investment of moneys from the issue of bonds and debentures** - The moneys from the issue of bonds and debentures, shall, as far as practicable, be invested on behalf of the Savings Bank, under the direction of the Financial Secretary, in such securities or be employed at interest in such manner as shall be approved from time to time by the Government.
- **Section 13(2) – Surpluses and Deficits** - If in any year the revenue of the Gibraltar Savings Bank shall be more than sufficient to defray the interest due to depositors and all expenses incurred in the execution of this Act, the Financial Secretary may with the approval of the Minister direct that the surplus, or such part thereof as he shall determine,– (a) shall be retained within the Savings Bank, or (b) shall be advanced or paid into the Consolidated Fund or into a Special Fund established by or in pursuance of the Public Finance (Control and Audit) Act: provided that no such payment shall be made unless the assets of the Savings Bank will thereafter be at least equivalent to the liabilities to depositors as represented by the deposits in the Savings Bank.
- **Section 13A(2) – Investments of Deposits in Cash or in Longer-term Securities** - In directing the investment of the Deposits in the Savings Bank, the Financial Secretary shall take account of the maturity profile of such Deposits in the Savings Bank and, where considered appropriate, match the maturity dates of investments against the maturity dates of such deposits.

2.7.65 In my view, the Financial Secretary's role as supervisory authority of the Gibraltar Savings Bank, under the Proceeds of Crime Act 2015, stands in conflict, and is therefore incompatible, with his statutory duties under the Gibraltar Savings Bank, and with his authorising functions relating to withdrawal of funds and approval responsibilities in respect of large bank deposits. In my opinion, the Financial Secretary should not be exercising his independent role as a supervisory authority for the Gibraltar Savings Bank, under the Proceeds of Crime Act 2015 and the Supervisory Bodies (Powers etc.) Regulations 2017 and at the same time directly performing duties relating to the same bank – this is conflictive.

2.7.66 Government Insurance Fund - In my previous reports I highlighted that following a government decision to self-insure, provision had been made during the financial years 2014-15 to 2018-19 for annual contributions to be made from the Consolidated Fund to the Government Insurance Fund (Head 1 Treasury, Subhead 2 Other Charges – (12) Government Insurance Fund). I further reported that the annual contributions to the Government Insurance Fund had, nonetheless, never materialised because these contributions and the corresponding insurance claims disbursements had instead been accounted for through a Deposit Account (suspense account). During the 5-year period annual approved funds totalling £3.05m were allocated to the deposit account from which insurance claims totalling £1.60m were paid out during the same period, pending the establishment of the Government Insurance Fund. I had informed the acting Accountant General in May 2018 that I considered the way these transactions had been accounted for, via a deposit account, to be improper, as these transactions were evidently not fully disclosed in the public accounts of Gibraltar.

2.7.67 On 13 June 2019 the Government established the Government Insurance Fund, pursuant to section 18(3) of the Public Finance (Control and Audit) Act. This special fund provides for any benefits payable in respect of death in-service of public sector employees and for the settlement of any other claims and related expenditure for which the Government may self-insure.

2.7.68 I wrote to the Accountant General on 3 April 2020, highlighting that there were a number of pending issues relating to death-in-service payments that are chargeable to the

Government Insurance Fund which require a government policy decision on their treatment. The issues where a policy decision is needed, entail:

- Whether employees over the age of 60 years are covered under the Government Insurance Fund scheme;
- Whether employees who retire before age 60 are covered under the scheme until they attain 60 years of age;
- What is the treatment of death-in-service payments in respect of contract officers who die in-service;
- Are employees on non-final salary pension conditions who also do not contribute towards a contributory pension scheme entitled to death-in-service payments, and if so, what is the criteria to claim from the scheme; and
- Are employees on non-final salary pension conditions who similarly do not contribute towards a contributory pension scheme but yet had employer's contributions made to a contributory pension scheme entitled to death-in-service payments.

I also pointed out to the Accountant General that there are no written guidelines or rules on the part of Government, as employer, governing death in-service payments, thus making it difficult for public officers to know what their entitlement is.

2.7.69 As I never received a substantive reply at the time, I again wrote to the Accountant General on 7 April 2025. The Accountant General replied to me on 16 April 2025, informing that unfortunately there had not been much progress on this longstanding matter, as it warranted having appropriate time and attention to consider. She had agreed with the Financial Secretary to meet after the budget had been completed to ensure the matter received the focus it required and hopefully obtain a steer from the Government.

2.7.70 **HM Customs Centre of Excellence Fund** - On 14 December 2017, the HM Customs Centre of Excellence Fund was established, pursuant to section 2 of the Government of Gibraltar re. HM Customs Centre of Excellence Special Fund (Establishment) Notice 2017.

2.7.71 This special fund was established in pursuance of the Memorandum of Understanding ("MOU") agreed in January 2016 between HM Customs Department in Gibraltar and the United Nations Conference of Trade and Development. The MOU recognises the United Nations Conference of Trade and Development's role as the focal point within the United Nations for the integrated treatment of trade and development, and the interrelated issues in the areas of finance, technology, investment and sustainable development. It also acknowledges the extensive experience of the United Nations Conference of Trade and Development ASYCUDA Programme (*Automated System for Customs Data (ASYCUDA) is a computerised customs management system that covers most foreign trade procedures*) in the modernisation of customs administrations and procedures, in line with international standards and best practices, and in the design, development and implementation of automated customs systems, e-Government systems and electronic Single Window components worldwide.

2.7.72 The MOU also takes into account Gibraltar HM Customs' successful experience in using and enhancing the ASYCUDA system, in particular in the Customs Risk-Management and Enforcement areas, as well as in the design, development and implementation of advanced electronic Single Window and m-Government (mobile-Government) components. The MOU further notes the strategic aims and objectives of Gibraltar HM Customs in fostering economic growth, enhancing public health and streamlining trade through the pursuance of an efficient trade policy, facilitation of trade and Customs procedures, implementation of modern technologies and creation of favourable conditions for the business community.

2.7.73 The objective of the Memorandum of Understanding is principally to enhance cooperation between both parties in the development of a Centre of Excellence in Gibraltar for the purpose of:

- (a) strengthening the trade facilitation and m-Government (mobile-Government) initiatives and economic cooperation;
- (b) promoting the concept of electronic Single Window and creating favourable conditions for the activities of the economic operators;
- (c) integrating processes of customs, transport and other forms of state controls at the borders; and
- (d) developing advanced solutions utilising modern and efficient Information and Communication Technologies ("ICT");

HM Customs in Gibraltar will host the Centre of Excellence and will provide the office support required to perform its activities and training facilities. To achieve the goals of the MOU, the United Nations Conference of Trade and Development will provide the Centre of Excellence with advisory assistance, support and training, through technical assistance projects, at standard conditions, subject to availability of funds.

2.7.74 Under the MOU, HM Customs Department in Gibraltar and the United Nations Conference of Trade and Development agreed to interact on issues of:

- (a) Organisation of international/regional meetings and conferences to share knowledge and experience, and to promote international standards and best practice;
- (b) Development of joint advocacy messages on capacity building for Customs administrations, through national and regional training courses, attended by other UN agencies and their partners as applicable.
- (c) Fostering efficient administrative procedures, including through development of Single Window and m-Government components, based on modern ICT solutions;
- (d) Development of an incubator programme to guide and support services interrelated with the mentioned processes;
- (e) Use of technological solutions for identifying and managing risk areas; and
- (f) Support to entrepreneurship.

The two parties will individually or jointly raise funds for technical assistance projects under the MOU, which shall be subject to specific activity agreements, setting out their respective roles and responsibilities. All assistance provided by the two parties under the MOU shall be implemented in accordance with the budgetary provisions and the administrative rules and regulations of the United Nations.

2.7.75 There were no accounting transactions effected in the HM Customs Centre of Excellence Fund during the initial financial period 14 December 2017 to 31 March 2018. However, during the financial year 2018-19 a total of £320,929 was received by the special fund and three payments effected amounting to £294,823, leaving a balance of £39,676 as at 31 March 2019.

2.7.76 Special Funds - General - On 29 July 2019, I wrote to the Accountant General, drawing attention to the fact that when the Government Insurance Fund was established on 13 June 2019, no regulations of this special fund had been enacted in accordance with section 19(1) of the Public Finance (Control and Audit) Act. I explained to the Accountant General, and subsequently to the Financial Secretary, that regulations were necessary in order to outline specifically:

- The purpose of the Fund.
- What constitutes the revenue and expenditure of the Fund.
- Establish who will be appointed as the Controlling Officer of the Fund.

- 2.7.77** I similarly wrote to the Financial Secretary highlighting that despite the provisions of section 19(1) of the public Finance (Control and Audit) Act there were further Special Funds that, alike the Government Insurance Fund, did not have regulations.
- 2.7.78** After numerous reminders, the Financial Secretary replied to me on 13 November 2020 explaining the statutory position in regard to making regulations for Special Funds, namely that section 19(1) of the Public Finance (Control And Audit) Act prescribes that, *'The Minister [Chief Minister] may make regulations for the purposes for which a special fund may be used, for the manner in which such fund shall be administered and for the appointment of a controlling officer to control and account for such fund'* The underline was the Financial Secretary's emphasis. The Financial Secretary explained that the words 'may' empower the Chief Minister with a discretion as to whether regulations are made for a Special Fund. This means that the Chief Minister has a choice as to whether regulations are made or not. He added that in the past, a policy decision had been taken not to make regulations for any special funds and this decision was in full conformity with the aforesaid Act. The Financial Secretary informed me that he had checked this interpretation with his departmental Crown Counsel, who had identified case law from a Privy Council decision in the case of Anzen¹ where the Court determined that the word '*may*' is purely permissive. Notwithstanding this legal interpretation, the Financial Secretary said that he had committed to making and publishing regulations for each of the Special Funds listed in the Public Finance (Control and Audit) Act. He added that my recommendation, which he considered reasonable, was for these regulations to be made and published, but he emphasised that it was important to understand that their drafting and subsequent publication was not a requirement. He said that the pertinent regulations would therefore be drafted and published once his department had the capacity to do so. He pointed out that the Accountant General and him had both confirmed on several occasions that these regulations will be drafted and published.
- 2.7.79** The Financial Secretary said that in his view, the nature, immediacy and scale of the expenditure involved in the Covid-19 Response Fund warranted in itself a transparency and accountability that commanded that regulations be drafted and published for the Covid-19 Response Fund ahead of others. This, he said, was in contrast to most of the other special funds that would follow the traditional accounting treatment that one would expect and is applied by Government more generally across its expenses and liabilities.
- 2.7.80** On 7 April 2025, I wrote to the Financial Secretary enquiring to learn if there had been any developments in regard to the enactment of the Government Insurance Fund Regulations. Additionally, I asked him if regulations had been, or were in the process of being, drafted in respect of the Special Funds listed in Figure 10, taking into account the reply that I had received from his predecessor.

Figure 10

Name of Special Fund	Commencement Date	Special Funds Establishment Notice	Special Funds Regulations
• Financial Services Resolution and Compensation Committee – Deposit Guarantee Fund	02/02/2017	Yes	No
• Financial Services Resolution and Compensation Committee – Resolution Financing Fund	02/02/2017	Yes	No
• HM Customs Centre of Excellence Fund	12/12/2017	Yes	No
• Government Insurance Fund	13/06/2019	Yes	No
• Statutory Benefits Pension Equalisation Fund	28/07/2022	Yes	No
• Educational Development Fund	21/03/2025	Yes	No

- 2.7.81** On 7 May 2025, the Financial Secretary informed me that there had been no development in the enactment of the Government Insurance Fund regulations. In respect of the other listed Special Funds, no regulations have yet been drafted or submitted for publication.

Gibraltar Government Lottery

- 2.8.1** The Gibraltar Government Lottery account for the financial year 2018-19 showed a surplus of £0.68m on the year's operations against the estimated surplus of £0.11m and the previous financial year's surplus of £0.51m.
- 2.8.2** The actual net proceeds on the sale of lottery tickets during the financial year 2018-19 was £6.65m, an increase of £2.45m (58.3%) compared against the estimate for the year of £4.20m, and a rise of £0.96m (16.9%) compared to the previous financial year's net proceeds amounting to £5.69m.
- 2.8.3** Prizes unclaimed and minor prizes on returned tickets from the previous year's lottery draws allocated during the financial year 2018-19 amounting to £94k, decreased by £106k (53.0%) compared to the year's estimate of £200k, and decreased by £2k (2.0%) against the previous financial year's comparative figure of £96k.
- 2.8.4** Unsold tickets in respect of lottery draws held during 2018-19 amounted to £0.55m, representing 7.7% of overall lottery tickets available for sale. Figure 11 depicts the value of unsold lottery tickets against the value of overall lottery tickets on sale, over the last eight years:

Figure 11

Financial Year	Value of Unsold Lottery Tickets	Value of Overall Lottery Tickets available for Sale	Value of Unsold Lottery Tickets as % of Overall Lottery Tickets on Sale
2011-12	£1,202,291	£6,100,000	19.7%
2012-13	£1,141,652	£6,100,000	18.7%
2013-14	£892,629	£6,100,000	14.6%
2014-15	£774,448	£6,100,000	12.7%
2015-16	£660,512	£6,100,000	10.8%
2016-17	£614,493	£6,100,000	10.1%
2017-18	£507,189	£6,200,000	8.2%
2018-19	£554,279	£7,200,000	7.7%

- 2.8.5** Prizes on returned lottery tickets resulted in winnings by Government of 6.3% of total major prizes during the financial year 2018-19. Figure 12 shows the value of prizes on returned lottery tickets against the value of total major lottery prizes over the last eight years:

Figure 12

Financial Year	Prizes on Returned Lottery Tickets	Total Value of Major Lottery Prizes	Prizes on Returned Tickets as % of Total Major Lottery Prizes
2011-12	£929,500	£3,522,500	26.4%
2012-13	£654,000	£3,522,500	18.6%
2013-14	£421,500	£3,522,500	12.0%
2014-15	£506,500	£3,522,500	14.4%
2015-16	£453,000	£3,522,500	12.9%
2016-17	£362,500	£3,522,500	10.3%
2017-18	£225,500	£3,572,500	6.3%
2018-19	£258,000	£4,127,500	6.3%

Public Debt

2.9.1 Section 3(1) of the Public Finance (Borrowing Powers) Act 2008 provides, inter alia, for the Government to borrow any sum or sums of money provided that it shall not draw down or incur any additional public debt that will cause:

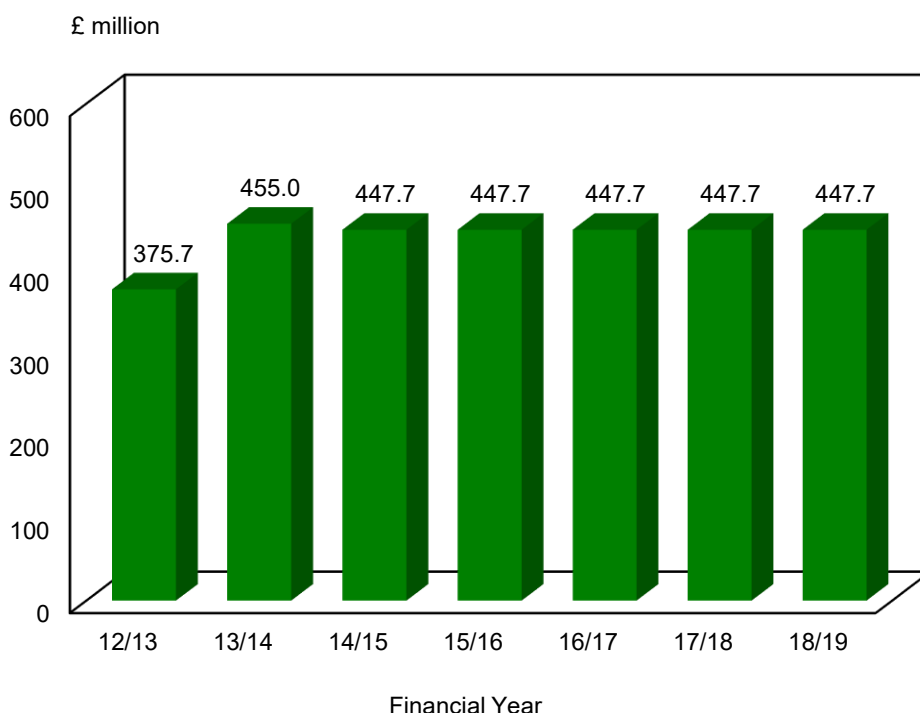
- (i) the Net Public Debt after such borrowing or drawing to exceed the higher of £300m or 40% of Gibraltar's Gross Domestic Product; or
- (ii) the Annual Debt Service Ratio to exceed 8%.

The definition of "Net Public Debt" under the Public Finance (Borrowing Powers) Act 2008, is the Aggregate Public Debt less the Government's Cash Reserves; whilst "Aggregate Public Debt" means the total amount of (Gross) Public Debt owing by the Government less any amount held in any sinking fund established by the Financial Secretary to provide for the repayment of such Public Debt.

2.9.2 The Public Debt of Gibraltar stood at £447.70m on 31 March 2019, representing no change in the level of public debt since 31 March 2015. The Net Public Debt stood at £308.85m on 31 March 2017 compared to £318.78m as at the end of the previous financial year. During the financial year 2018-19, there was no Government borrowing and no repayment of loans or redemption of debentures.

2.9.3 Figure 13 depicts the year-end level of public debt in respect of the last seven financial years:

Figure 13



2.9.4 Figure 14 shows the public debt movement during the financial year 2018-19:

Figure 14

Public Debt as at 1 April 2018	£447,700,000
Borrowing during the year	-
Redemptions and Repayments during the year	-
Public Debt as at 31 March 2019	£447,700,000

Represented by:-Commercial Borrowing:

▪ Barclays Bank PLC	£150,000,000	33.5%
▪ NatWest Offshore Limited	£50,000,000	11.2%

Debentures:

▪ Government of Gibraltar Registered Debentures issued on 1 September 2014	£100,000,000	22.3%
▪ Government of Gibraltar Monthly Income Registered Debentures issued on 1 October 2014	£147,700,000	33.0%
	<hr/>	
	£447,700,000	

Loans issued by the Government of Gibraltar

2.10.1 Improvement and Development Fund - There were no new loans issued by the Improvement and Development Fund in the financial year 2018-19. Of the three loans in place at the beginning of the year, one loan (that issued to Sunrise Court Management (Two) Limited) was fully repaid on 23 October 2018. The two remaining loans were keeping to repayments in accordance with their respective agreements at the financial year-end.

Losses of Cash and Stores Written-off and Claims Abandoned

2.11.1 I hereunder provide the reasons for the major write-offs of abandoned claims and cash losses during the financial year 2018-19, which in my opinion merited an explanation.

2.11.2 Income Tax – Employers’ Deductions of PAYE and Social Insurance Contributions, Corporation Tax and Self-Employed Individuals Tax - On 16 August 2018 the Financial Secretary approved the write-off of an aggregate sum of £218,227 in respect of Employers’ Deductions of PAYE arrears in respect of 7 companies. In all cases, attempts to recover the arrears through the Courts had proved unsuccessful. On the same date, the Financial Secretary authorised the write-off of £48,829 in respect of arrears of Employers’ Deductions of Social Insurance Contributions pertaining to 4 companies, where similar attempts to recover the arrears through the Courts had proved unsuccessful.

2.11.3 Also on 16 August 2018, authority was granted by the Financial Secretary to write-off the sum of £55,799 in respect of Corporation Tax arrears owed by 10 companies. Of these, 6 companies had ceased trading and were struck-off by the Registrar; 2 companies had been liquidated; and 2 companies had ceased trading following the death of their sole directors.

2.11.4 A total of £131,201 in Self-Employed Income Tax arrears considered bad debts and irrecoverable, owed by 19 deceased individuals, was approved for write-off by the Financial Secretary on 16 August 2018 and 11 September 2018, after court searches failed to locate recoverable assets.

2.11.5 Treasury – General Rates and Salt Water Charges - During the financial year 2018-19 the Financial Secretary authorised the write-off of the total sum of £474,642 in respect of General Rates and Salt Water Charges, comprised of £13,488 in respect of Rates and £461,154 in respect of penalties, as detailed hereunder:

Companies

- General Rates and Salt Water Charges totalling £1,964 owed by 2 inactive companies;
- General Rates and Salt Water Charges totalling £8,003, and penalties amounting to £2,818, deemed irrecoverable under a voluntary liquidation of one inactive company;
- General Rates and Salt Water Charges totalling £425, and penalties amounting to £96 deemed irrecoverable, after some of the debt was recovered under a voluntary liquidation by one inactive company;

- Penalties amounting to £219,351 owed by 81 active companies after all outstanding General Rates and Salt Water Charges had been paid; and
- Penalties totalling £47,746 owed by 25 inactive companies after all outstanding General Rates and Salt Water Charges had been paid.

Individuals

- General Rates and Salt Water Charges totalling £2,208, and penalties amounting to £11,740 owed by one individual after agreement was reached to pay outstanding debt;
- Penalties totalling £162,399 owed by 81 individuals after all outstanding General Rates and Salt Water Charges had been paid; and
- Penalties amounting to £12,885 owed by 15 inactive individual accounts after all outstanding General Rates and Salt Water Charges had been paid.

Not-for-Profit Organisations

- General Rates and Salt Water Charges totalling £119 owed by 2 not-for-profit organisations, due to the retrospective application of a General Rates and Salt Water Charges exception under section 282 of the Public Health Act;
- General Rates and Salt Water Charges totalling £769, and penalties amounting to £4,114 owed by 2 not-for-profit organisations after agreement was reached to pay outstanding debt; and
- Penalties totalling £5 owed by one not-for-profit organisation after all outstanding General Rates and Salt Water Charges had been paid.

2.11.6 Treasury – Ground and Sundry Rents - During the financial year 2018-19 the Financial Secretary authorised the write-off of the total sum of £76,268 in respect of Ground and Sundry Rents as detailed hereunder:

Companies and Sole Trader

- An agreement was reached with a company in which the total rent owed by the company, amounting to £111,159 was paid in final settlement, and the remaining balance of £49,078 was written off due to a legal dispute relating to the historical registered ownership of some parts of the premises.
- One company had a historic debt of £535 waived due to their lease expiring in February 1998 and the renewal of the lease never being implemented by the Government at the time. No rents were charged since the expiry date, and it was agreed that the balance due prior to the lease expiring be written off.
- One other company had a balance of their outstanding rent totalling £2,895 written-off arising from a compensation clause included in their lease in respect of additional costs and expenses incurred by the company.
- One sole trader had rent arrears of £720 written-off due to essential works having to be undertaken to the premises and therefore unable to start trading immediately.

Not-for-Profit Organisation

- A not-for-profit organisation (Trust) had their rent amounting to £23,040 written-off retrospectively as it was agreed by the Government that the Trust had erroneously not been deemed to be a charity from the date they had been allocated the premises.

2.11.7 Housing Works Agency – Deficiency of Stores - A total of £3,693 was authorised by the Financial Secretary during the financial year 2018-19 to be written-off in respect of deficiencies found in the Housing Works Agency (HWA) stores. These deficiencies have come to light from thorough and specific stock checks conducted on a weekly basis and are mainly as a result of the disorganised and swift transfer of the stores in 2011 from the

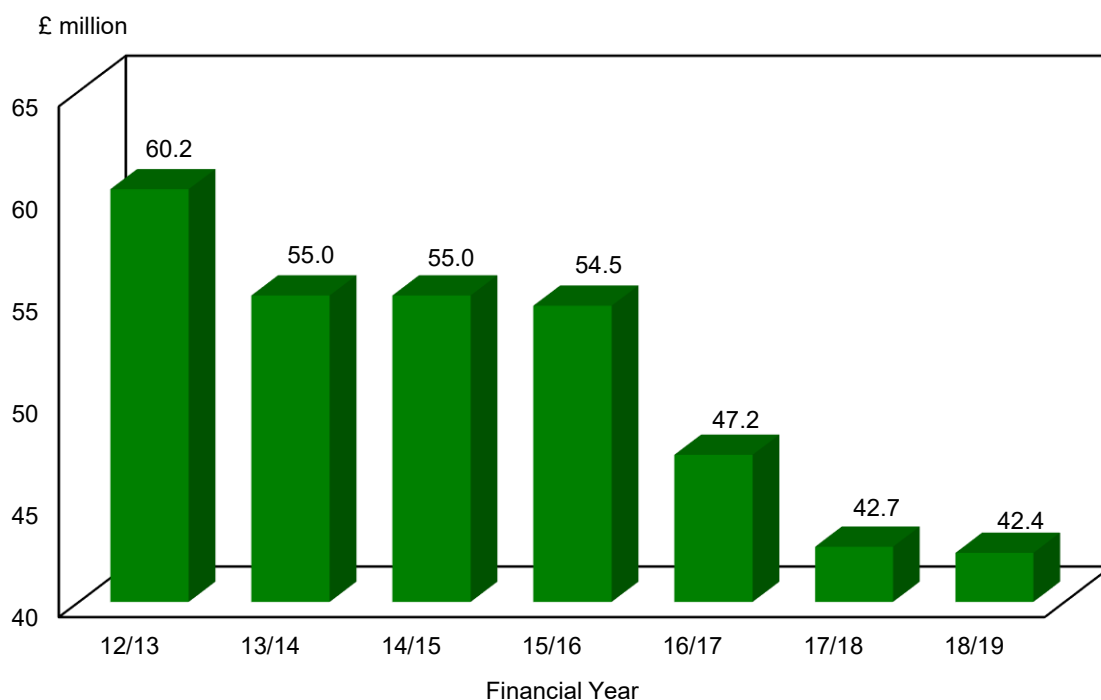
Buildings and Works Department to the HWA in order to avoid disruptions to the HWA's productivity levels.

Arrears of Revenue

2.12.1 General - Total arrears of revenue due to Government on 31 March 2019 stood at £42.36m, a decrease of £0.39m compared to £42.75m at the end of the previous financial year.

2.12.2 Figure 15 shows the comparable position of quantifiable debts at the year-end owed to Government over the last seven financial years:

Figure 15



2.12.3 The overall decrease in arrears of revenue of £0.39m as at 31 March 2019, compared to the arrears position at the end of the previous financial year, was mainly as a result of year-on-year increases and decreases in the following individual subheads of revenue:

Figure 16

Increase in Arrears of Revenue	Amount	Decrease in Arrears of Revenue	Amount
Company Tax	£1.00m	Income Tax	£1.65m
Scholarship Fees - Reimbursements	£0.46m	Commercial Works (Gib Electricity Authority)	£0.79m
Billed Charges to Consumers	£0.40m	House Rents	£0.17m
Other Receipts (Hospital Fees)	£0.35m	Other Revenue (Gib Electricity Authority)	£0.15m
Fees and Concessions	£0.16m	Tonnage Dues	£0.14m
Airport Departure Tax	£0.11m	Gambling Charges and Fees	£0.08m
Tourist Sites Receipts	£0.07m	Ground and Sundry Rents	£0.03m
Airport Landing Fees	£0.04m	Bunkering Charges	£0.03m
Hostel Fees	£0.03m	Port Arrival and Departure Tax	£0.02m
Coach Terminal Fees	£0.03m		
Ship Registration Fees	£0.02m		
Residents Contributions	£0.01m		
	<u>£2.68m</u>		<u>£3.06m</u>

2.12.4 Arrears of Income Tax, Company Tax, General Rates and Salt Water Charges, Ground and Sundry Rents and House Rents, as customary, are dealt with in Part 3 of this report. I hereunder provide information regarding arrears of revenue as at the end of the financial years 2018-19, which in my view deserved an explanation.

2.12.5 Arrears of Commercial Works - Arrears of revenue in respect of works carried out by the Gibraltar Electricity Authority to private and public entities stood at £108,001 as at 31 March 2019, a significant year-on-year decrease of £786,474 (87.9%) from the previous year's arrears of £894,475. However, most of the sums owed as at 31 March 2019 were due by government companies, departments, authorities and agencies which were settled during the subsequent 2-year financial period 2019-21.

2.12.6 Arrears of Scholarship Fees – Reimbursements - The arrears due in respect of Reimbursements of Scholarship Fees as at 31 March 2019 amounted to £1,320,877 representing a year-on-year increase of £463,100 (54.0%). During the financial year 2018-19, there were 71 new scholarship debts. The overall number of student debtors increased year-on-year by 50 (26.7%) from 187 student debtors to 237; and the scholarship debt increased during the year by 54.0%. By the end of the financial year on 31 March 2019, 21 (11.2%) students had paid back all of their debt, and 121 (64.7%) students had paid back part of their debt. On the other hand, 45 (24.1%) student debtors had not made a single payment towards their debt during the year.

2.12.7 However, it must be noted that 32 of the 71 new scholarship debts in the financial year 2018-19 were debtors from pre-31 March 2019, that were established as being debtors following an internal exercise undertaken by the Department of Education during 2024, which I mentioned in paragraph 3.9.7 of my report to Parliament for the financial years ended 2016-17 and 2017-18. The scholarship fees reimbursements arrears owing by these 32 debtors amounts to £187,437, and should have been aggregated to the arrears of scholarship fees figure as at 31 March 2018. Taking this into account, the effective increase in arrears from 31 March 2018 to 31 March 2019 would be 26.4% instead of 54.0%.

2.12.8 On 31 March 2025 scholarship fees reimbursement debts stood at £2,108,277, representing an increase of £787,400 compared to the position on 31 March 2019. The number of scholarship debtors increased by 32 (13.5%) from 237 as at 31 March 2019 to 269 on 31 March 2025. Figure 17 shows the number of scholarship debtors and the corresponding arrears outstanding over the last eight financial year-ends.

Figure 17

Financial Year-End	Number of Scholarship Debtors	Outstanding Arrears
31 March 2018	187	£857,777
31 March 2019	237	£1,320,877
31 March 2020	262	£1,722,813
31 March 2021	272	£1,943,117
31 March 2022	290	£2,245,293
31 March 2023	288	£2,270,483
31 March 2024	286	£2,140,113
31 March 2025	269	£2,108,277

2.12.9 Arrears of Billed Charges to Consumers - Arrears of Billed Charges to Consumers increased year-on-year by £395,506 (6.2%) from £6,370,890 to £6,766,396 as at 31 March 2019. The increase is attributed to higher electricity consumption, which led to a corresponding rise in outstanding amounts owed by consumers. There were no arrears of revenue written-off during the financial year.

2.12.10 Arrears of Other Receipts - Arrears in respect of Other Receipts (Hospital Fees) increased by £351,619 (12.4%) from £2,842,988 at the end of the previous financial year to £3,194,607 as at 31 March 2019.

2.12.11 The arrears balance primarily relates to debts owed by one patient amounting to £1,967,957, which accounts for 61.6% of the total arrears balance as at 31 March 2019. This patient was first billed in March 2010 and continued to incur invoices up to 31 July 2018, at which point the patient was transferred to the Gibraltar Health Authority (GHA) - Elderly Residential Services and invoicing by the GHA ceased. Excluding this patient, the remaining arrears balance of £1,226,650 as at 31 March 2019 was owed by 819 individuals.

2.12.12 The reasons provided to me by the GHA for the escalating arrears of Hospital Fees, disregarding the aforementioned patient, was that most debtors do not reside in Gibraltar and are uncontactable. I was informed that the GHA follow firm protocols in the recovery of arrears and liaise with the Department of Health in England to adopt best practice procedures in the recovery of Hospital Fees arrears. The GHA carried out a thorough exercise to contact all debtors with outstanding arrears dating back to the 2007-08 financial year, with a view of initiating recovery of their outstanding debts and also of determining which arrears were deemed irrecoverable debts. The arrears exercise established that total debts amounting to £148,849 were considered irrecoverable. As a consequence, on 2 October 2023, the GHA wrote to the Financial Secretary requesting authority to write-off these arrears of Hospital Fees which are deemed to be irrecoverable by the GHA.

2.12.13 On 5 June 2024, the GHA submitted a further request to the Financial Secretary for approval to write-off arrears of Hospital Fees amounting to £2,465,075, see Figure 18. These irrecoverable arrears pertain to three long-stay patients. This includes the highest owing debtor mentioned in paragraph 2.17.8, in addition to two other patients – one of these owing £466,828 in respect of unsettled invoices spanning from June 2016 up to April 2018, at which point the patient was transferred to the GHA Elderly Residential Services and invoicing by the GHA ceased; whilst the other individual, now deceased, owed £30,290 in respect of invoices between June 2018 and August 2018.

Figure 18

Hospital Fees Debtor	Period of Invoices Owed	Arrears Owed
Debtor 1	3/3/10 to 31/7/18	£1,967,957
Debtor 2	3/6/16 to 30/4/18	£466,828
Debtor 3	30/6/18 to 3/8/18	£30,290
Total		£2,465,075

At the time of closing this report, neither of the two arrears write-off requests had yet been approved by the Financial Secretary.

2.12.14 Arrears of Fees and Concessions - Although in previous years there had been a downward trend in the level of arrears of Fees and Concessions, these increased significantly by £161,387 to £221,763 as at 31 March 2019. The major part of these arrears, amounting to £216,136 (97.5%), relate to the financial year 2018-19 except for the sum of £5,627 which dates back to the financial year 2013-14 and earlier.

Misallocations and Anomalies Noted in the Public Accounts

2.13.1 During the course of the audit of the public accounts of Gibraltar for the financial year ended 31 March 2019, a number of misallocations and anomalies were noted of significant mention, which I highlight in the paragraphs hereunder.

2.13.2 Improvement and Development Fund

On 4 March 2019, BV Homes paid a partial premium of £1,000,000 to the Government of Gibraltar in consideration for the grant of the Lease (Premium) for the plot of land in Europa Walks for £7,250,000. The remaining balance of £6,250,000 was paid to Land Property Services Limited, acting as agents for the Government. While the sum of £6,250,000 had been correctly credited to I&DF Revenue Head 102, Subhead 1 Land, Building Sales and Leases and other Premia, the **£1,000,000** paid directly to the Government was erroneously credited to I&DF Revenue Head 102, Subhead 2 Ex-MOD Sales.

2.13.3 On highlighting the misallocation to the acting Accountant General, she acknowledged that the partial premium sum of £1,000,000 had been incorrectly recorded at the time. She also agreed that the public accounts should reflect the correct categorisation to maintain transparency and ensure accurate reporting. However, given the considerable time elapsed, she believed that it would be more procedurally sound to reflect this correction as a note to the Annual Accounts statements rather than making a retrospective adjustment in the Treasury accounting system. In her view, this approach would preserve the integrity of the historical financial records whilst ensuring that the readers of the 2018-19 public accounts were made aware of the misallocation. She believed this represented a fair balance between audit requirements and accounting best practice.

2.13.4 Consolidated Fund Revenue

The bank reconciliation statement for the month of March 2019 showed a reconciling item of £272,173. An examination of this amount showed a material transaction of £267,259 relating to income tax revenue which had been erroneously credited in the Treasury cashbook. On querying this with the Treasury Department it was noted that the amount had been credited twice in the bank, on 10 October 2018 and 16 October 2018 respectively, with both receipts also being recorded in the cashbook on 17 October 2018. However, the bank subsequently reversed one of the duplicate transactions on 11 October 2018, but the cashbook remained unadjusted and therefore over-credited by £267,259.

2.13.5 At the close of this report, it was established that the amount of **£267,259** remains over-credited to revenue in the financial year 2018-19, pending further investigation by the Treasury Department in conjunction with the Income Tax Office. I was informed that at present, the Treasury Department is focused on reconciling the backlog of current bank statements and thereafter intends to investigate large value outstanding items in its reconciliation statements and adjust for them accordingly.

2.13.6 Consolidated Fund Expenditure

It was noted that expenditure charged to Head 2, No.6 Convent Place; Subhead 2(7)(b) Other Grants and Donations in the financial year 2018-19 included a sum of £34,510 in respect of legal fees relating to legal proceedings against the Medical Director of the Gibraltar Health Authority (GHA). I informed the Accountant General that I considered charging the cost of the Medical Director's legal fees to Head 2; Subhead 2(7)(b) Other Grants and Donations not to be a proper allocation of expenditure that was deemed to be recoverable. Considering that the nature of the expenditure does not constitute a 'grant' or a 'donation' the correct allocation of this expenditure should, in my view, have been more appropriately charged to an advance account pending the recovery of the legal costs.

2.13.7 The acting Accountant General said that in her view, given the time that had elapsed and considering that, at the time, there was no expectation of cost recovery, the most transparent approach was to place an explanatory note in the 2018-19 accounts under

Head 2 Subhead 2(7)(b) Other Grants and Donations. The note would explain that the sum of **£34,150** should have more accurately been recorded under a newly created subhead such as 'Legal Fees' (or similar).

- 2.13.8** An examination of Consolidated Fund expenditure during the financial year 2018-19 revealed that expenditure relating to the reimbursement of a construction premium to the Gibraltar Financial Services Commission amounting to £103,810 had been charged to Head 48, Subhead 2 (8)(b) Extraordinary Investigation Expenses, when the nature of this expenditure does not relate to investigation expenses. I told him that I did not consider the cost of the construction premium amounting to £103,810 to be a proper charge to Head 48, Subhead 2 (8)(b) Extraordinary Investigation Expenses and enquired as to the reason for charging this expenditure to Investigation Expenses.
- 2.13.9** The Financial Secretary replied to me agreeing that the expenditure was not related to any investigation and given the nature of the payment an appropriate Head of Charge would have been: Head 48 Subhead 2(8)(a) Financial Services Commission – Subvention. The Accountant General also agreed that the sum of **£103,810** had been misallocated to Head 48 Subhead 2(8)(b) when the more appropriate expenditure allocation would have been Head 48 Subhead 2(8)(a). Nevertheless, she did not agree to make the necessary adjustments in the Treasury books of account to reflect the misallocation but instead included an explanatory note at the footer of the relevant page on the public accounts.
- 2.13.10** In aggregate there are 4 significant misallocations/anomalies that have been noted in the public accounts of Gibraltar for the financial year ended 31 March 2019, which in total amount to £1.41m. This sum, although not surpassing the materiality level set at £2.30m, nevertheless merits, in my view, that the pertinent audit adjustments be effected in the Treasury Books of account.
- 2.13.11** The acting Accountant General replied saying that taking into account the significant time elapsed since the 2018-19 financial year, the Treasury's current resource constraints, and the security protocols they have in place within their accounting system, for reasons of security and good governance, she was of the view that it would not be an efficient or proportionate use of resources to process retrospective journal entries for transactions dating back five financial years. She believed that including an explanatory note in the accounts for each of the misallocations was a transparent and responsible approach. It ensured that the reader of the accounts was fully informed; it maintained the integrity of the historical financial data; and provided clear accountability without compromising system controls or diverted limited resources in the Treasury from current priorities.
- 2.13.12** I reiterated to the acting Accountant General that I did not consider that misallocations should be dealt with by way of adding explanatory notes to the accounts. The appropriate way was to correct these by way of journal entries.
- 2.13.13** The Accountant General replied acknowledging my view that such matters should ideally be corrected via journal entries and respected my role in providing an independent audit opinion on the matter in my report on the public accounts.



Report of the Principal Auditor
on the Accounts of the
Gibraltar Savings Bank
for the financial year ended
31 March 2024



THE CERTIFICATE OF THE PRINCIPAL AUDITOR TO THE MINISTER WITH RESPONSIBILITY FOR PUBLIC FINANCE

I certify that I have audited the financial statements of the Gibraltar Savings Bank for the financial year ended 31 March 2024 in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. These statements comprise the Income and Expenditure Account, the Deposits and Withdrawals Account, the Investment Adjustment Account, the Reserve Account, the Balance Sheet, the Statement of Investments and the related notes. These financial statements have been prepared using the cash receipts and disbursements basis of accounting, as modified by the accounting policies set out within them.

Respective responsibilities of the Director of the Gibraltar Savings Bank and the Principal Auditor

The Director of the Gibraltar Savings Bank is responsible for the preparation of the financial statements and for being satisfied that they are properly presented. The policy is to prepare the financial statements on the cash receipts and disbursements basis, as modified by the accounting policies set out within them. On the cash basis, revenue is recognised when received rather than when earned, and expenses are recognised when paid rather than when incurred.

My responsibility is to audit, certify and report on the financial statements in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. I have conducted my audit of the financial statements in accordance with generally accepted government auditing standards.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Gibraltar Savings Bank's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Report of the Director of the Gibraltar Savings Bank to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on financial statements

In my opinion, the financial statements properly present the revenue collected and expenses paid, the deposits and withdrawals, the investment adjustment and the reserve for the financial year ended 31 March 2024 and the assets and liabilities as at the end of that period.

Opinion on other matters

In my opinion, the information given in the Report of the Director of the Gibraltar Savings Bank is consistent with the financial statements.

Matters for which I report by exception

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- I have not received all of the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of the audit; or
- proper books of account have not been kept by the Gibraltar Savings Bank, so far as appears from the examination of those books; or
- the Gibraltar Savings Bank has not discharged its financial duties and obligations in accordance with the provisions of the Gibraltar Savings Bank Act; or
- the financial statements are not in agreement with the accounting records.

Other Matters

I have to report that at the end of the financial year 2023-24, there were six deposits that were made by various clients of the Gibraltar Savings Bank a number of days before the year-end, amounting to £580k, that were not accounted for in the financial statements. These deposits were held in NatWest Bank, as they were pending the relevant due diligence process.

Also at the end of the financial year 2023-24, there was a further number of clients' deposited monies amounting to £586k that had been receipted and accounted for in the Gibraltar Savings Bank's books of account, and similarly held in the NatWest Bank account pending the re-investment of these funds. These deposits were classified as 'investments' in the Balance Sheet and in the Statement of Investments even though these funds had not yet been invested, instead of being classified as 'Cash at bank awaiting re-investment'.

Further details are included in my report on the accounts of the Gibraltar Savings Bank for the financial year ended 31 March 2024, on page 8.

Report

The observations on the financial statements are detailed in my Report.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

31 October 2024

GIBRALTAR SAVINGS BANK

ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

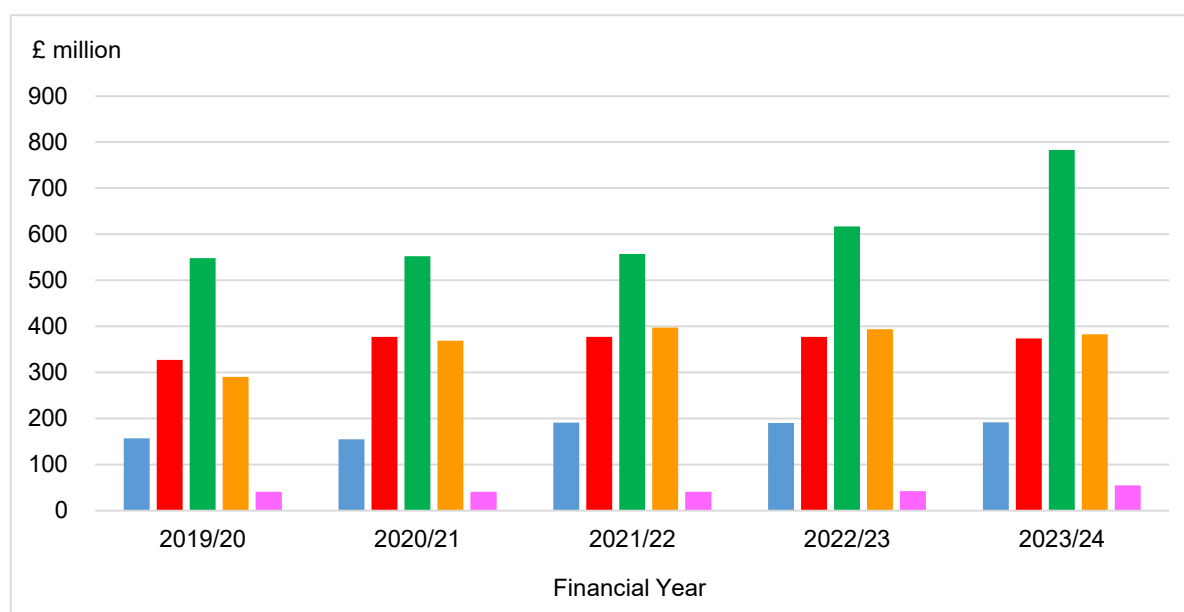
REPORT

- 1.1 Income and Expenditure** - The investment income of the Gibraltar Savings Bank for the year ended 31 March 2024 amounted to £68.12m, a year-on-year increase of £4.45m compared to £63.67m received in the previous financial year. The income derived from investments is composed of £35.06m from the return on debentures; £21.76m from bank interest; £6.51m in dividend payments; £4.56m from the investments managed by the Crown Agents; and a bond yield of £0.23m.
- 1.2** In recent years, the Gibraltar Savings Bank has received dividends that were declared by Credit Finance Company Limited to the Gibraltar Development Corporation, but the Corporation waived the right to these dividends and directed that the dividends should be paid to the Gibraltar Savings Bank. However, in the financial year 2022-23, specifically on 1 February 2023, Credit Finance Company Limited re-classified the company's share capital into A and B ordinary shares. During the financial year under review, specifically on 20 March 2024, Credit Finance Company Limited declared and paid an interim dividend of £3.00m to the Gibraltar Savings Bank (the shareholder of one ordinary A share of £1), followed by the declaration and payment of a further interim dividend of £2.00m to the Gibraltar Savings Bank on the same date. Yet again as in the previous year, the company did not declare the payment of a dividend to the Gibraltar Development Corporation (the shareholder of 29,999,999 ordinary B shares of £1 each), even though this corporation is the majority shareholder of Credit Finance Company Limited.
- 1.3** Interest paid during the financial year 2023-24 totalled £59.15m compared to £51.45m during the previous financial year. Other expenditure during 2023-24 included: £0.53m in management and other charges, and £0.32m in respect of banking platform costs and annual licence fees.
- 1.4** The net operating income of the Gibraltar Savings Bank during the financial year ended 31 March 2024 was £8.43m, compared to a net income of £12.01m in the last financial year.
- 2.1 Bank Deposits** - There was a net increase of £155.21m in the deposits of the Gibraltar Savings Bank during the financial year 2023-24 compared to a net increase in deposits of £47.52m in the previous financial year.
- 2.2** The level of non-Government deposits held by the bank as at 31 March 2024 increased by £60.03m to £1,511.69m compared to the balance held at the end of the previous year of £1,451.66m. The increase in non-Government deposits during the year was largely as a result of a net increase in the issue of Gibraltar Savings Bank Debentures (£66.55m), particularly the issue of the new fixed term monthly income Economic Development Debentures (£143.40m); an increase in Gibraltar Savings Bank Bonds (£10.03m); a decrease in non-Government On-call Investment Accounts (£6.13m); and a decrease in Ordinary Deposits (£10.42m).
- 2.3** There was a total sum of £6.99m held in non-Government On-call Investment Accounts as at 31 March 2024. These deposits relate to: £3.54m in respect of unclaimed funds that remained unredeemed on the maturity of Gibraltar Savings Bank Debentures; £3.33m from the holding of unclaimed debentures pertaining to deceased debenture holders; £0.07m in respect of unclaimed interest; and £0.05m in respect of unclaimed funds that remained unredeemed on the maturity of Gibraltar Savings Bank Bonds.

2.4 Government deposits in the Gibraltar Savings Bank on 31 March 2024 stood at £205.92m, a net increase of £95.18m compared to the balance held at the end of the previous financial year amounting to £110.74m. The net increase in Government deposits during the year was largely attributable to a rise in the level of Government Liquid Reserves (£104.09m) and the Note Security Fund (£1.43m); and a decrease in the balances of the General Sinking Fund (£9.17m) and the Social Assistance Fund (£1.05m). On-call Investment Accounts under Government Deposits include £12.00m of cash safekeeping deposits in respect of the Note Security Fund, relating to currency notes in circulation, that does not generate interest.

3.1 Bank Investments - There was a net capital gain on the Gibraltar Savings Bank investments amounting to £0.82m during 2023-24, compared to a net capital loss of £0.96m in the previous financial year.

3.2 The graphic chart and the table below show the comparable position of the Gibraltar Savings Bank investments at the year-end over the last five financial years. As can be seen, there has been a marked increase in the investments held by the Gibraltar Savings Bank in Government-owned Companies and Corporations during the last two years. Although investments in Other Banks has decreased slightly in the last two years, it continues to be the second highest source of investment by the Gibraltar Savings Bank.



Gibraltar Savings Bank Investments		2019-20	2020-21	2021-22	2022-23	2023-24
Crown Agents *		157.48m	154.96m	190.78m	190.43m	191.70m
Government of Gibraltar (Public Debt)		326.68m	376.78m	376.83m	377.20m	373.80m
Government-owned Companies & Corporations		547.89m	552.17m	557.22m	617.45m	782.86m
Other Banks **		290.31m	369.32m	396.80m	394.14m	382.88m
Bank of England		41.14m	41.15m	41.18m	42.18m	55.20m
Total Investments		1,363.50m	1,494.38m	1,562.81m	1,621.40m	1,786.44m

* Includes a shareholding of 230 Series C preference shares held in Visa Inc., valued at £184,334 as at 31 March 2024.

** Includes an investment in a Series C Bond issued by TNG Realty (Eastside) Limited, with an accrued value of £10,233,014 as at 31 March 2024. It also includes investments held with the Gibraltar International Bank, which is a partly-owned Government bank.

- 3.3 £40.00m Debenture Issued by GSBA Limited to the Gibraltar Savings Bank on 11 December 2023** - On 11 December 2023, GSBA Limited issued a £40.00m 3-year debenture to the Gibraltar Savings Bank bearing interest at 5.5% per annum, payable quarterly in arrears, with the first interest payment due on 1 March 2024. On the same date, GSBA Limited entered into a 3-year loan agreement with Gibraltar National Mint Limited for £40.00m with interest payable by Gibraltar National Mint Limited to GSBA Limited on exactly the same terms as the aforementioned debenture issued by GSBA Limited to the Gibraltar Savings Bank. Further to this, on the same date, Gibraltar National Mint Limited invested £40.00m in 3-year Loan Notes issued by Community Credit Union Co-operative Limited carrying interest at 8% per annum, payable quarterly in arrears with the first interest payment due on 1 March 2024.
- 3.4** On 24 August 2024, GSBA Limited resolved to retrospectively amend its previous resolution dated 11 December 2023, regarding the interest payment conditions applicable to the £40.00m 3-year debenture it had issued to the Gibraltar Savings Bank on the same date. The change consisted of amending the interest terms from being payable quarterly in arrears, to accruing on an annual basis for three years or until the date that GSBA Limited repays the £40.00m to the Gibraltar Savings Bank. It was further resolved that the loan agreement between GSBA Limited and the Gibraltar National Mint Limited should similarly have its terms amended in line with the terms of the revised GSBA Limited £40.00m debenture issue, and not as had previously been determined. Likewise, it was also resolved that the repayment terms of the 3-year Loan Notes issued by Community Credit Union Co-operative Limited be revoked and the Gibraltar National Mint Limited invest £40.00m in a 3-year Loan Note issued by Community Credit Union Co-operative Limited, with interest on the Loan Note accruing at 8% on an annual basis for a maximum of three years or until such time as the Loan Note is repaid.
- 3.5** On 16 October 2024, I asked the acting Director of the Gibraltar Savings Bank why the Gibraltar Savings Bank had not directly invested the £40.00m in Community Credit Union Co-Operative Limited, thereby deriving the benefit of an 8% investment return, as opposed to channelling its investment through GSBA Limited and Gibraltar National Mint Limited, as it had done, and solely obtaining 5.5% interest return. In this way, the Gibraltar National Mint Limited has earned a 2.5% return just for being an intermediary party to the transaction. The acting Director replied to me on 17 October 2024, explaining that whilst the external third-party company may offer a higher interest rate, it is the Gibraltar Savings Bank's position and risk appetite that the overall security, alignment, and control provided through GSBA Limited are of greater long-term benefit to the Gibraltar Savings Bank and its stakeholders. Notwithstanding, the acting Director added that in consideration that the Gibraltar Savings Bank owns GSBA Limited and GSBA Limited owns Gibraltar National Mint Limited my suggestion had been noted.
- 3.6** I further asked the acting Director to provide the reasons why the conditions of the GSBA Limited £40.00m debenture issued on 11 December 2023, and the £40.00m loan agreement between GSBA Limited and Gibraltar National Mint Limited, together with the Loan Notes issued by Community Credit Union Co-operative Limited had been changed post year-end. The acting Director replied on 17 October 2024, explaining that the conditions of the debentures were changed due to a policy decision, as initially it had been envisaged to operate in one way and for ease of administration once the internal discussions had taken place it was amended. She added that, unfortunately, there was also an element where due to time constraints, the internal communications did not flow as required, which led to the incorrect approach being taken originally. On 23 October 2024, the Financial Secretary wrote to me adding that the delay in communicating the change in conditions of the debenture issued by GSBA Limited to the Gibraltar Savings Bank had been mostly, if not all, at his end whilst he reviewed and considered the different impacts/options of the accounting treatment.

3.7 Economic Development Debentures - On 15 August 2023, the Minister with responsibility for the Gibraltar Savings Bank approved the issue of new Economic Development Debentures. These were issued as from 1 September 2023, as follows:

- 1-year fixed term monthly income Economic Development Debentures with interest at 6%.
- 3-year fixed term monthly income Economic Development Debentures with interest at 5.5%.
- 5-year fixed term monthly income Economic Development Debentures with interest at 5%.

As previously mentioned in paragraph 2.2, the uptake of these debentures stood at £143.40m as at 31 March 2024, as follows:

- 1-year fixed term monthly income Economic Development Debentures with interest at 6% - £108.12m.
- 3-year fixed term monthly income Economic Development Debentures with interest at 5.5% - £23.48m.
- 5-year fixed term monthly income Economic Development Debentures with interest at 5% - £11.80m.

3.8 On 16 October 2024, I wrote to the acting Director of the Gibraltar Savings Bank highlighting that in re-investing the funds pertaining to the Economic Development Debentures, the Gibraltar Savings Bank would evidently prioritise the funding of projects to increase Gibraltar's economic development, consequently I asked her if she could provide details of: the funds that had been invested in specific projects; what were these projects; where had these funds been invested; and what was the investment return. I further recommended that she should provide details of the re-investment of the funds from these debentures in her report.

3.9 The acting Director replied to me on 17 October 2024, stating that there had been no change in the policy of the re-investment of funds under the current administration. The fact that the Minister had specifically identified the purpose of the issue of the Economic Development Debentures as a vehicle to sponsor local projects, which are deemed beneficial towards the Minister's National Economic Plan, is simply for transparency purposes. However, the funds from the issue of these debentures are not invested separately, pound for pound, into specific projects or assets. Instead, the Gibraltar Savings Bank takes a pooled approach to investing the overall funds [of the bank]. This means all monies, regardless of their source, are invested collectively into a diversified portfolio. The acting Director further commented that, to her knowledge, no bank specifically publishes details of the funding provided to clients. She added that, nonetheless, and with consideration to the aforementioned explanations on the re-investment of funds, it was important to clarify that the Gibraltar Savings Bank operates under its statutory requirements which ensures transparency and sound financial management. She said, this includes periodic reviews to ensure that the Gibraltar Savings Bank's investment practices are aligned with its legal obligations, ensuring that depositor funds, including those from Economic Development Debentures are managed responsibly.

3.10 On 21 October 2024, I informed the acting Director that I considered her statement that no bank specifically publishes the details of the funding provided to clients quite remarkable, considering that the Gibraltar Savings Bank already publishes an extensive list of its investments in the Statement of Investments, and moreover taking into account that the Gibraltar Savings Bank is a bank that promotes the social and economic development of the community. Accordingly, I insisted that the Gibraltar Savings Bank should provide details of any specific projects where it is re-investing the funds received from the issue of Economic Development debentures, given that these debentures have been issued for a specific purpose and the bank's depositors are entitled to know on which projects their funds have been invested in. I therefore again requested if she could provide me with details of those investments from the diversified portfolio which specifically relate to economic development projects.

3.11 The acting Director replied to me on 22 October 2024, explaining that while the Gibraltar Savings Bank does indeed publish an extensive Statement of Investments, this reflects the bank's pooled investment strategy rather than a breakdown by specific project or debenture source. She added that, as previously advised, this pooled approach is crucial for managing risk across a diversified portfolio, ensuring both the security of funds and optimal returns in lines with statutory obligations. This, she said, should provide sufficient comfort for the depositors who have chosen to invest in these specific instruments and is definitely more than the information provided by any commercial banking entity to their clients. The acting Director further commented that, as previously explained, the Economic Development Debentures are linked to particular goals, such as promoting projects aligned with the Minister's National Economic Plan and these typically include areas that align with long-term social and economic objectives as reported in Parliament.

4.1 Bank Reserves - The Gibraltar Savings Bank (Amendment) Act 2008, which came into operation on 24 July 2008, provides, inter alia, for the surplus in revenues in any year to be transferred to the Consolidated Fund provided that the assets of the Gibraltar Savings Bank will thereafter be not less than the liabilities to depositors, as represented by the deposits in the Gibraltar Savings Bank. The consequence of the amendment is that it is no longer necessary for the Gibraltar Savings Bank to maintain a reserve balance. No transfers were made from the Bank's Reserve Account to the Consolidated Fund during the financial year 2023-24. The reserves as at 31 March 2024 stood at £76.44m reflecting an increase of £9.26m compared to the position at the end of the previous financial year of £67.18m.

5.1 Subsequent Events - The following events occurred after the end of the reporting period up to the audit certification of these financial statements on 31 October 2024:

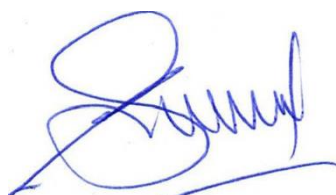
- On 1 April 2024, Credit Finance Company Limited extended the underlisted debentures, on maturity, that had been issued to the Gibraltar Savings Bank on 1 April 2019, for a further term of 5 years:
 - £65.00m debenture, bearing interest at 4% per annum;
 - £40.75m debenture, bearing interest at 5% per annum;
 - £275.00m debenture, bearing interest at 6% per annum; and
 - £9.25m debenture, bearing interest at 5% per annum.
- On 21 May 2024, Credit Finance Company Limited issued a 1-year non-convertible debenture of £10.00m to the Gibraltar Savings Bank, bearing interest at 5.35% per annum. On the same date, a decision was taken for Credit Finance Company Limited to enter into an agreement with the Care Agency to finance the £10.00m required to be paid by the Agency under a court order issued by the Supreme Court of Gibraltar.
- On 25 July 2024, GSBA Limited issued a non-convertible capital repayment debenture of £10.50m to the Gibraltar Savings Bank, for a maximum term of 20 years from issuance, bearing interest at 6.25% per annum. Capital and interest repayments are payable monthly in arrears, with the first payment due on 25 August 2024. On the same date, GSBA Limited entered into a 20-year loan agreement with Gibraltar National Mint Limited for £10.50m with interest payable by Gibraltar National Mint Limited to GSBA Limited on exactly the same terms as the aforementioned debenture issued by GSBA Limited to the Gibraltar Savings Bank. Further to this, on the same date, the Gibraltar National Mint Limited invested £10.50m in a Loan Note issued by Community Credit Union Co-operative Limited.
- On 16 August 2024, TNG Realty (Eastside) Limited issued a guaranteed fixed coupon bond of £10.00m to the Gibraltar Savings Bank, due on 15 June 2027,

bearing interest at 9% per annum. The proceeds from the issue of the bonds will contribute towards the financing of the development of the eastside of Gibraltar, which is termed the 'Eastside Project'; and

- On 25 September 2024, GSBA Limited issued a non-convertible debenture of £5.50m to the Gibraltar Savings Bank, for a maximum term of 15 years from issuance, bearing interest at 6.25% per annum.

6.1 Other Matters - At the end of the financial year ended 31 March 2024, there was a total of six deposits amounting to £580k, relating to the purchase of debentures, made by various clients of the Gibraltar Savings Bank a number of days before the year-end, which were held in NatWest Bank, that had not been accounted for in the Gibraltar Savings Bank's cash book. The acting Director of the Gibraltar Savings Bank explained that funds deposited by clients are not accounted for until the pertinent due diligence procedures have been met. I recommended to the acting Director that all monies held in the Gibraltar Savings Bank bank account need to be accounted for in the Gibraltar Savings Bank's books of account. I suggested to the acting Director that such funds can be temporarily held in a holding account whilst the due diligence procedures are applied, and reflected in the financial statements as 'Cash at Bank awaiting re-investment'. The acting Director informed me that she required more time to assess the wider implications that such a move would have in relation to the Public Accounts of Gibraltar. Therefore, these deposits remained unaccounted for in the financial statements.

6.2 There were a further number of clients' deposited monies amounting to £586k that had been receipted and accounted for in the Gibraltar Savings Bank's books of account, and similarly held in a non-interest bearing NatWest Bank account at the year-end, pending the re-investment of these funds or other action, that had nevertheless been classified as 'investments' in the Balance Sheet and in the Statement of Investments. I enquired from the acting Director, why these funds were being classified as invested in the financial statements when these funds had truly not yet been invested. The acting Director agreed that technically these depositors' funds were not invested. She informed me that she would be including an explanatory note in the Statement of Investments and in the Notes to the Accounts to disclose that the sum of £586k was temporarily held in a non-interest bearing account pending further action before proceeding with the investment, or other specific transaction. I agreed with the acting Director that this would make the financial statements more transparent. However, I recommended to the acting Director that in addition to the inclusion of the explanatory notes in the financial statements, these funds should more appropriately be reflected in the Balance Sheet as 'Cash at Bank awaiting re-investment'. The acting Director replied that in line with the other audit recommendation made in paragraph 6.1, she required more time to assess the wider implications this would have in relation to the Public Accounts of Gibraltar.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

31 October 2024



GIBRALTAR SAVINGS BANK
Annual Accounts

For The Financial Year Ended

31 March 2024

Treasury Department

Gibraltar Savings Bank**Director's Report on the Accounts for the Year Ended 31 March 2024**

The Gibraltar Savings Bank is accounted for through a Government Special Fund – the Savings Bank Fund.

Income during the year totalled £68.55 million and was comprised of £68.12 million from investment income and £0.43 million from early redemption charges and miscellaneous receipts.

Net income during the year ended 31 March 2024 was £8.43 million, compared with a net income of £12.01 million during the previous year.

There was a net capital gain on the funds' investments of £0.82 million for the year.

Management and other charges for the year ending 31 March 2024 totalled £0.53 million.

The net increase in reserves during the year was £9.25 million compared to an increase in reserves of £11.05 million during the previous year. The reserves as at 31 March 2024 stood at £76.44 million.

At the year-end, the deposits of the bank, excluding £4.53 million of accrued interest, stood at £1,717.61 million. The previous year-end figure totalled £1,562.40 million. Deposits as at 31 March 2024 were made up as follows:

	<u>Deposits</u>	<u>Previous</u>
	<u>£'m</u>	<u>Year</u>
	<u>£'m</u>	<u>£'m</u>
<u>Non-Government Deposits</u>		
Ordinary Deposits	98.24	108.66
On-Call Investment Accounts	6.99	13.12
Pensioners' Monthly Income Debentures	5.68	7.36
Special Issue of Pensioners' Monthly Income Debentures 01/01/25	20.60	22.73
Monthly Income Debentures	22.70	39.55
Special Issue of Monthly Income Debentures	1.39	1.77
1-Year Fixed Term Monthly Income Debentures (Variable)	6.12	17.63
1-Year Fixed Term Monthly Income Economic Development Debentures	108.12	0.00
3-Year Fixed Term Monthly Income Debentures (Variable)	8.73	0.00
3-Year Fixed Term Monthly Income Economic Development Debentures	23.48	0.00
3-Year Fixed Term Monthly Income Debentures	14.31	28.23
5-Year Fixed Term Monthly Income Debentures (Variable)	33.23	20.97
5-Year Fixed Term Monthly Income Economic Development Debentures	11.80	0.00
5-Year Fixed Term Monthly Income Debentures	188.34	246.75
10-Year Fixed Term Pensioners' Monthly Income Debentures	719.95	712.91
Children's Bond	19.70	17.82
Gibraltar Provident Trust Fund Bonds	6.83	6.83
Guaranteed Superannuation Fund Bond	215.48	207.33
	<u>1,511.69</u>	<u>1,451.66</u>
<u>Government Deposits</u>		
On-Call Investment Accounts	205.92	110.74
	<u>1,717.61</u>	<u>1,562.40</u>

Non-Government Deposits stood at £1,511.69 million. The net increase of £60.03 million over the previous year is mainly as a result of the issue of 1-Year Fixed Term Monthly Income Economic Development debentures.

Government deposits in the Gibraltar Savings Bank increased by £95.18 million. This is mainly attributable to an increase in the Government Liquid Reserves held by the bank.

The interest rates payable to depositors by the bank during the period 1 April 2023 to 31 March 2024 were as follows:-

Ordinary Deposits	0.75 per cent per annum
Monthly Income Debentures	0.75 or 2.00 per cent per annum
Pensioners' Monthly Income Debentures	2.00 per cent per annum
Special Issue of Monthly Income Debentures	2.00 per cent per annum
1-Year Fixed Term Monthly Income Debentures (Variable)	3.75 per cent 4.75 per cent
1-Year Fixed Term Monthly Income Economic Development Debentures	6.00 per cent per annum
3-Year Fixed Term Monthly Income Debentures (Variable)	4.00 per cent 4.50 per cent
3-Year Fixed Term Monthly Income Economic Development Debentures	5.50 per cent per annum
3-Year Fixed Term Monthly Income Debentures	1.50 or 2.00 per cent per annum
5-Year Fixed Term Monthly Income Debentures (Variable)	4.25 per cent
5-Year Fixed Term Monthly Income Economic Development Debentures	5.00 per cent per annum
5-Year Fixed Term Monthly Income Debentures	2.50 or 3.00 per cent per annum
10-Year Fixed Term Pensioners' Monthly Income Debentures	5.00 per cent per annum
Special Issue of Pensioners' Monthly Income Debentures 01/01/25	2.25 per cent per annum
Children's Bond	5.00 per cent per annum

On 1 April 2023, the Gibraltar Savings Bank issued a 3-year Fixed Term Variable Interest Monthly Income Debenture, expanding its current range of 1-year and 5-year variable options.

Additionally, on 15 August 2023, the Gibraltar Savings Bank introduced Fixed Term Monthly Income Economic Development Debentures. The purpose being to encourage the re-investment of funds to prioritise the funding of projects to increase Gibraltar's Economic Development.

Review of business

The following are the main dividends received by the Gibraltar Savings Bank during the financial year:

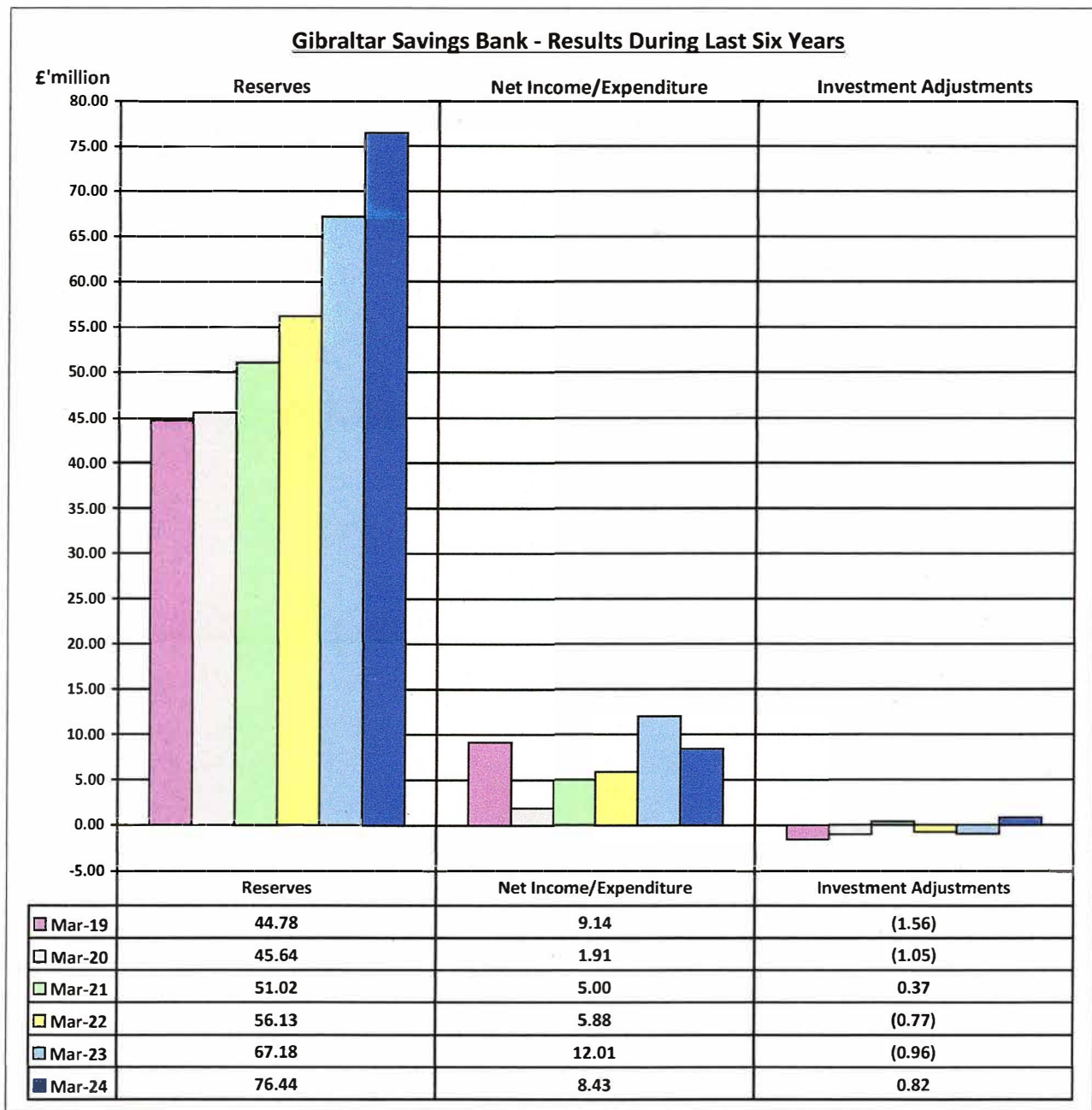
- £5,000,000 from Credit Finance Company Limited
- £1,500,000 from Gibtelecom Limited

During the financial year the following debentures were issued to the Gibraltar Savings Bank:

- Gibraltar Properties Limited 3 Year Monthly Income Debenture
£10,000,000 issued on 31 August 2023, maturing on 31 August 2026
- GSBA Limited 4 Year Monthly Income Debenture
£20,000,000 issued on 8 September 2023, maturing on 8 September 2027
- GSBA Limited 3 Year Debenture
£40,000,000 issued on 11 December 2023, maturing on 11 December 2026
- Credit Finance Company Limited 3 Year Monthly Income Debenture
£20,000,000 issued on 1 March 2024, maturing 1 March 2027
- GEP Limited 3 Year Monthly Income Debenture
£70,000,000 issued on 31 March 2024, maturing on 31 March 2027
- GCP Investments Limited 3 Year Monthly Income Debenture
£5,000,000 issued on 31 March 2024, maturing on 31 March 2027

The following debenture was repaid during the financial year:

- Gibraltar National Mint Limited 3 Year Monthly Income Debenture
£500,000 repaid on 1 May 2023



T Perera
 Director, Gibraltar Savings Bank (ag)
 31 October 2024

SAVINGS BANK FUND**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024****INCOME AND EXPENDITURE ACCOUNT**

		<u>2024</u>	<u>2023</u>
	Note	£	£
<u>INCOME</u>			
Investment Income	2	68,119,243	63,670,028
Early Redemption Charges		414,120	408,478
Miscellaneous Receipts		11,773	263,866
		<u>68,545,136</u>	<u>64,342,372</u>
<u>EXPENDITURE</u>			
Interest Paid:			
Debentures		48,075,746	44,365,168
On-Call Investment Accounts		3,963,625	715,520
Ordinary Deposits		784,929	596,056
Bonds		<u>6,324,060</u>	<u>5,768,866</u>
		59,148,360	51,445,610
Banking Platform Costs and Annual Licence Fees		318,858	314,691
Miscellaneous Expenses		121,269	38,432
Management and Other Charges		<u>526,636</u>	<u>530,666</u>
		<u>(60,115,123)</u>	<u>(52,329,399)</u>
Net Income transferred to Reserve Account		<u>8,430,013</u>	<u>12,012,973</u>

DEPOSITS AND WITHDRAWALS ACCOUNT

<u>INCREASE IN DEPOSITS</u>			
Debentures		66,556,500	24,434,600
On-Call Investment Accounts		89,048,082	16,609,764
Ordinary Deposits		-	45,711
Bonds		<u>10,034,051</u>	<u>6,424,957</u>
		165,638,633	47,515,032
<u>DECREASE IN DEPOSITS</u>			
Ordinary Deposits		<u>(10,425,032)</u>	<u>-</u>
Net Increase in Deposits		<u>155,213,601</u>	<u>47,515,032</u>

INVESTMENT ADJUSTMENT ACCOUNT

<u>INCREASE IN INVESTMENTS</u>			
Net Capital Gain on Investments		824,129	-
<u>DECREASE IN INVESTMENTS</u>			
Net Capital Loss on Investments		-	(961,063)
Net Increase in Investments transferred to Reserve Account		<u>824,129</u>	<u>(961,063)</u>

RESERVE ACCOUNT

<u>INCREASE IN RESERVES</u>			
Net Income transferred from Income and Expenditure Account		8,430,013	12,012,973
Net Increase in Investments transferred from Investment Adjustment Account		824,129	-
<u>DECREASE IN RESERVES</u>			
Transfer of Surplus to Consolidated Fund		-	-
Net Decrease in Investments transferred from Investment Adjustment Account		-	(961,063)
Net Increase in Reserves		<u>9,254,142</u>	<u>11,051,910</u>

SAVINGS BANK FUND**BALANCE SHEET AS AT 31 MARCH 2024**

	<u>2024</u>	<u>2023</u>
	£	£
<u>ASSETS</u>		
Investments on 1 April 2023	1,621,401,348	1,562,813,153
Net Purchase of Investments during the year	164,211,372	59,549,258
	<u>1,785,612,720</u>	<u>1,622,362,411</u>
Net Increase in Investments as per Investment Adjustment Account	824,129	(961,063)
Investments on 31 March 2024	1,786,436,849	1,621,401,348
Cash in Hand	12,150,442	12,137,380
	<u>1,798,587,291</u>	<u>1,633,538,728</u>
<u>FINANCED BY</u>		
<u>Debentures</u>		
Deposits on 1 April 2023	1,097,902,300	1,073,467,700
Accrued Interest on 1 April 2023	3,875,739	3,629,603
Net Increase in Deposits	66,556,500	24,434,600
Increase in Accrued Interest during the year	572,676	246,136
Deposits on 31 March 2024	<u>1,168,907,215</u>	<u>1,101,778,039</u>
<u>On-Call Investment Accounts</u>		
Deposits on 1 April 2023	123,865,063	107,255,299
Net Increase in Deposits during the year	89,048,082	16,609,764
Deposits on 31 March 2024	<u>212,913,145</u>	<u>123,865,063</u>
<u>Ordinary Deposits</u>		
Deposits on 1 April 2023	108,661,761	108,616,050
Net (Decrease) in Deposits during the year	(10,425,032)	45,711
Deposits on 31 March 2024	<u>98,236,729</u>	<u>108,661,761</u>
<u>Bonds</u>		
Deposits on 1 April 2023	231,975,740	225,550,783
Accrued Interest on 1 April 2023	75,347	332,151
Net Increase in Deposits during the year	10,034,051	6,424,957
Increase in Accrued Interest during the year	8,144	(256,804)
Deposits on 31 March 2024	<u>242,093,282</u>	<u>232,051,087</u>
Total Deposits on 31 March 2024	1,722,150,371	1,566,355,950
<u>Reserve Account</u>		
Reserve Account on 1 April 2023	67,182,778	56,130,868
Net Increase in Reserves during the year	9,254,142	11,051,910
Reserve Account on 31 March 2024	<u>76,436,920</u>	<u>67,182,778</u>
Fund Account Balance on 31 March 2024	<u>1,798,587,291</u>	<u>1,633,538,728</u>

T Perera
Director, Gibraltar Savings Bank (ag)
31 October 2024

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2024

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 03 2024
BANQUE FED CRED MUTUEL FRN 26/01/25	£800,000.00	99.990 1.017	£799,920.00 £8,137.26	£808,057.26
UK MUNI BONDS AGENCY FRN 12/03/25	£800,000.00	100.015 0.312	£800,120.00 £2,496.59	£802,616.59
AAREAL BANK AG FRN 29/04/25	£1,300,000.00	100.351 1.055	£1,304,563.00 £13,714.53	£1,318,277.53
BANK OF NOVA SCOTIA FRN 22/06/26	£700,000.00	101.053 0.153	£707,371.00 £1,068.71	£708,439.71
PFANDBRIEFE TRAD HYPOTHEKEN FRN 01/09/26	£600,000.00	99.650 0.483	£597,900.00 £2,899.22	£600,799.22
UNITED OVERSEAS BANK FRN 21/09/26	£1,000,000.00	100.809 0.170	£1,008,090.00 £1,696.47	£1,009,786.47
UK TREASURY BILL 13/05/24	£200,000.00	99.412	£198,824.00	£198,824.00
UK TREASURY BILL 15/07/24	£1,500,000.00	98.521	£1,477,815.00	£1,477,815.00
BASF SE 1.75% 11/03/25	£800,000.00	96.983 0.096	£775,864.00 £767.12	£776,631.12
BG ENERGY CAPITAL PLC 5.125% 01/12/25	£900,000.00	100.219 1.694	£901,971.00 £15,248.98	£917,219.98
TOYOTA MOTOR FINANCE BV 4.625% 08/06/26	£900,000.00	99.682 3.753	£897,138.00 £33,777.66	£930,915.66
DNBNO 2.625 10/06/26	£800,000.00	97.082 2.116	£776,656.00 £16,926.23	£793,582.23
BP CAPITAL MARKETS PLC 2.274% 03/07/26	£900,000.00	95.328 0.550	£857,952.00 £4,947.82	£862,899.82
TD 2.875 05/04/27	£1,000,000.00	94.324 2.836	£943,240.00 £28,357.24	£971,597.24
NATWEST MARKETS PLC 6.375% 08/11/27	£600,000.00	104.530 2.508	£627,180.00 £15,049.18	£642,229.18
KOMMUNEKREDIT 0.375% 15/11/24	£800,000.00	97.107 0.140	£776,856.00 £1,122.95	£777,978.95
IFFIM 2.75% 07/06/25	£800,000.00	97.265 2.239	£778,120.00 £17,912.57	£796,032.57
ROYAL BANK OF CANADA FRN 30/01/25	£2,000,000.00	100.142 0.949	£2,002,830.49 £18,986.24	£2,021,816.73
AAREAL BANK AG FRN 29/04/25	£6,000,000.00	100.761 1.055	£6,045,678.45 £63,297.81	£6,108,976.26
PFANDBRIEFE TRAD HYPOTHEKEN FRN 01/09/26	£7,000,000.00	99.708 0.483	£6,979,527.43 £33,824.21	£7,013,351.64
UNITED OVERSEAS BANK FRN 21/09/26	£3,000,000.00	101.736 0.170	£3,052,079.87 £5,089.41	£3,057,169.28
UK TREASURY BILL 13/05/24	£1,000,000.00	99.402	£994,017.39	£994,017.39
BANCO SANTANDER SA 1.375% 31/07/24	£5,000,000.00	99.954 0.917	£4,997,694.38 £45,833.33	£5,043,527.71
GENERAL MOTORS FINL CO 06/09/24	£7,000,000.00	100.520 1.273	£7,036,384.66 £89,077.87	£7,125,462.53
DEUTSCHE BANK AG 2.625% 16/12/24	£7,000,000.00	100.995 0.760	£7,069,680.00 £53,217.21	£7,122,897.21
COMMERZBANK AG 1.75% 22/01/25	£5,000,000.00	97.940 0.330	£4,897,010.60 £16,495.90	£4,913,506.50
BANK OF AMERICA CORP 2.3% 25/07/25	£5,000,000.00	101.406 1.571	£5,070,275.97 £78,551.91	£5,148,827.88
UBS AG 2.125% 12/09/25	£7,000,000.00	101.014 1.167	£7,070,981.05 £81,690.57	£7,152,671.62
Carried forward	£69,400,000.00		£70,095,927.28	£70,095,927.28

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2024

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 03 2024
Brought forward	£69,400,000.00		£70,095,927.28	£70,095,927.28
HAMMERSON PLC 3.5% 27/10/25	£7,000,000.00	102.277 1.492	£7,159,390.60 £104,426.23	£7,263,816.83
OEKB OEST. KONTROLLBANK 0.5% 15/12/25	£1,800,000.00	99.944 0.146	£1,798,986.33 £2,631.15	£1,801,617.48
GOLDMAN SACHS GROUP INC 1% 16/12/25	£7,000,000.00	99.981 0.290	£6,998,638.77 £20,273.22	£7,018,911.99
NESTLE HOLDINGS INC 0.625% 18/12/25	£2,000,000.00	99.888 0.178	£1,997,762.07 £3,551.91	£2,001,313.98
JP MORGAN CHASE & CO 0.991% 28/04/26	£7,000,000.00	100.103 0.915	£7,007,226.82 £64,063.01	£7,071,289.83
VOLKSWAGEN FIN SERV 1.125% 05/07/26	£3,000,000.00	99.744 0.830	£2,992,321.31 £24,897.54	£3,017,218.85
NATL GRID ELECT TRANS 1.375% 16/09/26	£2,000,000.00	93.103 0.740	£1,862,061.83 £14,801.91	£1,876,863.74
AT&T INC 2.9% 04/12/26	£4,500,000.00	103.517 0.935	£4,658,254.32 £42,073.77	£4,700,328.09
LLOYDS BANKING GROUP PLC 2.25% 16/10/24	£6,500,000.00	99.263 1.027	£6,452,079.64 £66,731.56	£6,518,811.20
BP CAPITAL MARKETS PLC 2.03% 14/02/25	£2,400,000.00	101.111 0.257	£2,426,668.35 £6,156.92	£2,432,825.27
SIEMENS FINANCIERINGSMAT 1% 20/02/25	£3,000,000.00	100.304 0.109	£3,009,111.80 £3,278.69	£3,012,390.49
WELLS FARGO & COMPANY 2% 28/07/25	£4,000,000.00	98.378 1.350	£3,935,110.89 £53,989.07	£3,989,099.96
VODAFONE GROUP PLC 5.625% 04/12/25	£5,000,000.00	100.541 1.814	£5,027,067.53 £90,676.23	£5,117,743.76
BNP PARIBAS 3.375 23/01/26	£7,000,000.00	101.909 0.627	£7,133,640.14 £43,893.44	£7,177,533.58
DNBNO 2.625 10/06/26	£5,000,000.00	97.125 2.116	£4,856,231.90 £105,788.93	£4,962,020.83
BP CAPITAL MARKETS PLC 2.274% 03/07/26	£2,000,000.00	95.177 0.550	£1,903,538.33 £10,995.16	£1,914,533.49
BAT CAPITAL CORP 4 04/09/26	£6,500,000.00	98.735 2.284	£6,417,761.85 £148,469.95	£6,566,231.80
NEXT GROUP PLC 4.375% 02/10/26	£6,000,000.00	96.974 2.164	£5,818,461.13 £129,815.57	£5,948,276.70
SKIPTON BUILDING SOCIETY 2% 02/10/26	£5,000,000.00	101.355 0.989	£5,067,727.94 £49,453.55	£5,117,181.49
HSBC 2.256 13/11/26	£3,500,000.00	95.574 0.857	£3,345,088.67 £29,987.54	£3,375,076.21
L-BANK BW FOERDERBANK 1% 15/12/26	£7,000,000.00	90.985 0.292	£6,368,949.06 £20,464.48	£6,389,413.54
HSBC 1.75 24/07/27	£1,500,000.00	91.193 1.200	£1,367,890.00 £18,002.05	£1,385,892.05
NATIONWIDE BLDG SOCIETY 6.178% 07/12/27	£200,000.00	100.000 1.941	£200,000.00 £3,882.35	£203,882.35
KOMMUNEKREDIT 0.375% 15/11/24	£4,000,000.00	99.986 0.140	£3,999,423.94 £5,614.75	£4,005,038.69
DEVELOPMENT BANK OF JAPAN 1.25 31/01/25	£5,000,000.00	96.808 0.205	£4,840,395.68 £10,245.90	£4,850,641.58
Carried forward	£177,300,000.00		£177,813,881.06	£177,813,881.06

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2024

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 03 2024
Brought forward	£177,300,000.00		£177,813,881.06	£177,813,881.06
DEXIA 2.125% 12/02/25	£5,000,000.00	97.596 0.279	£4,879,803.57 £13,934.43	£4,893,738.00
CPPIB CAPITAL INC 6% 07/06/25	£7,000,000.00	101.090 4.410	£7,076,272.43 £308,688.52	£7,384,960.95
BANK OF NEW YORK GBP A/C	£1,371,906.35	100.000	£1,371,906.35 £51,754.52	£1,423,660.87
GOVERNMENT OF GIBRALTAR MONTHLY INCOME DEBENTURES	£147,700,000.00	100.000	£147,700,000.00 £188,165.66	£147,888,165.66
GOVERNMENT OF GIBRALTAR DEBENTURE	£100,000,000.00	100.000	£100,000,000.00 £752,054.97	£100,752,054.97
GOVERNMENT OF GIBRALTAR FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 10 OCTOBER 2024	£75,000,000.00	100.000	£75,000,000.00 £95,547.89	£75,095,547.89
GOVERNMENT OF GIBRALTAR FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 29 JUNE 2025	£50,000,000.00	100.000	£50,000,000.00 £63,698.49	£50,063,698.49
CREDIT FINANCE COMPANY LTD FIXED TERM MONTHLY INCOME DEBENTURE 1 APRIL 2024	£9,250,000.00	100.000	£9,250,000.00 £39,280.72	£9,289,280.72
CREDIT FINANCE COMPANY LTD FIXED TERM 10 YEAR MONTHLY INCOME DEBENTURE 1 JANUARY 2029	£9,250,000.00	100.000	£9,250,000.00 £47,137.05	£9,297,137.05
CREDIT FINANCE COMPANY LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 FEBRUARY 2025	£5,000,000.00	100.000	£5,000,000.00 £19,109.64	£5,019,109.64
CREDIT FINANCE COMPANY LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2025	£10,000,000.00	100.000	£10,000,000.00 £38,219.28	£10,038,219.28
CREDIT FINANCE COMPANY LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 MARCH 2027	£20,000,000.00	100.000	£20,000,000.00 £93,424.70	£20,093,424.70
CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024	£65,000,000.00	100.000	£65,000,000.00 £220,821.99	£65,220,821.99
CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024	£40,750,000.00	100.000	£40,750,000.00 £173,047.89	£40,923,047.89
CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024	£275,000,000.00	100.000	£275,000,000.00 £1,401,369.88	£276,401,369.88
CREDIT FINANCE COMPANY LTD FIXED TERM 10 YEAR MONTHLY INCOME DEBENTURE 1 MARCH 2031	£3,750,000.00	100.000	£3,750,000.00 £19,109.64	£3,769,109.64
GSBA LTD FIXED TERM 3 YEAR DEBENTURE 11 DECEMBER 2026	£40,000,000.00	100.000	£40,000,000.00 £675,068.80	£40,675,068.80
GSBA LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 DECEMBER 2024	£20,000,000.00	100.000	£20,000,000.00 £101,917.77	£20,101,917.77
GSBA LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 MARCH 2025	£20,000,000.00	100.000	£20,000,000.00 £101,917.77	£20,101,917.77
GSBA LTD FIXED TERM 4 YEAR MONTHLY INCOME DEBENTURE 8 SEPTEMBER 2027	£20,000,000.00	100.000	£20,000,000.00 £106,164.46	£20,106,164.46
GIBRALTAR PROPERTIES LTD MONTHLY INCOME DEBENTURE	£10,000,000.00	100.000	£10,000,000.00 £25,479.52	£10,025,479.52
GIBRALTAR PROPERTIES LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 20 JUNE 2025	£20,000,000.00	100.000	£20,000,000.00 £55,205.42	£20,055,205.42
GIBRALTAR PROPERTIES LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 15 AUGUST 2025	£10,000,000.00	100.000	£10,000,000.00 £27,602.71	£10,027,602.71
GIBRALTAR PROPERTIES LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 NOVEMBER 2025	£10,000,000.00	100.000	£10,000,000.00 £27,602.71	£10,027,602.71
GIBRALTAR PROPERTIES LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 15 DECEMBER 2025	£20,000,000.00	100.000	£20,000,000.00 £55,205.42	£20,055,205.42
GIBRALTAR PROPERTIES LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 31 AUGUST 2026	£10,000,000.00	100.000	£10,000,000.00 £27,602.71	£10,027,602.71
Carried forward	£1,181,371,906.35		£1,186,570,995.97	£1,186,570,995.97

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2024**

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 03 2024
Brought forward	£1,181,371,906.35		£1,186,570,995.97	£1,186,570,995.97
GEP LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 31 MARCH 2027	£70,000,000.00	100.000	£70,000,000.00 £9,876.71	£70,009,876.71
GCP INVESTMENTS LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 31 MARCH 2027	£5,000,000.00	100.000	£5,000,000.00 £719.18	£5,000,719.18
TNG REALTY (EASTSIDE) LIMITED - SERIES C BOND 15 DECEMBER 2026	£10,000,000.00	100.000	£10,000,000.00 £233,013.51	£10,233,013.51
GIBTELECOM LTD - ORDINARY SHARES (1)	£15,000.00	503985.271	£75,597,790.66	£75,597,790.66
GSBA LTD - ORDINARY SHARES	£11,000,000.00	100.000	£11,000,000.00	£11,000,000.00
VISA - SHAREHOLDING (2)	£7.92	2327446.843	£184,333.79	£184,333.79
CREDIT FINANCE COMPANY LTD - ORDINARY SHARES	£1.00	100.000	£1.00	£1.00
BANK OF ENGLAND	£55,107,348.34	100.000	£55,107,348.34 £86,114.19	£55,193,462.53
BARCLAYS BANK PLC	£52,126,485.21	100.000	£52,126,485.21 £327,810.23	£52,454,295.44
NATIONAL WESTMINSTER OFFSHORE LTD (3)	£238,745,779.08	100.000	£238,745,779.08 £3,691,851.05	£242,437,630.13
TRUSTED NOVUS BANK	£21,121,594.72	100.000	£21,121,594.72 £223,330.77	£21,344,925.49
GIBRALTAR INTERNATIONAL BANK	£40,831,520.19	100.000	£40,831,520.19 £190,212.41	£41,021,732.60
KLEINWORT HAMBROS BANK	£15,264,650.46	100.000	£15,264,650.46 £123,422.02	£15,388,072.48
	£1,700,584,293.27		£1,786,436,849.49	£1,786,436,849.49

Notes:

(1) The Savings Bank Fund has paid and holds the beneficial interest in 15,000 Ordinary Shares (7,500 Class A and 7,500 Class B) of £1 each in Gibtelecom Ltd, with the legal interest in these shares being held by the Government of Gibraltar.

(2) The Visa shareholding is based on a re-valuation as at 31 March 2024 of its 230 Series C preference shares in Visa Inc.

(3) Funds held with National Westminster Offshore Ltd are made up of: Interest Bearing accounts amounting to £238,159,611.96 excluding accrued interest; and Non-Interest Bearing accounts amounting to £586,167.12 that are temporarily held pending further action.

SAVINGS BANK FUND**Notes to the Accounts for the Year Ended 31 March 2024****1. Principal Accounting Policies****Basis of Accounting**

These financial statements have been prepared on a 'cash basis', in line with the standards for the preparation of the public accounts of Gibraltar, except for the accounting policies shown hereunder:

Interest earned on investments and interest payable is accounted for on an accrual basis.

Investments

The investments in bonds and other securities managed by the Crown Agents have been valued at fair value or amortised cost, depending on the portfolio in which they are held.

Shares are valued at fair value or cost.

Debentures are valued at cost plus accrued interest.

Investments held in Banks as at the year-end may include amounts held in non-interest bearing accounts. These funds are temporarily held and relate mostly to amounts that are pending further action before proceeding with the investment or other specific transaction.

2. Investment Income

Investment income includes return on debentures, dividends, interest on investments and bank interest as follows:

	2024	2023
	£	£
Return on Debentures	35,063,478	48,319,193
Bank Interest	21,758,480	9,685,097
Dividends	⁽¹⁾ 6,503,667	⁽²⁾ 1,507,856
Interest on Investments	4,793,618	4,157,882
Total	<u>68,119,243</u>	<u>63,670,028</u>

⁽¹⁾ Dividends includes return on shares of £3,667 for the year ending 2024.

⁽²⁾ Dividends includes return on shares of £7,856 for the year ending 2023.

Notes to the Accounts for the Year Ended 31 March 2024 - Continued

3. Related Party Transactions

The Director considers that the transactions during the year and the balances as at 31 March 2024 with related parties were as follows:

2024	Transactions		Balances
	Debenture Interest £	Dividends £	Debentures £
HM Government of Gibraltar	5,605,813	-	372,700,000
Credit Finance Company Limited	23,211,591	5,000,000	⁽²⁾ 438,000,000
GSBA Limited	3,787,123	-	⁽²⁾ 100,000,000
Gibraltar Properties Limited	2,446,711	-	⁽²⁾ 80,000,000
GEP Limited	9,877	-	⁽²⁾ 70,000,000
GCP Investments Limited	719	-	⁽²⁾ 5,000,000
Gibraltar National Mint Limited	1,644	-	-
Gibtelecom Limited	-	1,500,000	-
Total	⁽¹⁾ 35,063,478	6,500,000	1,065,700,000

⁽¹⁾ Debenture interest includes accrued interest up to 31 March 2024.

⁽²⁾ During the financial year the following debentures were issued to the Gibraltar Savings Bank:-

- Gibraltar Properties Limited 3 Year Monthly Income Debenture - £10,000,000 issued on 31 August 2023, maturing on 31 August 2026,
- GSBA Limited 4 Year Monthly Income Debenture - £20,000,000 issued on 8 September 2023, maturing on 8 September 2027,
- GSBA Limited 3 Year Debenture - £40,000,000 issued on 11 December 2023, maturing on 11 December 2026,
- Credit Finance Company Limited 3 Year Monthly Income Debenture - £20,000,000 issued on 1 March 2024, maturing on 1 March 2027,
- GEP Limited 3 Year Monthly Income Debenture - £70,000,000 issued on 31 March 2024, maturing on 31 March 2027,
- GCP Investments Limited 3 Year Monthly Income Debenture - £5,000,000 issued on 31 March 2024, maturing on 31 March 2027.

During the financial year the following debenture was repaid to the Gibraltar Savings Bank:-

- Gibraltar National Mint Limited 3 Year Monthly Income Debenture - £500,000 repaid on 1 May 2023.

2023	Transactions		Balances
	Debenture Interest £	Dividends £	Debentures £
HM Government of Gibraltar	21,553,781	-	372,700,000
Credit Finance Company Limited	23,055,002	500,000	418,000,000
Gibraltar Properties Limited	1,688,220	-	70,000,000
GSBA Limited	2,002,192	-	40,000,000
Gibraltar National Mint Limited	19,998	-	500,000
Gibtelecom Limited	-	1,000,000	-
Total	⁽¹⁾ 48,319,193	1,500,000	901,200,000

⁽¹⁾ Debenture interest includes accrued interest up to 31 March 2023.

PART 3 - DEPARTMENTAL AUDITS

Income Tax

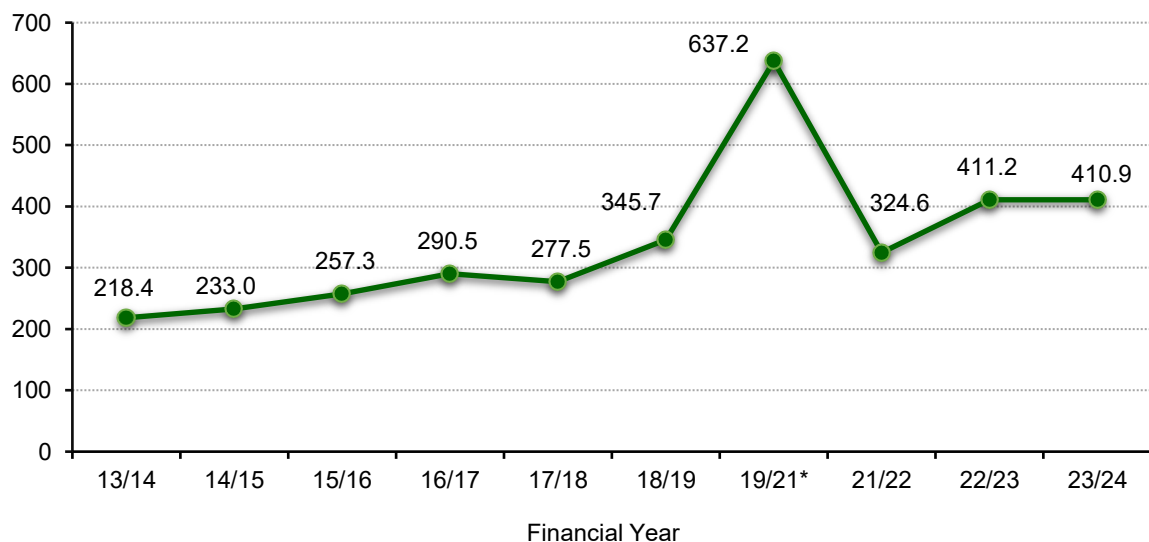
3.1.1 General - The data used in this report has been provided to me by the Commissioner of Income Tax in his capacity as Receiver of Revenue. In preparing this report, I have endeavoured, to the extent possible, that the data upon which it is based is complete and accurate. To this end, I must report that the Income Tax Office ("ITO") has not reconciled its records of revenue collected with those of the Treasury, which constitute the Government's main books of account, nor has it provided the Treasury Department with the necessary adjustments to the Treasury's accounting system, since 31 March 2019. As a result, I am unable to provide reasonable assurance on the accuracy of tax revenue receipts beyond that date.

3.1.2 Due to the Covid-19 pandemic and its financial impact, the Government of Gibraltar established a Covid-19 Response Fund from which it supplemented taxes and other Government income in respect of forgone revenues. These contributions from the Covid-19 Response Fund amounted to £99.96m over the four-year period ending 31 March 2023 and are not included in my report as Revenue tax receipts.

3.1.3 Income Tax and Corporation Tax Receipts - Revenue from Income Tax and Corporation Tax for the financial year 2018-19 totalled £345.68m, representing a year on year increase of 68.15m (24.6%). Since then, tax revenue has grown at an average annual growth rate ("AAGR") of 3.5%, reaching £410.94m in 2023-24. Figure 19 provides a graphical illustration of the revenue trend over the past 10 financial years. It should be noted that tax revenue has only been reconciled up to the financial year 2018-19. All revenue figures after 2018-19 are subject to change pending the outcome of the reconciliations.

Figure 19

£ Million



* In accordance with the Appropriation Act 2019 (Amendment No.2) Act 2020, the initial financial year ending 31 March 2020 was extended to a 24-month period spanning 1 April 2019 to 31 March 2021.

3.1.4 Figure 20 provides a breakdown of tax receipts for the financial year 2018-19.

Figure 20

	2018-19
PAYE	£162.84m
Self-Employed ¹	£17.94m
Section 58 ²	£1.10m
	£181.88m
Corporation Tax	£163.80m
Total	£345.68m

3.1.5 Total revenues experienced an AAGR of 9.2% from 2013-14 to 2018-19. However, the severity of the Covid-19 pandemic caused a significant slowdown to the global economy and the Government of Gibraltar had to respond to the local threat by implementing progressive measures and restrictions. These actions, designed to protect public health, further impacted businesses across all sectors.

3.1.6 While these restrictions were progressively lifted during the following years, recovery remained slow with many countries maintaining stringent measures that continued to affect local trade.

3.1.7 Despite these challenges, total revenues have continued to grow. As at 2023-24, total revenue from taxes have generally returned to pre-pandemic levels after having accounted for a 19.6% increase in IRP³ during the same period.

3.1.8 The recovery has been partially facilitated by the introduction of various measures aimed at increasing tax revenue and stimulating economic growth. A brief description of the main measures is provided below.

- 1 July 2021 - Increases to first year allowances on qualifying capital expenditure and a rate increase to the capital allowances on pooled assets;
- 1 July 2021 - Additional 50% deduction on Marketing and Promotion costs;
- 1 August 2021 - A 2.5% increase in Corporation Tax from 10% to 12.5%;
- 1 August 2021 - Threshold of taxable income for Category 2 individuals increased from £80,000 to £105,000;
- 1 August 2021 - Threshold of taxable income on Higher Executives Possessing Specialist Skills increased from £120,000 to £160,000; and
- 1 July 2022 - An effective 2% increase on Income Tax rates for a 24-month period ending 1 June 2024. The rate was lowered to 1% on 1 July 2023.

3.1.9 Reimbursements of Revenue - Tax revenue refunds totalling £16.71m were paid from Consolidated Fund Charges under Head 07 – Revenue Repayments, Subhead 1 – Repayment of Revenue, during the financial year 2018-19, compared to £15.31m in the previous financial year.

3.1.10 Credits Held by the Income Tax Office - Credits arise where tax payments remain unallocated in a taxpayer's account pending the outcome of the year's assessment or where the taxpayer's payments exceed their liability to tax for the year.

¹ Includes Category 2, Qualifying and High Net Worth Individuals.

² Payment of tax by or in respect of construction sub-contractors.

³ Source: gibraltar.gov.gi/statistics/index-retail-prices-calculator.

- 3.1.11** As at 31 March 2019, the ITO held credits, in respect of PAYE individuals, self-employed, companies, trusts and employers' PAYE totalling £64.39m and the amount has since grown by £113.53m (176.3%) to £177.92m, as at 31 March 2024. A breakdown of the credits is provided in Figure 21.

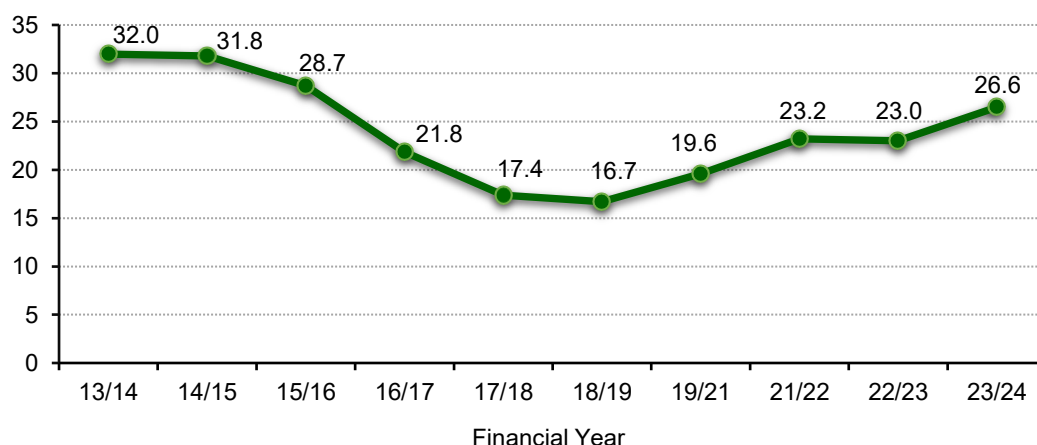
Figure 21

Credits held in respect of:	As at 31 March 2019	As at 31 March 2024	% Change
Individuals – PAYE	£9,949,822	£18,905,740	90.0%
Self-Employed	£4,642,312	£4,462,262	-3.9%
Companies	£45,955,335	£149,064,536	224.4%
Trusts	-	£812,576	-
Employers' PAYE	£3,843,845	£4,670,869	21.5%
Total	£64,391,314	£177,915,983	

- 3.1.12** The significant increase in credits held by the ITO, over the 5-year period, was mostly attributable to a £103.11m (224.4%) rise in credits held in corporate accounts. The Commissioner of Income Tax attributed part of this rise to staffing shortages, which had led to a backlog of assessments; he noted that a portion of corporate credits would most likely be used once the backlog was addressed. Notwithstanding, he expressed concern that a substantial amount were overpayments, highlighting how many large cash-rich companies, which had not kept up-to-date with their filing requirements, had continued making Payments on Account (POA) despite carrying large tax losses. This practice, he affirmed, would have an unavoidable impact on future corporation tax revenue.
- 3.1.13** There was also a significant increase of £8.96m (90.0%) in credits held in respect of PAYE individuals which stood at £18.91m as at 31 March 2024. It should be noted that these credits are generated once individuals are assessed and are therefore repayable in their entirety. The timing of these repayments is unknown and subject to Government budgeting.
- 3.1.14** **Arrears of Tax Revenue** - As at 31 March 2019, the combined arrears of Income Tax, Corporation Tax and Employers' PAYE deductions stood at £16.71m. This represents a decrease of £0.65m compared to the arrears position as at 31 March 2018. However, as £0.46m was written-off during the financial year 2018-19, tax arrears effectively decreased year-on-year by £0.19m.

Figure 22

£ Million



Since then, arrears of revenue have grown at an AAGR of 9.7% and has outpaced growth in revenue over the same period; the combined arrears of Income Tax, Corporation Tax and

Employers' PAYE deductions standing at £26.55m as at 31 March 2024. Figure 22 provides a graphical illustration of the arrears position over the last 10 financial years.

3.1.15 Figure 23 provides a breakdown of tax arrears as at 31 March 2019 and the subsequent financial years ending on 31 March 2024.

Figure 23

	31 March 2019	31 March 2021	31 March 2022	31 March 2023	31 March 2024
Assessments on:					
Individuals - PAYE	£5.28m	£5.21m	£5.48m	£6.22m	£7.26m
Self-Employed	£2.93m	£2.63m	£1.78m	£2.44m	£4.15m
Companies	£3.63m	£4.50m	£8.70m	£6.08m	£5.56m
	£11.84m	£12.34m	£15.96m	£14.74m	£16.97m ⁴
Tax due from Employers' PAYE deductions	£4.87m	£7.27m	£7.25m	£8.27m	£9.58m ⁵
Total	£16.71m	£19.61m	£23.21m	£23.01m	£26.55m ⁶

3.1.16 As can be seen in Figure 23, tax arrears have risen across all areas since the financial year ended 31 March 2019, when they totalled £16.71m. Of particular note is the increase in Employers' PAYE deductions which grew 96.7% between 31 March 2019 and 31 March 2024, highlighting that some employers are withholding monies deducted from their employees instead of paying these monies to the ITO as required by section 11 of the Income Tax (Pay As You Earn) Regulations, 1989.

3.1.17 Figure 24 provides an aged analysis of tax arrears owing as at 31 March 2024.

Figure 24

** Includes late filing penalties and late payment surcharges totalling £5.28m*

	31 March 2021 and Earlier	31 March 2022	31 March 2023	31 March 2024	Overall Total Due as at 31 March 2024
Assessments on:					
Individuals - PAYE	£2.89m	£0.85m	£0.74m	£2.78m	£7.26m
Self-Employed	£0.51m	£0.19m	£0.66m	£2.79m	£4.15m
Companies	£1.55m	£0.94m	£0.90m	£2.17m	£5.56m
	£4.95m	£1.98m	£2.30m	£7.74m	£16.97m ⁷
Tax due from Employers' PAYE deductions	£6.28m	£0.38m	£1.25m	£1.67m	£9.58m ⁸
Total	£11.23m	£2.36m	£3.55m	£9.41m	* £26.55m ⁹

⁴ The arrears as at 31 March 2024 shown in Figure 23 includes estimated assessments totalling £2.25m (Individuals - £341,822, Self-employed - £1,222,180 and Companies - £687,301) as well as assessments due after 31 March 2024 amounting to £940,855 (Individuals - £506,425, Self-employed - £280,078 and Companies - £154,352).

⁵ Of the £9,584,017 Employers' PAYE deductions arrears as at 31 March 2024, £2,265,415 (23.6%) was recoverable through repayment agreements.

⁶ The total arrears sum of £26,549,090 as at 31 March 2024 includes surcharges and penalties amounting to £2,545,859 and £2,731,744 respectively (£506,537 of the surcharges were based on estimated assessments).

⁷ The arrears as at 31 March 2024 shown in Figure 24 includes estimated assessments totalling £2.25m (Individuals - £341,822, Self-employed - £1,222,180 and Companies - £687,301) as well as assessments due after 31 March 2024 amounting to £940,855 (Individuals - £506,425, Self-employed - £280,078 and Companies - £154,352).

⁸ Of the £9,584,017 Employers' PAYE deductions arrears as at 31 March 2024, £2,265,415 (23.6%) was recoverable through repayment agreements.

⁹ The total arrears sum of £26,549,090 as at 31 March 2024 includes surcharges and penalties amounting to £2,545,859 and £2,731,744 respectively (£506,537 of the surcharges were based on estimated assessments).

3.1.18 Write-Offs - A total of £2.73m in tax arrears were written-off during the period 1 April 2018 to 31 March 2024. Further details of the write-offs are provided in Figure 25.

Figure 25

	Write-offs During 2018-19	Write-offs During 2022-23	Total Write-offs During Period April 2018 to March 2024
Individuals – PAYE	£0.27m	£1.10m	£1.37m
Corporation Tax	£0.06m	£0.25m	£0.31m
Self-Employed Tax	£0.13m	£0.92m	£1.05m
Total	£0.46m	£2.27m	£2.73m

3.1.19 The ITO requested a number of write-offs to the Financial Secretary during the period 1 April 2019 to 31 March 2022 which were not authorised until the subsequent financial year ended 31 March 2023, hence the large comparative increase.

3.1.20 In paragraph 3.1.5 of my previous report, I highlighted that there were two pending write-offs of £1,184,561 and £255,340, in respect of arrears due from self-employed individuals and Individuals PAYE respectively, who were deceased or out of jurisdiction. Following a subsequent review, both amounts were revised and reduced to £329,978 and £254,754 respectively. These amounts were written-off by the Financial Secretary on 8 April 2022 and are included in the write-offs for the financial year ended 31 March 2023 in Figure 25.

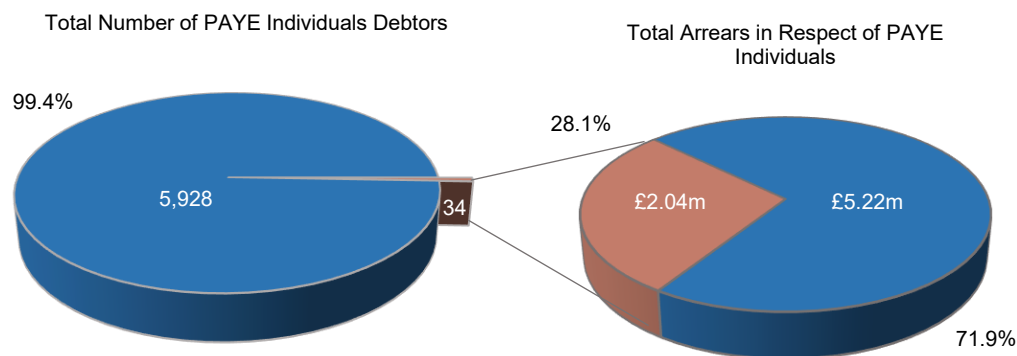
3.1.21 During the financial year ended 31 March 2024, the Commissioner of Income Tax submitted requests to the Financial Secretary to write off self-employed and corporation tax arrears totalling £192,258 and £153,307, respectively. These requests were pending approval as at the year-end.

3.1.22 Repayment Agreements - As at 31 March 2019, there were 719 repayment agreements in place, by which a total of £1.77m in tax arrears was recoverable. This has since increased to 1,002 agreements, with £3.96m in tax arrears being recoverable as at 31 March 2024. This reflects a 39.4% increase in the number of repayment agreements and a 123.7% increase in their total value.

PAYE Individuals

3.1.23 Arrears - Figure 26 provides a graphical illustration of arrears owed by PAYE individuals as at 31 March 2024. It highlights that £2.04m, or 28.1% of the total debt of £7.26m, was owed by 34 individuals (0.6% of all debtors), each with arrears exceeding £25,000.

Figure 26



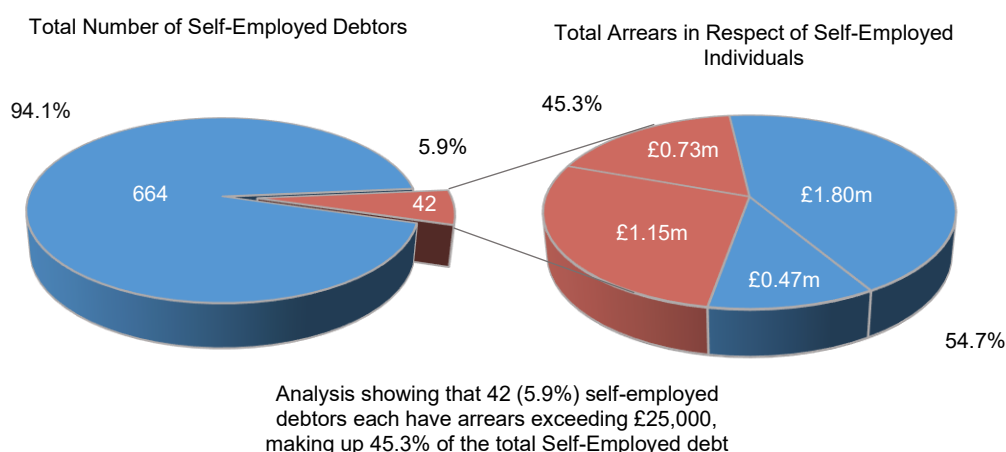
Analysis showing that 34 (0.6%) PAYE debtors each have arrears exceeding £25,000, making up 28.1% of the total PAYE Individuals debt

- 3.1.24** Further examination of these arrears revealed that £0.63m was outstanding in either dormant accounts or accounts belonging to individuals whom had since passed away. The earliest debt in these cases dates back to the tax year ended 30 June 2001.
- 3.1.25** A total of £1.09m (15.0%) of arrears owed by PAYE individuals was in respect of late payment surcharges.
- 3.1.26 Repayment Agreements** - As at 31 March 2024, 794 individuals had repayment agreements for arrears totalling £1.11m, representing 15.3% of the total outstanding amount. Interest accrued on these agreements is not included in the total arrears figure.
- 3.1.27** A review of a sample of these repayment agreements, as at 1 October 2024, revealed that only 43.3% of individuals had kept up with the terms of their agreement.
- 3.1.28** Section 68 of the Income Tax Act 2010 (hereinafter “the Act”) grants the Commissioner the authority to publish the details of any individual whom he believes has failed to pay tax due under the provisions of the Act or has not complied with the requirements for deducting and paying tax in respect of PAYE. This power, which is regarded as an effective deterrent against non-compliance, was intended to apply social pressure on defaulters to meet their obligations, nevertheless it was last utilised on 2 February 2017.
- 3.1.29** In addition to the above, the Commissioner of Income Tax also has legal authority, under Section 50 of the Act, to appoint an Agent to recover tax arrears. This mechanism allows the Commissioner to direct an Agent, typically an employer, to collect unpaid taxes on his behalf from any monies that may be due to the employee. Unfortunately, I am informed that the ITO has often been unable to use this mechanism for recovery of arrears due to a lack of resources.

Self-Employed

- 3.1.30 Arrears** - Figure 27 provides a graphical illustration of tax arrears¹⁰ due by self-employed individuals as at 31 March 2024. It highlights that £1.88m (45.4% of the aggregate debt of £4.15m¹¹) was owed by only 42 (5.9%) individuals, all of whom had arrears in excess of £25,000.

Figure 27



- 3.1.31** Figure 27 further highlights that £1.15m of the £1.88m (£0.73m + £1.15m) was owed by Qualifying, High Net Worth and Category 2 individuals. Additionally, individuals in this category owed a further £0.47m, with each owing less than £25,000 in arrears.

¹⁰ The arrears shown in Figure 27 include estimated assessments totalling £1,222,180.

¹¹ The £4.15m figure for Self-employed Income Tax arrears includes “due after” sums (Section 39 of the Income Tax Act 2010 refers) of £280,078.

- 3.1.32** An examination of these arrears revealed that £0.46m was outstanding in either dormant accounts or accounts belonging to individuals who had since passed away. The earliest debt dates back to the tax year ending 30 June 2005.
- 3.1.33 Repayment Agreements** - As at the 31 March 2024, 58 self-employed individuals had agreements to pay arrears totalling £0.25m, representing 6.0% of arrears. Interest accrued on these agreements is not included in the arrears amount.
- 3.1.34** A review of a sample of self-employed repayment agreements, as at 1 October 2024, revealed that only 50.0% of individuals had kept up with the terms of their agreement.
- 3.1.35 Legal Action** - A total of 9 pre-action letters and 2 Claim forms were sent to self-employed individuals with arrears in the year ended 31 March 2019 and resulted in 2 Supreme Court Judgments having been obtained.
- 3.1.36** During the year ended 31 March 2024, only 1 pre-action letter was sent and no judgments were obtained. The CAU confirmed that debt recovery through the court is exceptionally resorted to where all other avenues have been exhausted and the value of the debt justifies the cost involved.
- 3.1.37 Qualifying, High Net Worth and Category 2 Individuals** - Individuals in these categories are classified as self-employed and any arrears due are included as such.
- 3.1.38** A review of accounts under these categories undertaken on 5 November 2024 revealed that 38 active taxpayers' accounts had outstanding tax arrears of £1.44m. There were also 22 inactive accounts owing £0.27m. Some of these active and inactive accounts had outstanding tax dating back to tax years 2010-11 and 2011-12 respectively.
- 3.1.39** Figure 28 provides an aged debtors analysis for all accounts in respect of Qualifying, High Net Worth and Category 2 Individuals, as at 5 November 2024:

Figure 28

Tax Year	Tax Outstanding	Percentage of Tax Outstanding
Pre 2019-20	£126,974	7.4%
2019-20	£34,225	2.0%
2020-21	£43,256	2.5%
2021-22	£143,382	8.4%
2022-23	£752,415	43.9%
2023-24	£613,859	35.8%
Total	£1,714,111	

- 3.1.40 Self Employed Outstanding Payments on Account (POA)** - A review of outstanding POA in respect of self-employed individuals due by 30 June 2024 was conducted on 5 July 2024. The findings revealed that 348 self-employed individuals, representing 23.8% of those expected to pay, had failed to meet the payment deadline.
- 3.1.41** The total outstanding amount due from these individuals was £1.22m, which equates to 13.1% of the total expected amount.
- 3.1.42** Figure 29 provides an analysis of the outstanding POA amount. The analysis highlights that 66 self-employed individuals, representing 19.0% of those with an outstanding POA, collectively owed £0.92m. This amount accounts for 75.4% of the total outstanding balance.

Figure 29

Level of Debt	Number of Self-Employed Individuals	Outstanding Debt	% of Debt
£1,000 or less	171	£79,606	6.5%
Between £1,001 and £5,000	111	£222,480	18.2%
Over £5,000	66	£922,662	75.3%
Total	348	£1,224,748	

3.1.43 As at 31 March 2024, a total of £0.89m (21.4%) of arrears owed by self-employed individuals was attributable to late payment surcharges and late filing penalties. These amounted to £0.69m and £0.20m respectively.

3.1.44 Figure 30 provides a breakdown of the last tax assessment conducted by the ITO for the 2,972 registered self-employed individuals as at 30 September 2024:

Figure 30

Last Tax Year Assessed	Number of Individuals
Not Assessed	7
Pre 2014-15	30
2014-15	1
2015-16	12
2016-17	10
2017-18	9
2018-19	19
2019-20	71
2020-21	88
2021-22	164
2022-23	2,013
2023-24	548
Total	2,972

Companies

3.1.45 Arrears of Revenue - Figure 31 shows all arrears owed by companies as at 31 March 2024, categorised by amounts due either over or under £25,000.

Figure 31

Type of Debt	Number of Companies with Arrears	Number of Companies	Arrears >25k	Number of Companies	Arrears <25k	Total
Corporation Tax	3,840	31 *	£1.72m	3,809	£3.84m	£5.56m
Employers' PAYE deductions	883	73 #	£6.57m	810	£3.01m	£9.58m
Social Insurance contributions	1,119	84 ∅	£5.49m	1,035	£4.34m	£9.83m
Total						£24.97m

* Of which 3 companies owed more than £100,000.

Of which 16 companies owed more than £100,000.

∅ Of which 17 companies owed more than £100,000.

PART 3 - DEPARTMENTAL AUDITS

- 3.1.46** As at 31 March 2024, £2.01m (8.0%) was owed by 123 liquidated companies while a further £0.54m (2.2%) was owed by 20 companies awaiting liquidation. These are still recognised as owing in Figure 31.
- 3.1.47** As at 31 March 2024, a total of £3.30m (59.4%) of Corporation Tax arrears were in respect of late payment surcharges and late filing penalties. This included £0.77m in surcharges and £2.53m in penalties¹².
- 3.1.48 Repayment Agreements** - Approximately £0.33m of Corporation Tax arrears was collectable through repayment agreements, representing 5.9% of the amount outstanding as at 31 March 2024.
- 3.1.49** Only 33.3% of the sampled companies with repayment agreements for Corporation Tax were fully compliant with the terms of their agreement.
- 3.1.50 Top 10 Companies with Arrears** - An exercise was undertaken to identify the 10 companies with the highest aggregate levels of debt as at 31 March 2024. The findings revealed that these 10 companies collectively owed £6.36m. The collective sum of £6.36m comprised £3.43m in Employers' PAYE deductions arrears, £2.87m in Social Insurance contributions arrears and £0.06m in Corporation Tax arrears. A detailed breakdown of these companies' arrears is provided in Figure 32.

Figure 32

	Employers' PAYE Deductions Arrears	Social Insurance Contributions Arrears *	Corporation Tax Arrears	Total Arrears	Action Taken
Company 1	£1,173,325	-	-	£1,173,325	In negotiation with Government
Company 2	£364,113	£431,072	-	£795,185	Pending outcome of Liquidation
Company 3	£317,567	£376,187	£750	£694,504	Repayment agreement
Company 4	£197,351	£430,567	-	£627,918	Pending decision by Commissioner of Income Tax
Company 5	£135,202	£445,826	£21,454	£602,482	Pending decision by Commissioner of Income Tax
Company 6	£516,383	-	-	£516,383	Collecting agent appointed by Govt.
Company 7	£167,935	£333,529	£4,100	£505,564	Processed for legal action
Company 8	£172,926	£316,139	£1,230	£490,295	Pending decision by Commissioner of Income Tax
Company 9	£233,866	£243,106	£3,400	£480,372	Processed for legal action
Company 10	£151,323	£289,967	£31,922	£473,212	Processed for legal action
Total	£3,429,991	£2,866,393	£62,856	£6,359,240	

* Social Insurance Contributions arrears includes both the deduction of Employees' Social Insurance contributions and the Employers' Social Insurance contributions.

- 3.1.51 Corporation Tax Payments on Account (POA)** - A review of corporation tax POA due by 28 February 2024 was conducted on 12 September 2024. The review revealed that 100 companies, representing 7.1% of those with an expected POA, had still not made their February payment. The total outstanding amount was £0.60m and accounted for 1.4% of the total amount due.
- 3.1.52** Figure 33 highlights that £0.51m (84.8%) of the total outstanding POA was owed by 13 companies, representing 13.0% of the total number of companies with outstanding amounts.

¹² It is important to note that, with effect from 1 January 2016, the requirement to file a full and complete return was extended from companies with assessable income to include all companies registered in Gibraltar.

Figure 33

Level of Debt	Number of Companies	Outstanding Debt	% of Debt
£1,000 or less	55	£16,325	2.7%
Between £1,001 and £5,000	32	£75,215	12.5%
Between £5,001 and £150,000	12	£354,971	58.9%
Over £150,000	1	£156,012	25.9%
Total	100	£602,523	

3.1.53 Legal Action - Only 9 claim forms were filed with the Supreme Court for failing to meet payment obligations under the Act during the period 1 October 2019 to 31 March 2024. Additionally, only 36 pre action letters in respect of the non-payment of PAYE, Social Insurance and Corporate Tax were issued during the same period.

3.1.54 The Commissioner confirmed that the ITO continues to send information packs to corporate taxpayers shortly after registration. The pack contains, inter alia, answers to the most frequently asked questions regarding statutory obligations as corporate taxpayers and further information regarding obligations should they wish to become an employer. In conjunction with the ITO webpage, the pack forms part of the taxpayer educational process.

3.1.55 Figure 34 shows the last tax year assessed of all the registered trading companies as at 31 March 2024:

Figure 34

Last Tax Year Assessed	Number of Companies
Not Assessed	148
Pre 2015	85
2015	20
2016	64
2017	30
2018	70
2019	100
2020	145
2021	245
2022	1,637
2023	1,017
2024	2
Total	3,563

A report containing further analysis of the above companies could not be provided by the Income Tax Office at the close of my report

Employers' PAYE Deductions

3.1.56 Figure 35 shows the number of companies that had submitted P8 returns but still had outstanding PAYE liabilities as at 30 September 2024.

Figure 35

Tax Year	Number of P8s with Outstanding Amounts	Outstanding Amount
2014-15	23	£119,870
2015-16	28	£275,727
2016-17	29	£77,933
2017-18	32	£67,501
2018-19	42	£285,041
2019-20	72	£1,408,691
2020-21	92	£840,351
2021-22	122	£1,203,325
2022-23	178	£2,632,490
2023-24	367	£3,179,740
Total	985	£10,090,669

- 3.1.57** As at 30 September 2024, 367 of 2,121 employers (17.3%), who had submitted an Employer's Annual Statement Declaration and Certificate (P8) for the tax year 2023-24, had outstanding amounts owing as shown in Figure 36.

Figure 36

Level of Debt	Number of Employers	Outstanding Debt	% of Outstanding
Under £1,000	137	£39,055	1.2%
Between £1,000 and £30,000	205	£1,371,597	43.2%
Between £30,001 and £70,000	17	£793,033	24.9%
Over £70,000	8	£976,055	30.7%
Total	367	£3,179,740	

- 3.1.58 Repayment Agreements** - As at the 31 March 2024, there were 109 companies with agreements to pay PAYE arrears totalling £2.27m. Interest on these agreements is not included in the arrears amount.
- 3.1.59** Approximately 51.7% of the sampled companies with repayment agreements for Employers' PAYE deductions were fully compliant with the terms of their agreement.
- 3.1.60 Employers' P8** - As at 31 March 2024, there were a total of 92 employers that had never complied with the legal requirement to submit a P8. The amounts of outstanding PAYE tax due from these employers cannot be reliably quantified and are therefore not reflected in PAYE arrears.
- 3.1.61** Figure 37 shows the number of outstanding P8s for the last seven years, as at 30 September 2024.

Figure 37

Tax Year	Number of Outstanding P8s
2016-17	24
2017-18	34
2018-19	44
2019-20	127
2020-21	182
2021-22	261
2022-23	340

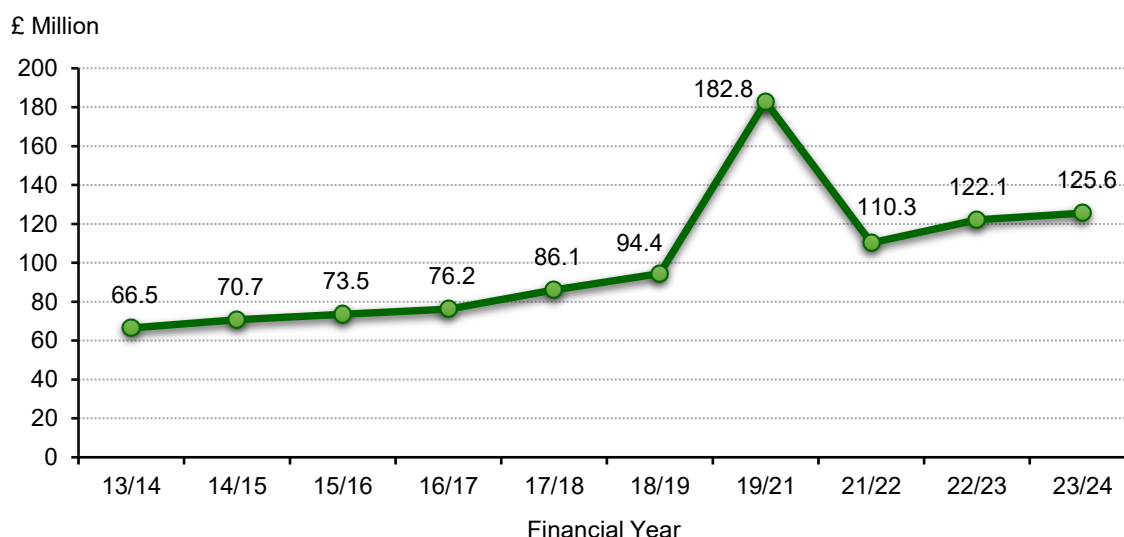
3.1.62 Under Section 17 of the Income Tax (Pay As You Earn) Regulations, 1989, employers who fail to submit their P8 form by the due date are liable to penalties. These penalties range from £50 for a "micro employer" to £500 for a "large employer" on the date of default. If the failure continues beyond 30 days, the penalties increase to £250 and £2,500, respectively. However, the Commissioner has confirmed that this specific provision is not currently being enforced.

3.1.63 The Commissioner of Income Tax informed me that he was satisfied that most employers were paying by the due date or shortly thereafter and that noncompliant employers continue to be actively pursued for payment. The Commissioner added that £0.8m (16.3%) of Employers' PAYE Deductions arrears was already recoverable through repayment agreements as at 31 March 2019.

Social Insurance Contributions

3.1.64 Social Insurance Contributions – Receipts - Total income from Social Insurance contributions during the financial year 2018-19 amounted to £94.44m, reflecting an increase of £8.34m (9.7%) compared to £86.10m collected in the previous financial year. Since then, revenue has continued to grow at an AAGR of 5.9%, reaching £125.63m in 2023-24. Figure 38 graphically illustrates the revenue trend over the past 10 financial years.

Figure 38



3.1.65 Notably, social insurance contribution rates were increased four times between 30 June 2018 and 30 June 2024. Maximum weekly contributions in respect of employed individuals (both employee and employer) rose from £64.00 to £88.00, contributions from self-employed individuals rose from £33.50 to £51.00 and voluntary contributions rose from £15.00 to £37.00 per week. Figure 39 provides further details.

Figure 39

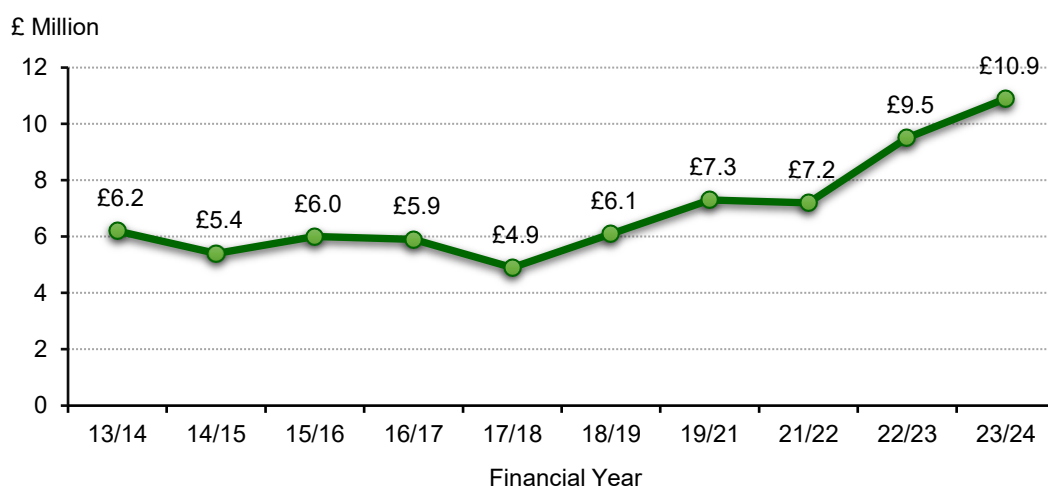
Date	Employee	Employer	Self Employed	Voluntary
Pre 1/7/2018	£27.50	£36.50	£33.50	£15.00
1/7/2018	£30.25	£40.15	£36.85	£15.00
1/7/2021	£36.30	£50.00	£50.00	£36.30
4/8/2022	£36.70	£50.50	£50.50	£36.70
1/7/2023	£37.00	£51.00	£51.00	£37.00

3.1.66 Social Insurance Contributions Credits Held by the Income Tax Office - As at 31 March 2019, the ITO held a credit balance of £3.83m. By 31 March 2024, this balance had

decreased by £1.15m (30%) bringing the total down to £2.68m. Although the credit is significant it should be noted that a substantial number of companies are not up-to-date with their submission of P8 returns (see paragraph 3.1.57) and it is therefore not possible to determine if any overpayments have been made.

3.1.67 Arrears of Social Insurance Contributions - As of 31 March 2019, arrears of Social Insurance contributions stood at £6.09m, an increase of £1.14m (23.1%) compared to £4.94m as at 31 March 2018. Since then, arrears have continued to grow at an AAGR of 12.3%, reaching £10.86m as at 31 March 2024. Figure 40 graphically illustrates the arrears trend over the past 10 financial years.

Figure 40



3.1.68 As at 31 March 2024, Social Insurance contributions arrears totalled £10.86m, with £9.83m owed by 511 companies and £1.03m owed by 482 self-employed individuals. This reflects an increase of £4.77m, or 78.3%, when compared to the position as at 31 March 2019, where there was a total of £6.09m outstanding in Social Insurance contributions arrears, comprised of £4.68m owed by companies and £1.41m owed by self-employed individuals.

3.1.69 Of the £9.83m owed by companies as at 31 March 2024, £0.57m (5.2%) was owed by 61 liquidated companies and a further £0.34m (3.1%) was owed by 7 companies which were in the process of being liquidated.

3.1.70 Repayment Agreements - As at 31 March 2024, a total of £2.66m in Social Insurance contributions arrears was recoverable through 165 interest free repayment agreements, representing 24.5% of the amount outstanding.

3.1.71 Approximately 35.3% of the sampled companies with repayment agreements for outstanding Social Insurance contributions were fully compliant with the terms of their agreement.

3.1.72 Figure 41 shows the number of outstanding Annual Returns of Social Insurance Contributions due from self-employed individuals, as at 5 November 2024.

Figure 41

Tax Year	Number of Individuals
2014-15	187
2015-16	177
2016-17	135
2017-18	141

2018-19	272
2019-20	454
2020-21	551
2021-22	673
2022-23	711

Recovery of Arrears and Enforcement

- 3.1.73** The Central Arrears Unit (“CAU”) remains responsible for pursuing tax and social insurance arrears and providing enforcement services on behalf of the Commissioner of Income Tax. This responsibility extends to social insurance contributions and all taxes except for debts owed by PAYE individuals, which have been managed by the ITO since 2022.
- 3.1.74** In the context of rising levels of arrears, it is important to note that the CAU’s staff was temporarily redeployed during the Covid-19 pandemic, and that the Government adopted a softer approach to debt recovery in the aftermath which included applying zero percent interest to repayment agreements, as well as entering into interim repayment agreements (lasting six months or less).
- 3.1.75** Our review of a sample of repayment agreements within the Income Tax Office’s system revealed that some repayment schedules had been drawn up with very soft repayment sums payable during the major part of the term, with a substantial lump sum payment at the end of the repayment term, with these sums ranging from 70% to 99% of the total amount due. However, upon examining the agreement contracts relating to corporation tax and social insurance, it was found that these final lump sum payments were not included in the formal repayment schedules and were therefore not collectable under the terms of the agreements.
- 3.1.76** I am informed by the Commissioner of Income Tax that the purpose of these particular terms is to get debtors into the agreement process, allowing for an element of arrears to be recovered. He further commented that the idea was for repayment instalments to be reviewed as the agreement progressed and increase instalments where possible.
- 3.1.77** The CAU began intensifying its recovery efforts during 2022 and has since resumed normal operations. This includes, amongst other measures, the reintroduction of interest on agreements and the outsourcing of legal expertise to deal with recalcitrant debtors. However, the recovery of taxes through the courts remains a slow and protracted process that becomes significantly more challenging where an individual leaves the jurisdiction.
- 3.1.78** As previously mentioned in paragraph 3.1.28, there is provision under section 68 of the Act for the publication of details for failure to pay taxes. However, the CAU has not favoured its use and the last publication now dates back to 2 February 2017.
- 3.1.79** In my report on the Public Accounts for the year ended 31 March 2016 I commented that the publication of details for failing to pay taxes, as permitted under section 68 of the Act, had yielded positive results. I added that its impact had been such that the acting Commissioner at the time had sought to extend its remit to include Social Insurance contributions arrears and to allow for publication on alternative media. However, as at 30 September 2024, the required legislative amendment had not been enacted, though the Commissioner confirmed his commitment to advancing it.

General

- 3.1.80** The Commissioner confirmed that aggressive tax planning by companies, and the resulting erosion of taxable profits, poses a significant threat to public revenue, and is a cause of serious concern to him. In recent years, large corporations in sectors such as financial services and gaming had accumulated substantial tax losses, which these companies had used to offset current taxable income, effectively deferring taxation on profits to future years. The Commissioner said that for this reason, and in order to protect revenue, the Government

intends to introduce measures to limit the extent of losses being carried forward by companies in these industries, ensuring that some tax will be payable on current year profits. This approach would allow for losses to be carried forward but would effectively slow the rate at which tax losses are utilised.

- 3.1.81** In June 2024, the ITO recruited two highly qualified tax specialists to strengthen its enforcement and compliance capabilities. Since joining the department, these specialists have initiated inquiries into tax returns, initially focusing on companies within the financial sector. To further support these efforts, the Commissioner plans to temporarily second a transfer pricing expert from His Majesty's Revenue and Customs in the UK, who will assist these specialists in their ongoing work.
- 3.1.82** In my previous report, I highlighted a high rate of non-compliance with both payment and filing obligations among football clubs. The ITO Investigation Section has since collaborated closely with the Gibraltar Football Association ("GFA") to help local clubs understand and fulfil their tax obligations. The Commissioner has now confirmed that compliance has improved, and where clubs incur payment arrears, these are recovered yearly in October through distributions made by the GFA from FIFA funds.
- 3.1.83** In August 2019, prior to the General Elections, the ITO wrote to individuals earning income from the music trade in Gibraltar, advising them to register as 'self-employed individuals' to ensure compliance with their tax obligations under the Income Tax Act; adding that failure to do so would result in the ITO issuing estimated tax assessments. However, representations were made by some in the music community, following which a senior government official in No.6 Convent Place conveyed that the Chief Minister had personally intervened to suspend the initiative with immediate effect. As a consequence of the ministerial intervention, this ITO initiative never came into effect.
- 3.1.84** The ITO continues to collaborate closely with other Government agencies and authorities. Its work with the Office of Fair Trading had been particularly useful as companies undertaking licenced activities now need to be fully compliant with their tax obligations before being able to renew their licence.
- 3.1.85** More recently, the ITO signed a Memorandum of Understanding ("MOU") with the Gibraltar Financial Intelligence Unit ("GFIU") to strengthen cooperative efforts, along with a Service Level Agreement that enables the secondment of an Income Tax officer to the GFIU. This latest MOU reinforces the ITO's commitment to improve efficiency and effectiveness in the department's activities through co-operation.

Treasury

- 3.2.1 General Rates and Salt Water Charges Arrears** - Arrears of General Rates and Salt Water Charges stood at £6.02m on 31 March 2019, a decrease of £0.01m compared with the previous financial year's arrears figure of £6.03m. However, the effective increase in arrears during the financial year 2018-19 was £0.46m, due to a total of £0.47m written-off during the financial year, largely consisting of penalties written-off (£0.46m) after all outstanding General Rates and Salt Water Charges had been paid. Included in the total Rates arrears outstanding as at 31 March 2019 are penalties raised for the non-payment of accounts in accordance with section 277(2) of the Public Health Act. These stood at £2.49m equating to 41.4% of the total debt.
- 3.2.2** As can be seen in Figures 42 and 43, since the financial year 2018-19, Rates arrears, has seen a marked escalation, ending the financial year 2023-24 at £9.51m, representing an average annual increase of 10% and an overall increase of £3.49m in the 5-year period. Included in the arrears outstanding as at 31 March 2024 are penalties raised for the non-payment of accounts in accordance with section 277(2) of the Public Health Act. These stood at £3.39m equating to 35.6% of the total debt.

Figure 42

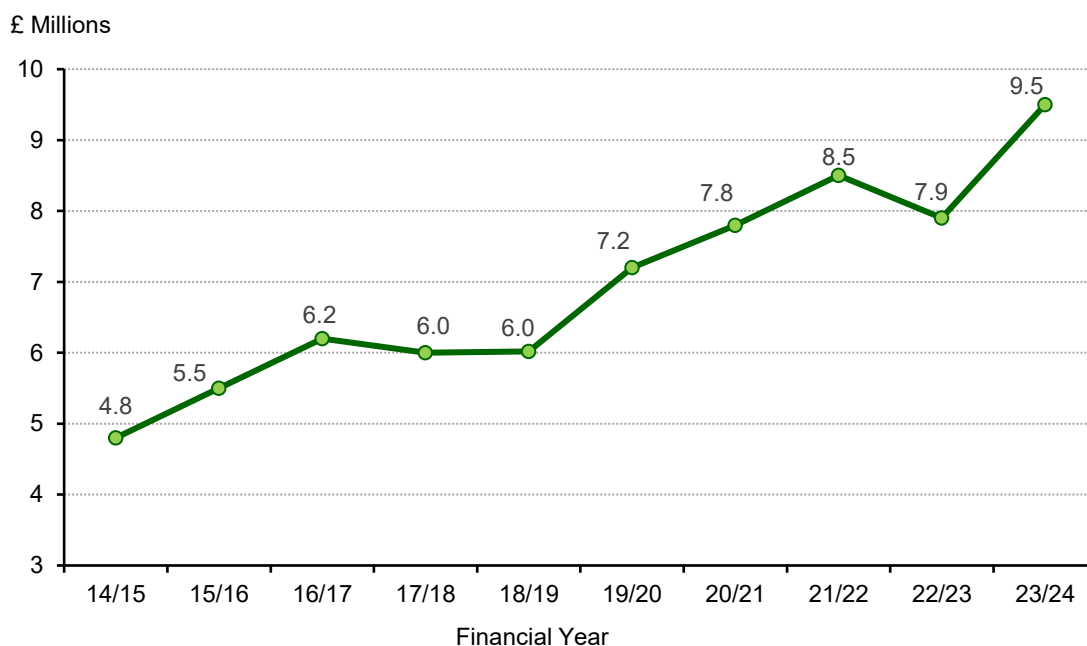


Figure 43

Financial Year-End	Rates Arrears	Year-on-Year Increase/(Decrease)	Total Write-Offs in the Year
31 March 2015	£4,842,441		£220,956
31 March 2016	£5,453,132	£610,691	£214,522
31 March 2017	£6,248,510	£795,378	£39,262
31 March 2018	£6,029,619	(£218,891)	-
31 March 2019	£6,023,119	(£6,500)	£474,642
31 March 2020	£7,215,639	£1,192,520	-
31 March 2021	£7,772,042	£556,403	-
31 March 2022	£8,507,028	£734,986	£497,755
31 March 2023	£7,935,130	(£571,898)	-
31 March 2024	£9,512,138	£1,577,008	£517,823

The overall increase in arrears of Rates and Salt Water Charges of £4.67m from the position on 31 March 2015 to the arrears position at the end of March 2024 needs to take into account the combined sums written-off during the 10-year period amounting to £1.96m. Which means that the overall net increase in arrears over the 10-year period has in effective been £6.63m. The total amount of £1.96m written-off largely consisted of penalties that were written-off after all outstanding General Rates and Salt Water Charges had been paid.

- 3.2.3** The decrease of £0.57m in the level of Rates debts outstanding at the end March 2023 was largely due to the work undertaken by Land Property Services (LPS), who in February 2023 tackled rates exemption requests that were pending to be processed, in respect of the financial years 2017-18, 2018-19, 2019-20, and 2020-21, totalling £0.94m. These exemptions were applied collectively to address a backlog that had accumulated as a result of the Covid-19 pandemic. Additionally, at the time of writing this report in early 2025, there is a pending write-off request of £0.97m which is currently under consideration. This write-off request follows a comprehensive exercise conducted by LPS in 2024, encompassing irrecoverable debts arising from accounts classified to be under liquidation or winding-up.

- 3.2.4** The total Rates arrears outstanding of £9.51m as at 31 March 2024 includes arrears of £2.27m that were in respect of accounts owing the current and one quarter in arrears, which fall within the allowed 'credit terms', so no recovery procedures are applied to these accounts. However, the remaining arrears of £7.24m were mainly at the following stages of LPS's arrears follow-up process, shown in Figure 44.

Figure 44

No. of Accounts	Arrears Sum Owing	Stage of Follow up Process
66	£0.86m	Had entered in repayment agreements.
116	£0.49m	Had been issued with 30-day notice letter and were awaiting action to the next stage; i.e. the issuing of a 14-day legal notice letter.
157	£0.81m	Had been issued 14-day legal notice-to-pay letters and were awaiting action to the next stage; i.e. the issuing of Court summons.
44	£0.05m	Were at different stages of Court summonses; from 'pending' to having been issued a first summons.
154	£1.73m	Had been issued with Orders to Pay by the Court. Final orders to pay were issued for combined debts amounting to £1.20m, of which one account owed £0.28m, but approval had not yet been granted by the Accountant General to enforce the Orders to Pay.
6	£0.15m	Were awaiting action either from LPS or the Land Management Committee.
34	£0.94m	Were corresponding with the Central Arrears Unit (CAU).
344	£1.35m	Owing current and two quarters in arrears.
11	£0.07m	10 companies and 1 group of companies were in the process of being wound-up, liquidated or had been liquidated.
37	£0.06m	Were considered irrecoverable from tenants, and no action to recover the debts from landlords had been made, as the approval to proceed with the application of Section 272A of the Public Health Act had still not been granted.
128	£0.74m	Had applied for an exemption to pay General Rates and Salt Water Charges in accordance with the Public Health Act, either because the tenants were refurbishing their properties, or because the account holder is a club, association or society. Once the exemption is approved the pertinent accounts are then credited.

- 3.2.5** I reiterate my concern that the overall high arrears position will not improve unless effective recovery action is taken principally on arrears for which the Court has granted an Order to Pay. The current course of action is ineffective, as the execution of such Orders against

debtors is not proceeded with mainly because no approval is granted by the Accountant General for the execution of distress warrants. In addition, it is occasionally the case that no follow-up action has been initiated earlier on in the process of liquidation or receivership, thereby diminishing the possibility of recovering arrears due from limited liability companies. On 31 March 2024 there were 154 such accounts that had been issued with Orders to Pay on arrears amounting to £1.73m of which 125 were inactive with a value of £1.05m.

3.2.6 On 20 November 2023, I wrote to the Accountant General requesting an update on the execution of distress warrants associated with Court-granted Orders to Pay and seeking her confirmation that the execution of distress warrants by LPS requires the consent of the Accountant General. The Accountant General replied on 23 November 2023, confirming that my understanding was correct. She explained that the protocol to pursue a debt via this avenue is for LPS to obtain a summons from the Court who proceed to issue an Order to Pay. In the case that the Order to Pay is not adhered to and it is determined that the debtor has assets of value to satisfy the debt, then LPS would request authority from the Accountant General to pursue the debt via a Distress Warrant. The Accountant General further confirmed that there had not been any requests to enforce distress warrants during the financial year 2018-19. She said that this could well be because the enforcement of these are seen of little value if say the business or individual does not have any assets or sufficient assets to satisfy the debt. The Accountant General was under the understanding that the Courts had been short of Bailiffs for an extended period of time which could well have impacted the enforcement of Distress Warrants. She further understood that even though as a result of Covid-19, it had been Government's policy not to proceed with distress warrants as a way of assisting businesses to recover, LPS were now looking to enforce these in January 2024. The Accountant General added that if this was the case, then she foresaw Government reviewing its policy. To date, no distress warrants have been issued, and at present LPS's procedure for the recovery of arrears does not include this process.

3.2.7 I wrote to the acting Accountant General on 19 April 2025, enquiring if there had been any developments since I last wrote to her on this matter in November 2023, ending with her explanation that LPS had been looking to enforce distress warrants in January 2024. I asked her whether this had occurred in the 17 months that had elapsed since we had last communicated. I also enquired whether the Government had reviewed its policy, considering that there had been a huge escalation in the level of Rates arrears in the 5-year period from £6.02m on 31 March 2019 to £9.51m as at 31 March 2024. The acting Accountant General replied to me on 8 May 2025, informing me that whilst the Government had not formally revised its policy on the enforcement of distress warrants, it is anticipated that this will be reconsidered once the re-established recovery process is fully operational, particularly in light of the rise in arrears during the Covid-19 inactive period.

3.2.8 The arrears recovery process undertaken by LPS in chasing tenants in default of Rates consists of issuing 30-day letters, followed by legal letters and then court summonses. Figure 45 shows the number of chasing letters and court summons issued during the last six years.

Figure 45

Financial Year	No. of 30-day & Legal letters Issued	No. of Court Summonses
2018/19	945	100
2019/20	659	103
2020/21	1222	30
2021/22	-	-
2022/23	-	-
2023/24	823	-

It is relevant to note that , as the result of Covid-19, LPS were instructed by the previous Financial Secretary to cease the arrears recovery process. The process recommenced in January 2024. To date, no court orders have been enforced to recover unpaid rates from landlords or tenants.

3.2.9 Of the 66 arrears repayment agreements being administered by LPS as at 31 March 2024, with outstanding debts amounting to £0.86m, 35 referred to domestic accounts and 31 were commercial accounts. Of these, 36 repayment agreements were administered through the CAU. There were 16 debtors that were defaulting in their agreements, of which 9 were commercial accounts, whilst 7 were domestic accounts. One of these debtors has since settled the debt in full and the remaining 15 defaulting debtors have each been sent two reminder letters to pay.

3.2.10 Figure 46 depicts the top 15 General Rates and Salt Water Charges active commercial debtors as at 31 March 2024, owing a total of £3.02m, representing 31.7% of the total Rates arrears outstanding at the year-end. The debts listed are composed of the balances outstanding in respect of these debtors, which includes all active accounts held under their name as at 31 March 2024. Comparatively, in my last report I commented that the top 15 Rates commercial debtors owed £0.97m as at 31 March 2019. This shows that not only has the total debt owed by the top 15 debtors increased significantly in 5 years, but also the individual debts of these group, given that the top 2 Rates debtors (consisting of a landlord) owed £203,680, and (a company) owed £181,210 on 31 March 2019, whilst at the end of March 2024, the top 2 debtors, (consisting of a different company to 2019) owed £549,171, and (a sporting association) owed £503,515.

Figure 46

	Arrears Sum Owing	Date of Last Payment Received
Debtor 1	£549,171	Has never paid
Debtor 2	£503,515	Has never paid
Debtor 3	£481,705	Has never paid
Debtor 4	£212,157	5 February 2024
Debtor 5	£183,100	Has never paid
Debtor 6	£172,007	14 February 2024
Debtor 7	£149,744	14 March 2024
Debtor 8	£138,930	22 December 2020
Debtor 9	£113,335	Has never paid
Debtor 10	£112,934	Has never paid
Debtor 11	£96,051	3 September 2019
Debtor 12	£78,698	14 May 2024
Debtor 13	£78,315	18 January 2023
Debtor 14	£78,315	26 July 2023
Debtor 15	£67,535	28 March 2024
Total	£3,015,511	

3.2.11 One of the above debtors had entered into long-term repayment agreements with the CAU. Four debtors is in correspondence with the CAU. Another debtor is being chased by the CAU; whilst 3 debtors are in negotiations with the Government. One debtor has since paid in full, and 2 debtors are in the process of settling their debts. Three debtors applied for charity exemptions retrospectively, but they are required to settle their debt first and then the sum will be subsequently reimbursed.

- 3.2.12** LPS is actively chasing debtors in liaison with the CAU. In previous reports I have highlighted that in my view the Government should look into owner's liability; in the event that an occupier defaults the Government should explore the possibility of passing the debts onto the landlord, in accordance with section 272A of the Public Health Act. To date, however, no landlord has been held liable for the debt of their tenants.
- 3.2.13** On 25 July 2024, LPS introduced a new rates discount as part of their Rates Recovery Policy. This discount is available to landlords who choose to settle their tenants' arrears in full, through a one-off lump sum payment. Landlords can benefit from a 50% discount for shops and restaurants, 20% discount for office spaces and 10% discount for domestic spaces. The discount is applied on a case-by-case basis and can be used only once per Rates account. The acting accountant General confirmed on 8 May 2025, that this new initiative had already resulted in rates arrears recoveries totalling £132k.
- 3.2.14** The acting accountant General further informed me on 8 May 2025 that, in 2025 the recovery process continues aligned with pre-Covid-19 procedures. She explained that between January and March 2025, a total of 728 30-day letters had been issued. She further informed that LPS had confirmed that the next stage, i.e. legal letters, was currently underway, with summonses and court orders anticipated during the first quarter of 2025-26.
- 3.2.15 Ground and Sundry Rents Arrears** - The amount outstanding in respect of Ground and Sundry Rents as at 31 March 2019 stood at £0.77m, a decrease of £0.03m compared with the previous year's arrears of £0.81. However, as a result of irrecoverable Ground Rent debts written-off, amounting to £0.08m, during the financial year 2018-19, there was in effect an increase of £0.04m in the level of arrears during the financial year.
- 3.2.16** As can be seen in Figures 47 and 48, arrears of Ground and Sundry Rents has considerably decreased in the last 10 years, from £1.21m at the close of 2014-15 to £0.40m on 31 March 2024; the only increase occurring in the financial year 2023-24. However, a significant proportion of the reduction in arrears has been as a consequence of arrears being written-off, in aggregate amounting to £0.92m over the 10-year period.

Figure 47

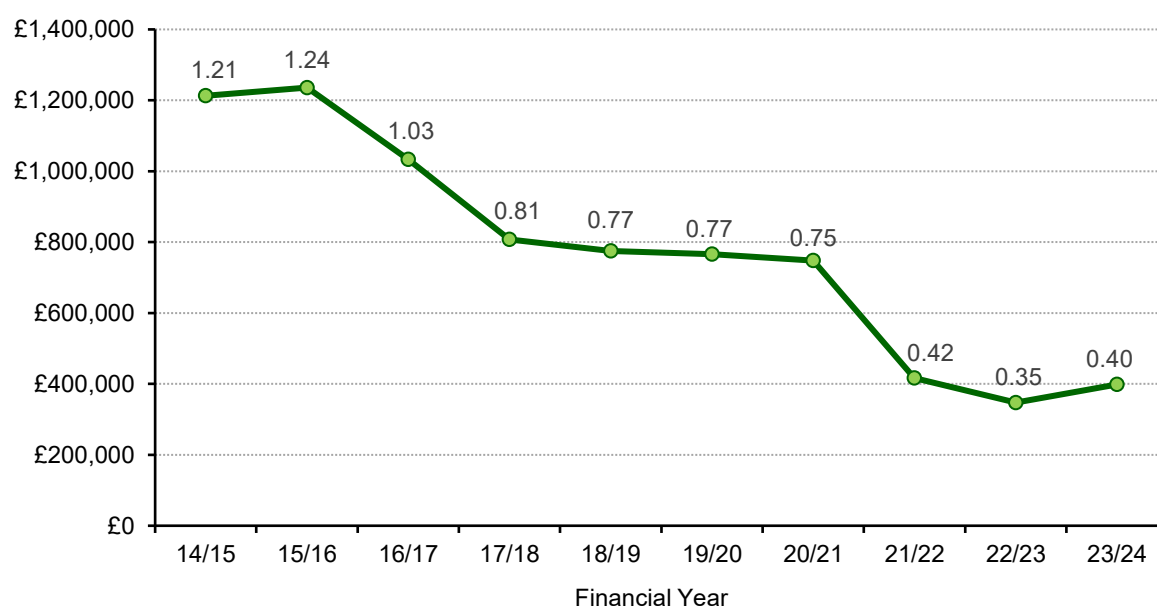


Figure 48

Financial Year-End	Ground & Sundry Rents Arrears	Year-on-Year Increase/(Decrease)	Total Write-Offs in the Year
31 March 2015	£1,213,278		
31 March 2016	£1,235,892	£22,614	£1,683
31 March 2017	£1,033,300	(£202,592)	-
31 March 2018	£807,823	(£225,477)	-
31 March 2019	£774,549	(£33,274)	£76,268
31 March 2020	£765,928	(£8,621)	-
31 March 2021	£747,535	(£18,393)	-
31 March 2022	£416,850	(£330,685)	£299,186
31 March 2023	£347,358	(£69,492)	-
31 March 2024	£398,646	£51,288	£517,823

3.2.17 As at 31 March 2024, there were 407 (61.0%) tenants, out of a total of 667 debtors, whose arrears were less than a year old, that owed £0.19m, out of the total arrears outstanding of £0.40m. Figure 49 shows an aged debt analysis table of the Ground and Sundry Rents outstanding as at the end of the financial year 2023-24.

Figure 49

Period of Debt	No. of Debtors	Arrears Owing
Under 1 year	407	£185,951
Over 1 year and under 5 years	195	£144,136
Over 5 years and under 10 years	32	£34,094
Over 10 years	33	£34,465
Total	667	£398,646

3.2.18 At the close of the financial year 2023-24, there were 23 tenants with a combined debt of £0.19m (46.4% of the overall debt) with debts of over £1k that were outstanding for over one year. Of these,

- 6 commercial tenancies owed £0.13m, of which 3 had entered into agreements with the Government but have since defaulted – all 3 tenants were sent 21-day notice letters in September 2024;
- 1 tenant had not made a payment since 2014 and the premises have now been demolished, LPS will be recommending the write-off of these arrears;
- 1 tenant is subject to a decision by the Chief Minister, but no payments have been made since 1999; and
- 1 tenant considers the premises unsafe due to rock falls and wants to surrender the property, and for this reason has not made any payments in over a year. This tenant was sent a 21-day notice letter in September 2024.

3.2.19 The exercise of issuing 21-day notice letters to Ground and Sundry Rents debtors continues to be performed regularly by LPS. A total of 292 21-day notice letters (1st reminder) were issued by the company in September 2024 to tenants owing rents. However, there are still no follow-up legal procedures to recover the arrears if tenants continue to default. LPS can institute legal action by either referring cases to the Courts or proceeding to forfeit leases and repossess premises after having obtained the relevant legal advice. However, no legal action has been instituted thus far. As mentioned in previous audit reports, there is still no procedure to take Ground and Sundry Rents debtors to Court. LPS and Treasury are still reviewing the best course of action in accordance with the Landlord and Tenant Act and the

Housing Act 2007 to address recalcitrant debtors. A draft arrears policy has been prepared and is in the process of being agreed and finalised. Meanwhile, LPS continues its duty to actively pursue debtors, in liaison with the CAU.

3.2.20 There were a number of tenancies with inactive accounts that were statute-barred as at 31 March 2016. Of these, numerous statute-barred accounts with balances over six years old were requested for write-off in 2014 but approval was never granted. On 3 August 2016, the new legislation under the Limitation (Amendment) Act 2016 came into operation and repealed the previous six-year statute-barred limitation period, meaning that statute-barred debts over six years old could be pursued for recovery. Following the change in legislation, a list comprising 67 tenants, with debts amounting to £0.28m, was referred to the CAU for them to determine which balances were recoverable and those which required write-off. The CAU established that all of these debts were deemed irrecoverable.

3.2.21 An examination of the Ground and Sundry Rents arrears records showed that on 31 March 2024, £0.20m (49%) of the total arrears figure of £0.40m was owed by 15 commercial tenants, out of a total 667 tenants that were in arrears owing sums in excess of £5k. This equates to 2.2% of debtors owing 49% of the arrears. Figure 50 shows the top 15 Ground and Sundry Rents debtors as at 31 March 2024:

Figure 50

Debtor	Arrears Owning	Date of Last Payment Received
Debtor Company 1	£28,916	24 August 1999
Debtor Company 2	£24,049	29 August 2014
Debtor Company 3	£22,300	29 March 2019
Debtor Company 4	£21,569	28 February 2019
Debtor Company 5	£19,570	1 March 2023
Debtor Company 6	£15,997	8 January 2019
Debtor Company 7	£9,238	19 March 2024
Debtor Company 8	£9,000	Has never paid
Debtor Company 9	£7,332	29 October 2024
Debtor Company 10	£7,254	6 August 2024
Debtor Company 11	£6,639	30 September 2013
Debtor Company 12	£6,615	11 October 2024
Debtor Company 13	£5,708	15 March 2019
Debtor Company 14	£5,489	11 October 2024
Debtor Company 15	£5,477	18 October 2024
Total	£195,153	

As can be seen in Figure 50, the top 15 Ground and Sundry Rents debtors totalled £0.20m in arrears as at 31 March 2024, a decrease of £0.10m compared with the position on 31 March 2019, where the top 15 debtors amounted to £0.30m. The decrease was attributed to 2 debtors fully paying all arrears owing; 4 tenants' debts being fully written-off; and 3 debtors reducing their debts. Of the remaining 6 debtors, one company's debt had remained the same and has now been written-off; whilst 5 companies had increased their debts. As at 31 March 2024, there were 7 tenants in the top 15 list of debtors who were one year or less in arrears.

3.2.22 The Ground Rent reductions received by private residential estates during the two financial years 2018-19 and 2023-24, which relate to discounts granted against expenditure incurred in connection with works carried out on the embellishment, maintenance and improvement to their respective housing estates, amounted in aggregate to £0.13m and £0.20m respectively, representing 50% discounts to the estates listed in Figure 51.

Figure 51

Estate	Discount Granted	
	2018-19	2019-24
Bayview Terraces	50%	50%
Beach View Terraces	50%	50%
Cumberland Terraces	50%	50%
Elliot's Estate	50%	50%
Harbour Views	50%	50%
Hassans Centenary Terraces	-	50% *
Jumper's Building	50%	50%
Mons Calpe Mews	50%	50%
Montagu Crescent	50%	50%
Montagu Gardens	50%	50%
Nelson's View	50%	50%
Northview Terrace	50%	50%
St Christopher's Court	50%	50%
Waterport Terraces	50%	50%
Wellington Court	50%	50%
Westview Park	50%	50%

* Discount granted to Hassans Centenary Terraces as from Oct 2023.

3.2.23 Gibraltar Coinage – Circulating Coins - There was an increase in revenue derived from the issue of circulating coins by the Treasury Department of £0.17m, from £0.55m in the previous financial year to £0.72m in the financial year ended 31 March 2019. In the financial year 2023-24, the revenue received from the issue of circulating coins amounted to £0.21m.

3.2.24 Figure 52 shows the revenue received from the issue of circulating coins in the last 11 years. As can be seen, along with the very significant drop in revenue in the financial year 2014-15, compared to the previous year, there has been a continued year-on-year progressive decrease in revenue from the issue of circulating coins, aside from the already mentioned revenue increases in the financial years 2018-19 and 2023-24. The reason for the gradual decrease in revenue derived from the issue of circulating coins in the last decade is as a consequence of there being a lower demand for circulating coinage generally.

Figure 52

Financial Year	Revenue from the Issue of Circulating Coins
2013-14	£1,502,122
2014-15	£815,509
2015-16	£617,170
2016-17	£601,298
2017-18	£554,612
2018-19	£721,156
2019-21 *	£602,098
2021-22	£129,715
2022-23	£92,246
2023-24	£205,315

* 24-month financial period

- 3.2.25** The value of Gibraltar circulating coins at the end of the financial year 2018-19 stood at £13.82m, compared to £13.18m at the end of the previous financial year, representing an increase of £0.64m in the value of coins in circulation. The number and value of Gibraltar circulating coins by denomination as at 31 March 2019 are shown in Figure 53.

Figure 53

Coins in Circulation as at 31 March 2019				
Number of Coins and Denomination				Value
19,939	x	£20		£398,780.00
18,341	x	£15		£275,115.00
129,960	x	£5		£649,800.00
100,978	x	£3		£302,934.00
276,278	x	£2		£552,556.00
7,932,906	x	£1		£7,932,906.00
2,515,924	x	50p		£1,257,962.00
5,534,810	x	20p		£1,106,962.00
6,206,419	x	10p		£620,641.90
9,730,500	x	5p		£486,525.00
5,781,077	x	2p		£115,621.54
12,314,231	x	1p		£123,142.31
Total				£13,822,945.75

- 3.2.26** The comparative value of Gibraltar circulating coins during the last 11 financial years is shown in Figure 54.

Figure 54

Financial Year-End	Value of Coins in Circulation
31 March 2014	£10,903,067
31 March 2015	£11,718,636
31 March 2016	£12,342,191
31 March 2017	£12,942,641
31 March 2018	£13,177,211
31 March 2019	£13,822,946
31 March 2020	£14,255,899
31 March 2021	£14,432,649
31 March 2022	£14,562,364
31 March 2023	£14,654,610
31 March 2024	£14,859,925

- 3.2.27 Gibraltar Coinage – Commemorative Coins** - Sales of Gibraltar commemorative coins by the Treasury Department during the financial year 2018-19 amounted to £23,062 compared to £23,373 in 2017-18. Details of the commemorative coin sales during the last 11 financial years are shown in Figure 55.

Figure 55

Financial Year	Commemorative Coin Sales
2013-14	£50,086

2014-15	£11,949
2015-16	£28,269
2016-17	£37,043
2017-18	£23,373
2018-19	£23,062
2019-21 *	£8,655
2021-22	£25,558
2022-23	£2,722
2023-24	£3,710

* 24-month financial period

The sales of commemorative coins during 2018-19 remained in line with the previous financial year's sales which depend largely on the demand by collectors. It should be borne in mind that the stock of commemorative coins held by the Government of Gibraltar consists of older-dated coins that are less in demand than the newly minted commemorative coins sold by the Gibraltar National Mint Ltd.

3.2.28 Royalties on Coin Sales - Royalties received from the sale of Gibraltar commemorative coins during the financial year ended 31 March 2019 amounted to £45,000. As mentioned in paragraphs 3.2.39 and 3.2.40 of my last report to Parliament, on 21 February 2017, the Financial Secretary issued a Directive (No. 3/2017) declaring that as from 1 April 2016, the Government of Gibraltar had decided that the Gibraltar National Mint Ltd –a GSBA Limited owned company which is ultimately owned by the Gibraltar Savings Bank– would operate, manage and develop the commemorative coinage business for and on behalf of the Government. The minting and issue of circulating coinage, would on the other hand, continue to be operated and managed directly by the Treasury Department. As from this date, the company liaised with the different Mints in the production and distribution of Gibraltar commemorative coinage and deal with the approval of the number, denomination, type of metal, composition, weight, shape, and proposed design of commemorative coins to be minted. Gibraltar National Mint Ltd would also be responsible for the approval of the royalty payments to be made by the Mints on the coin sales. Commemorative coin issues continue to require the approval from Buckingham Palace (for the use of Her Majesty the Queen's effigy on the coinage) and from the Government's Minister for Finance. The Directive from the Financial Secretary further states that in consideration for the operation, management and development for the Government of the commemorative coinage business, the Gibraltar National Mint Ltd would retain any royalties or other payments receivable from the respective Mints, and in turn the company would pay the Government (Consolidated Fund) £45,000 per annum in respect of the commemorative coins business. Royalties received from the sale of Gibraltar commemorative coins during the last 21 financial years are shown in Figure 56.

Figure 56

Financial Year	Royalties Received by Government
1998-99	£67,194
1999-00	£119,124
2000-01	£103,377
2001-02	£97,536
2002-03	£63,081
2003-04	£16,780
2004-05	£210,263
2005-06	£267,005
2006-07	£224,436

2007-08	£128,035
2008-09	£179,141
2009-10	£41,826
2010-11	£55,697
2011-12	£9,529
2012-13	£147,036
2013-14	£27,151
2014-15	£41,057
2015-16	£143,589
2016-17	£45,000
2017-18	£45,000
2018-19	£45,000
2019-21 *	£90,000
2021-22	£45,000
2022-23	£45,000
2023-24	£45,000

* 24-month financial period

3.2.29 Figure 57 shows the royalties plus income from commemorative coin sales received by Gibraltar National Mint Ltd during the last 8 years.

Figure 57

Financial Year	Royalties + Income from Coin Sales Received by Gibraltar National Mint Ltd
2016-17	£629,049
2017-18	£702,338
2018-19	£1,002,570
2019-21 *	£2,044,152
2021-22	£1,273,320
2022-23	£1,152,343
2023-24	£1,064,674

* 24-month financial period

Central Arrears Unit

3.3.1 The Central Arrears Unit (“CAU”) was set up in May 2016 and initially tasked with monitoring and supervising the collection of public monies. However, the Accountant General soon expanded its role in July 2016 as a fully dedicated Unit for the follow-up and recovery of Government arrears of revenue as its centralised function. The move was primarily intended to improve efficiency, consolidate arrears recovery policies, and provide a resource arrangement which could be scaled up or down in response to debt levels.

3.3.2 In early 2017, the CAU began addressing arrears related to General Rates, Ground and Sundry Rents, followed by the recovery of individuals’ PAYE in May 2018. However, due to resource constraints following the Covid-19 pandemic, the CAU ceased its work on individuals’ PAYE, which is now dealt with by the Income Tax Office (“ITO”).

3.3.3 The CAU has a staff compliment of 11 Government employees. However, the CAU has experienced high levels of employee turnover and has had two vacant positions since January 2023. Additionally, two GDC employees who previously supported the CAU were redeployed during the Covid-19 pandemic and have not been replaced. Further

compounding the issue, the ITO's Crown Counsel post has remained vacant since May 2024, a post whose key responsibilities include dealing with arrears. As a consequence of which the CAU has had to outsource legal expertise when required. These staffing shortages have significantly hindered recovery efforts, which were already impacted by the economic fallout of the pandemic.

3.3.4 At the start of the Covid-19 pandemic in March 2020, most of the personnel at the CAU were redeployed to other Government departments, leading to their work on arrears recovery being deprioritised. It was several months before most of its staff had returned, by which time the economic landscape had changed as had the Government's attitude towards the recovery of arrears. The Government adopted a more prudent approach in the aftermath of the pandemic in order to facilitate a quicker economic recovery and despite continuing to make retentions from separate payments due by the Government to debtors, the CAU suspended the application of interest charges on new agreements until October 2022, when interest was reinstated at a rate of 4.25%, in line with the interest rate charged by His Majesty's Revenue and Customs (HMRC) in the United Kingdom.

3.3.5 Additionally, the Government's contracted legal representatives for the CAU were temporarily instructed to halt legal proceedings during the pandemic, with recovery actions only resuming in February 2022.

3.3.6 Since 31 March 2018, arrears of revenue have risen by approximately 43.19%, reaching £68.29m as at 31 March 2024. The largest contributors to this rise were:

- Income Tax Arrears - £7.91m* (including £1.43m related to individuals' PAYE);
- Social Insurance Contributions Arrears - £4.77m; and
- General Rates and Salt Water Charges Arrears - £3.49m

3.3.7 Further information on the state of the arrears of revenue can be found in the following paragraphs of this Report:

Paragraphs	Arrears
2.17.1 to 2.17.14	Arrears in General
3.1.14 to 3.1.63	Income Tax
3.1.67 to 3.1.79	Social Insurance Contributions
3.2.1 to 3.2.14	General Rates and Salt Water Charges
3.2.14 to 3.2.21	Ground and Sundry Rents
3.4.5 to 3.4.39	House rents
3.4.66 to 3.4.74	

3.3.8 Despite these challenges, the CAU remains committed in its efforts to pursue and recover arrears. In so doing, its strategy prioritises compliance with relevant laws and ethical standards in order to uphold public trust. The following highlights the key components of its strategy:

- Minimising the volume of liabilities that become debt through effective compliance work;
- Learning about each debtors' circumstances and tailoring the debt recovery approach to suit the situation;
- Regularly monitoring debts to ensure timely intervention and curb their escalation;
- Providing Government departments, agencies and authorities with support and expertise; and
- Strengthening its enforcement and recovery capabilities by reviewing and enhancing its statutory powers.

- 3.3.9** In order to minimise the volume of tax liabilities that become arrears, the CAU reviews the taxpayers' filing status to determine whether all filing requirements are up to date. These requirements include, but are not limited to, tax returns, tax computations and financial statements, ensuring that the amounts due are accurate, based on the information submitted by the taxpayer. Where necessary, the CAU will contact the taxpayer and notify them of outstanding documentation so that they may regularise their position. Further work is also done to verify that payments are accounted for and correctly allocated, allowing the CAU to focus its resources on more complex debts.
- 3.3.10** When engaging with taxpayers, the CAU will consider the value of debt and debtor profile before determining how best to approach its recovery and what means should be favoured. This enables the CAU to increase its chances of recovering the debt and minimises the number of ineffective interventions.
- 3.3.11** The CAU monitors arrears across all Government departments, agencies and authorities. When arrears rise significantly, the Unit conducts an in-depth review and advises the department's Receiver of Revenue on findings as well as possible courses of action. Such reviews have been carried out at the Gibraltar Health Authority, Department of Education, Gibraltar Electricity Authority and the Housing Department. If a Receiver of Revenue can satisfactorily explain the increase in arrears, a detailed review may not be necessary.
- 3.3.12** In paragraph 3.3.7 of my last report, I stated that the proposed Arrears Recovery Act would greatly enhance the CAU's enforcement powers. The Act includes provisions for, inter alia, the recovery of arrears through a debtor's employer by instructing them to make the necessary deductions from employment earnings as well the publication of debtors' details in selected media. Similar provisions in the Income Tax Act 2010 have proven to be useful in recovering tax arrears from non-compliant debtors. Expanding these measures through the Arrears Recovery Act would extend their usefulness to all debts owed to Government. I understand that work on drafting the Arrears Recovery Act was commenced in 2017 and its enactment is now a much awaited piece of legislation with which to better address the growing level of arrears. I was informed by the Head of the CAU that the draft Arrears Recovery legislation had been submitted to the Financial Secretary.
- 3.3.13** On 10 February 2025, I wrote to the Financial Secretary enquiring what was the current position regarding the draft Arrears Recovery legislation and what were the reasons for the delay in enacting this important Bill. I pointed out to the Financial Secretary that last year on 26 March 2024, when Members of the Opposition posed the question in Parliament as to what was the status of the arrears recovery legislation, the Chief Minister replied, 'It is in draft form, it is moving apace.' I told the Financial Secretary that yet surprisingly 12 months later, the draft Arrears Recovery Act has still not seen the light of day.
- 3.3.14** The Financial Secretary replied to me on 13 February 2025, explaining that the Arrears Recovery Bill continued to be in draft form as it was subject to review/discussion with the Accountant General and the CAU for potential final amendments before further discussion with the Chief Minister and the Government, who might opt to change the draft legislation further before publication. The Financial Secretary said that he did not know the specific reasons for the delay in the initial years after it was first drafted. However, since becoming involved with the matter, he said the delay has been mostly due to further discussions and amendments, and indeed other matters taking precedence over this. The Chief Minister, when questioned by the Financial Secretary, had acknowledged that the enactment of this law would assist the CAU in addressing Government arrears and he had requested the Financial Secretary to raise this matter with him after the completion of the ongoing Treaty negotiations as he was unable to address this matter at this time. The Chief Minister highlighted that this was the same approach that the Government had taken with other matters. The Financial Secretary finalised his communication to me stating that until then, he would be working on this matter together with the Accountant General and the CAU.

3.3.15 The CAU continues to apply, and be involved in, a number of recovery initiatives which include the following:

- Where permitted, settling of tax arrears by netting these off against available tax credits;
- Offering short to medium-term repayment agreements for both arrears of tax and social insurance contributions;
- Partially, or fully, retaining payments due to debtors from Government payments;
- Taking legal action against recalcitrant debtors;
- Utilising International Tax Agreements to recover debts from debtors who are out of jurisdiction;
- Including the CAU in the Government's tender award process thereby allowing tenderers to be vetted for compliance;
- Raising objections with the Office of Fair Trading ("OFT") regarding business licence, trade licence or permit application, potentially blocking approvals on the grounds of public interest;
- Reviewing write-off requests of Social Insurance Contributions arrears, General Rates and Salt Water Charges arrears and Ground and Sundry Rents arrears before they are submitted to the Financial Secretary for write-off approval (Note: write-off requests in respect of Income Tax arrears are initiated by the CAU);
- Working to recover debts managed by Land Property Services Limited ("LPS") via the Debt Recovery Pane, whose work includes interviewing debtors, monitoring payments and reviewing issues affecting repayments;
- Liaising with LPS to ensure that persons due to be allocated a Government property lease are fully compliant before the assignment takes place;
- Conducting compliance audits for Gibraltar Car Parks Limited to ensure that parking permits are only issued to compliant individuals; and
- Raising an objection with HM Customs on the issue or renewal of liquor licences for non-compliant applicants.

3.3.16 According to the latest reports produced by the CAU, the Unit has recovered £17.24m through its various initiatives during the 5-year period 1 April 2019 to 31 March 2024. An analysis of the total sums recovered is provided in Figure 58.

Figure 58

Revenue Item	Amount Recovered by CAU
Employers' PAYE Deductions	£5,955,343
Employers' Social Insurance Contributions Deductions	£8,406,635
Self-Employed Tax	£477,320
Self-Employed Social Insurance Contributions	£551,846
Corporation Tax	£1,622,667
General Rates and Salt Water Charges	£202,709
Ground and Sundry Rents	£28,366
Total	£17,244,885

3.3.17 In its internal report to the Accountant General and the Financial Secretary for the year ended 31 March 2024, the Head of the CAU commented that the continued escalation of arrears of revenue was a reflection of the current economic climate affecting Gibraltar added

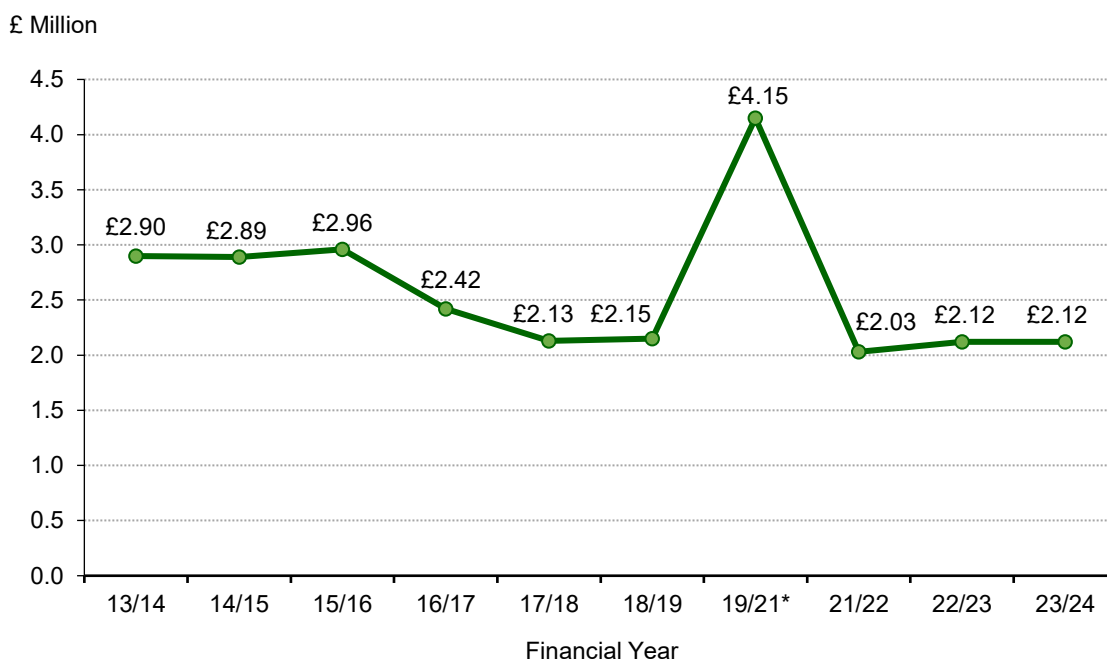
to the effects of staff shortages across Government Departments, including the CAU itself. Notwithstanding, the Head of the CAU affirmed that the Unit would continue to work diligently using all available resources and looked forward to the enactment of the Arrears Recovery Bill which would greatly assist and support the work of the CAU.

Housing - Administration

3.4.1 House Rents Collections - House Rents collections in the financial year 2018-19 amounted to £2.15m, representing a year-on year increase of £0.02m (0.88%) and a decrease of £0.05m (2.27%) against the approved estimate for the year. House Rents collections exclude income collected in respect of six housing estates, amounting to £2.01m, that was received by Gibraltar Capital Assets Limited (GCAL), a wholly-owned subsidiary of the Gibraltar Development Corporation, pursuant to an agreement dated 23 March 2016, entered into by the Government of Gibraltar and GCAL.

3.4.2 Figure 59 graphically illustrates House Rents collections over the past 10 financial years, which excludes the income collected in respect of the six housing estates that is receivable by GCAL with effect from 23 March 2016. As can be seen, after March 2016, House Rents revenue decreased by £0.54m in the financial year 2016-17. Thereafter, with effect from the financial year 2017-18 up to 2023-24, House Rents collections have further decreased, averaging annual collections of £2.10m over the last seven years.

Figure 59



* In accordance with the Appropriation Act 2019 (Amendment No.2) Act 2020, the initial financial year ending 31 March 2020 was extended to a 24-month period spanning 1 April 2019 to 31 March 2021.

3.4.3 Figure 60 shows the annual House Rents Approved Estimates together with the total House Rents collections, and the split between the GCAL transfers and the remaining net House Rents revenue over the last ten financial years.

Figure 60

Financial Year	Approved Estimate	Total House Rents Collections	Transfers to GCAL	Net House Rents Revenue
2013-14	£2,900,000	£2,898,877	-	£2,898,877
2014-15	£3,000,000	£2,888,644	-	£2,888,644
2015-16	£3,000,000	£2,957,488	-	£2,957,488
2016-17*	£2,000,000	£4,785,604	£2,368,373	£2,417,231

2017-18*	£2,500,000	£4,936,591	£2,810,237	£2,126,354
2018-19*	£2,200,000	£5,010,923	£2,865,790	£2,145,133
2019-21*	£4,600,000	£10,166,289	£6,019,308	£4,146,981
2021-22*	£2,500,000	£5,251,550	£3,217,357	£2,034,193
2022-23*	£2,200,000	£5,380,996	£3,260,953	£2,120,043
2023-24*	£2,200,000	£5,589,754	£3,469,274	£2,120,480

* Total House Rents collections since the financial year 2016-17 have included rents collected in respect of the six Gibraltar housing estates leased to GCAL. These rents have been transferred to this Government-owned company pursuant to the Agreement between GCAL and the Government of Gibraltar dated 23 March 2016.

3.4.4 Regulation 4(1) of the Housing (Miscellaneous Provisions) Regulations 2017, which came into effect on 24 August 2017, provides that the level of House Rents shall be increased from time to time by the Minister with responsibility for Housing by notice published in the Gazette. In consequence, with effect from 1 September 2017, the Minister increased House Rents by 3%; and thereafter, in recent years, House Rents have been annually increased accordingly as shown in Figure 61. In addition to the annual increases in House Rents, and similarly with effect from 1 July 2025, the Minister with responsibility for Housing also increased (for the first time), the rents payable for Government sheds rented out to housing tenants, from £5 to £ 7 per month.

Figure 61

Effective Date of Rent Increase	House Rent Percentage Increase
1 Sept 2017	3%
1 July 2018	3%
1 July 2019	3%
1 July 2021	3%
1 July 2022	5%
1 July 2023	3%
1 July 2024	5%
1 July 2025	5%

3.4.5 House Rents Arrears - House Rents arrears stood at £4.91m¹³ as at 31 March 2019, representing a year-on year decrease of £0.16m. Figure 62 shows the comparable position of House Rents arrears at the year-end over the last ten financial years.

Figure 62

Financial Year-End	House Rents Owing	Year-on-Year Increase/(Decrease)	Year-on-Year % Increase/(Decrease)	Total Write-Offs in the Year
31 March 2015	£5,258,753			
31 March 2016	£5,755,687	£496,934	9.4%	-
31 March 2017 *	£5,286,364	(£469,323)	(8.2%)	-
31 March 2018 *	£5,072,653	(£213,711)	(4.0%)	-
31 March 2019 *	£4,908,569	(£164,084)	(3.2%)	-
31 March 2020 *	£4,943,902	£35,333	0.7%	-
31 March 2021 *	£5,003,018	£59,116	1.2%	-
31 March 2022 *	£4,585,128	(£417,890)	(8.4%)	£531,445
31 March 2023 *	£4,725,612	£140,484	3.1%	-
31 March 2024 *	£4,845,395	£119,783	2.5%	-

* House Rents arrears since the financial year 2016-17 include arrears in respect of the six Gibraltar housing estates leased to GCAL.

¹³ House Rents Arrears as from 31 March 2017 include arrears pertaining to the six Gibraltar Housing estates leased to GCAL. The Housing Department has not yet been able to submit amended arrears of revenue figures which exclude non-Government House rents arrears for the financial years 2016-17 to 2023-24.

3.4.6 Figure 62 illustrates that even though there was a downturn in the level of House Rents arrears as from the financial year ended 31 March 2017 up until the financial year ended 31 March 2019, as a consequence of the successful arrears recovery strategy initiated by the Government in January 2016, there has since been a gradual rise in the level of House Rents arrears as from the year ended 31 March 2020. The perceived decrease in House Rents arrears of £417,890 as at 31 March 2022, compared to the amount outstanding a year earlier, was as a consequence of a number of arrears write-offs approved by the Financial Secretary during 2021-22, largely due to debts in respect of deceased tenants. Had there been no write-offs of arrears during 2021-22, the arrears owing as at 31 March 2022 would have instead increased by £113,555, representing a 2.3% increase in House Rents arrears. There were further net increases in arrears of 3.1% and 2.5% during the financial years 2022-23 and 2023-24 respectively, which is a cause of concern. This highlights the importance of continuing the application of the arrears recovery strategy and proactively tackling defaulting tenants in the recovery of their outstanding rent debts, as well as introducing new mechanisms to prevent both the escalation of existing arrears and the formation of new arrears through the non-payment of current rent.

3.4.7 The arrears recovery strategy applied by the Housing Department includes:

- a software application system for the collection of House Rents;
- improved rent payment methods (e.g. on-line, via the e-Government portal);
- withholding parking permits, trade licences, sheds, stores or berths at the new small boats marina to tenants who are in arrears;
- limiting works provided to defaulting tenants to essential repairs only;
- not allowing any inclusions, exclusions or exchanges of tenants in tenancies where rent is owed;
- settling of debts prior to the termination of tenancy;
- requesting all new Government housing tenants to pay their rent via bank standing orders or payroll deductions;
- an amendment to the Limitation Act, which allows for proceedings to be brought by the Government to recover rent arrears irrespective of how old the debt is; and
- working closely with the Central Arrears Unit (CAU) in chasing all recalcitrant debtors.

The Housing Department has also implemented a policy that requires tenants occupying new tenancies, or exchanging tenancies, to arrange for the deduction of House Rents to be made from their salaries or wages.

3.4.8 The Housing Department liaises regularly with the CAU regarding potential litigation cases. The Acting Housing Manager confirmed on behalf of the Principal Housing Officer that the number of litigation cases has increased substantially from the year 2023 to 2024. In 2023, there were 14 litigation cases, of which 3 were discontinued as there were no realistic prospects of recovering those arrears, whilst from June 2024 to November 2024 there have been 40 cases that were processed through the legal route.

3.4.9 In order for the department's arrears recovery strategy to continue its success into the future, it will require constant monitoring and suitable modifications to ensure that the department's resources are effectively managed, and that departmental policies and procedures remain in line with its long-term objectives. The department could complement its revised arrears repayment agreements with regular follow-ups of tenants who fail to comply with the terms and conditions of their respective agreements. The Acting Housing Manager confirmed on behalf of the Principal Housing Officer that the Housing Department is continuously looking into ways to implement new strategies for the recovery of arrears.

3.4.10 The arrangement for the collection of House Rents arrears relating to the six housing estates leased to GCAL, pursuant to the agreement between this company and the Government of Gibraltar, dated 23 March 2016, is that the Housing Department continues to be responsible

for the prompt and timely collection of rent arrears arising after 23 March 2016 in respect of each property. In this respect, the agreed policy for rent arrears collection is that:

- (a) Payment of rent arrears by a tenant shall first be applied against arrears accrued by such tenant after 23 March 2016;
- (b) Once all arrears accrued by a tenant after 23 March 2016 have been recovered, payment of rent arrears can be set-off against arrears accrued prior to 23 March 2016; and
- (c) In discharging this policy, payments received from existing and former tenants shall be treated in accordance with the provisions of clauses (a) and (b) above.

3.4.11 During 2023, the Housing Department managed to schedule 278 appointments with tenants who had either not previously entered into an arrears repayment agreement or were defaulting on their existing repayment agreements, with 197 tenants actually attending the scheduled appointments and the remaining 81 tenants not attending. In addition to the scheduled face-to-face appointments, the Housing Department also deals with House Rents arrears queries via telephone calls or emails, which are then followed up by the tenants going to the counter in person to sign their arrears repayment agreements. During 2023, approximately 221 arrears queries were dealt with over telephone or email, which together with the 197 scheduled appointments attended, resulted in 144 new or revised agreements being signed.

3.4.12 As from 2024, the Housing Department no longer gives scheduled appointments as the counters are open every day and tenants can attend the counter at any time during opening hours.

3.4.13 I am pleased to report that after advising the Principal Housing Officer for many years on the recommended use of the Court of First Instance as part of its arrears recovery strategy, the Housing Department has been looking to use this avenue as a viable means of recovering debts. However, to date, there have been no cases heard by the Court of First Instance. Furthermore, although the Housing Department has previously followed my recommendation to serve registered 'final' letters to recalcitrant defaulters as an effective means of obtaining a response from debtors, no registered 'final' letters were served to debtors during the year 2023.

3.4.14 As mentioned in my last report, the Housing Department is liaising with the Registrar of the Supreme Court with a view of being notified when an application is made to the Courts for a grant of letters of administration or probate in an estate (rule 43 of the Non-Contentious Probate Rules 1987 (UK) refers, which apply to Gibraltar by virtue of rule 6 of the Supreme Court Rules 2000), that would allow any House Rents arrears owing to be paid prior to any distribution of funds. However, the Acting Housing Manager confirmed on behalf of the Principal Housing Officer that no House Rent arrears have been recovered to date via this route.

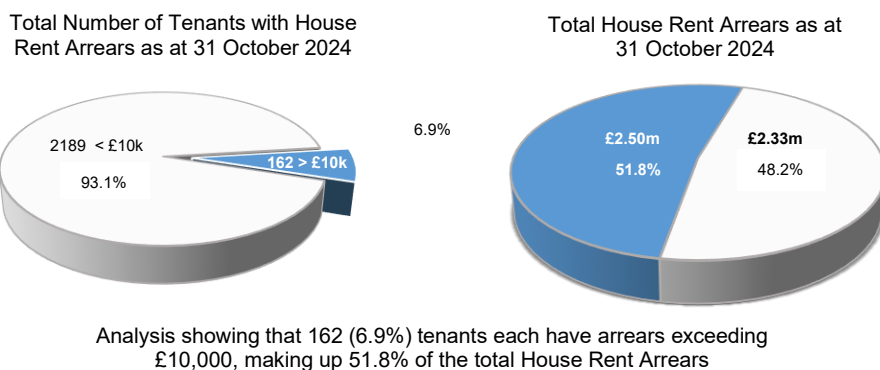
3.4.15 Small Claims Court - The Housing Department has been looking into making use of the Small Claims Court to process claims against House Rents debtors. However, despite the financial threshold specifying the cases that can be heard by the Small Claims Court having increased to £10k as from April 2013, no cases had yet been referred by the Housing Department to this Court as at the end of 2023. Nevertheless, the Acting Housing Manager confirmed on behalf of the Principal Housing Officer that two cases had been referred to the Small Claims Court by the Housing Works Agency. Both claims related to the damage of tenant property. Neither of the cases therefore related to the recovery of House Rent arrears.

3.4.16 An examination of the records of House Rents debtors as at 31 October 2024, showing tenants with rents due between £0.5k and £10k, revealed that a total of 644 tenants could potentially have been processed via the Small Claims Court. Three hundred and thirty-eight

tenants out of the 644 tenants had entered into repayment agreements, out of which 244 tenants were defaulting on their repayment agreements. The remaining 306 tenants had not entered into a repayment agreement with the department.

3.4.17 Tenants' Accounts with over £10,000 in House Rents Arrears - An examination of the House Rent accounts of tenants revealed that there were 162 tenants who had accrued arrears of over £10k as at 31 October 2024, totalling £2.5m. Figure 63 provides a graphical illustration of House Rents arrears owed by tenants as at 31 October 2024. It highlights that over half (51.8%) of the Housing Department's House Rents arrears are owed by just 6.9% of tenants in arrears (i.e. 162 out of 2351 tenants).

Figure 63



3.4.18 Top 30 Debtors - An examination of tenants' accounts with the largest outstanding balances of House Rents as at 31 October 2024, revealed that the top 30 debtors collectively owed £697,887, ranging from £19,128 to £32,069. The top 30 debtors can be categorised as follows:

- **Tenants with Agreements** - Twenty-four tenants had entered into rent arrears agreements, of which only one tenant was making regular monthly payments, 11 tenants were defaulting on the agreements and 12 tenants were not only defaulting but also had expired agreements. Four out of the 24 tenants with agreements had never made any payments towards their debts.
- **Tenants not entered into Agreements** - Six tenants had not entered into rent arrears agreements, of which 3 tenants had never made any payments towards their debts, 1 tenant had not made any payments since 2006, 1 tenant was due to start a rent arrears agreement in December 2024 and the remaining tenancy appeared in the Housing Database as having been 'repossessed'.

Based on current rent as at 31 October 2024, the top 30 debtors each owed, on average, the equivalent of 17 years of House Rents.

3.4.19 Tenants with Rents Outstanding by Government Estate/Area - The table in Figure 64 lists the top ten housing estates/areas in Gibraltar with the highest outstanding House Rents total debt (excluding current rent) as at 31 March 2024:

Figure 64

Estate/Area	Total Number of Properties	Total Rent Arrears at March 2024	% of Total Arrears	Total Rent Arrears at June 2019	% Increase/ (Decrease)
Laguna Estate *	794	£750,483	16.3%	£814,751	(7.9%)
Glacis Estate Area *	527	£509,035	11.1%	£555,801	(8.4%)
Moorish Castle Estate *	184	£340,434	7.4%	£403,682	(15.7%)
Mid-Harbour Estate *	491	£288,831	6.3%	£312,576	(7.6%)
Varyl Begg Estate *	653	£246,443	5.4%	£349,354	(29.5%)

PART 3 - DEPARTMENTAL AUDITS

Tank Ramp area	117	£221,593	4.8%	£219,121	1.1%
Witham's area	221	£220,086	4.8%	£189,179	16.3%
Edinburgh Estate	203	£175,569	3.8%	£208,214	(15.7%)
Willis's Road area (East)	136	£174,488	3.8%	£192,674	(9.4%)
Arengo's area	85	£144,516	3.1%	£169,879	(14.9%)
Totals	3,411	£3,071,477	66.8%	£3,415,231	(10.1%)

* The rent arrears in respect of these Housing Estates, as at 30 June 2019 and 31 March 2024, includes arrears of rent owing to GCAL.

- 3.4.20** Although the information in Figure 64, might at first glance depict a positive situation in that eight out of the top ten housing estates/areas with the highest House Rents arrears saw a decrease in the level of debt as at 31 March 2024, when compared to the position as at June 2019. It needs to be taken into account that arrears write-offs amounting to £531,445 were approved by the Financial Secretary during the financial year 2021-22, and so a good proportion of the downturn in House Rents arrears in respect of the top ten housing estates/arrears is as a consequence of the arrears written-off.
- 3.4.21 House Rents Arrears Repayment Agreements** - During the period from 5 January 2021 to 31 December 2023, a total of 436 new House Rents Arrears agreements were arranged by the Housing Department, equating to an average of approximately 12 new agreements set up per month. Of the 436 agreements, 79 had been fully paid by the end of November 2024.
- 3.4.22** Every month, the Housing Department sends out rent advice invoices to all its tenants (approximately 5,000 in total), which will state, aside from the current rent due, whether tenants are in arrears or if they are defaulting on their House Rents arrears repayment agreements. In addition, the department also sends reminder letters to tenants in arrears who are not paying towards their debts, either because they are defaulting on their arrears agreements or because they have not entered into an agreement with the department for the repayment of rents owing (in which case they will be invited to attend an interview, with the aim of having them set up such an agreement).
- 3.4.23** A total of 2,044 reminder letters were issued by the Housing Department in 2023.
- 3.4.24** The Housing Department continues to encourage tenants to commit to the payment of their House Rents arrears via bank standing order, payroll deduction, or by using the online facility, as an alternative to paying-off their arrears in one lump sum.
- 3.4.25 Government Employees in Arrears of House Rents** - An examination of the House Rents accounts of Government employees on 31 March 2024 revealed that 127 (8.3%) out of 1,528 Government employees who occupied Government housing were in arrears of House Rents, which had accrued prior to having their rent deducted from their salaries or wages.
- 3.4.26** As at 31 March 2024, there were 80 Government employees who had entered into agreements to repay their House rents arrears, however, 46 (58%) of them were defaulting on their agreements. The total rent arrears collectively owed by Government officers in repayment agreements was £273,840 as at 31 March 2024, representing 67% of the total amount of House Rents arrears owed by public servants, which stood at £410,819.
- 3.4.27** Since January 2016, all Gibraltar Government employees occupying Government housing have been required by the Housing Department to pay their House Rents by deductions from their salaries or wages. As at 31 March 2024, there were 952 out of 1,528 (62%) Government employees who were paying by deductions. The department is now also deducting former civil servants' House Rents from their occupational pensions.
- 3.4.28 Judgement Debts** - Despite my recommendations, the Housing Department has failed to enter into the process of serving directions on employers for the recovery of judgement debts by way of payroll deduction in respect of employees who are tenants in arrears of House Rents, in accordance with the provisions of section 13 of the Housing Act 2007. These

directions can not only be served on any employer responsible for making payment of wages, salary, pension, bonus, commission, allowance or other remuneration to their employees, but also on any person making payment of any social security pension or allowance, household cost allowance, as well as on any person making payment of interest on any Gibraltar Savings Bank account or Government of Gibraltar/Gibraltar Savings Bank debenture or bond to which the tenant is entitled. I am pleased to report that the Principal Housing Officer now intends to proceed via this legal means for the recovery of outstanding House Rents. On 4 February 2025, the Acting Housing Manager confirmed that this process had been initiated on a public servant in order to recover House Rent arrears. During February 2025, the department had applied for the Judgement in Default and was waiting for a court date for the matter to be heard.

3.4.29 Parking Permits and Other Government Facilities - The Housing Department does not allow the allocation of any facilities such as parking permits, garages, car parking spaces, sheds or stores in housing estates, or berths at the small boats marina to any tenant with outstanding rent arrears.

3.4.30 The acting Housing Manager confirmed that up to three reminder letters are sent to defaulting tenants with allocated parking spaces informing them that they are liable to lose their parking space if their rent arrears are not settled. If defaulting tenants do not respond, the severity of the letters increases until the allocation of the parking space is eventually suspended, and the car is clamped by Gibraltar Car Parks Limited. As at the end of November 2024 there were:

- 69 defaulting tenants with allocated car parking spaces in Mid-Harbour Estate, of which 28 tenants already had suspended parking spaces;
- 31 defaulting tenants with allocated car parking spaces in Varyl Begg Estate, of whom one had a suspended parking space;
- 27 defaulting tenants with allocated car parking spaces in Edinburgh Estate, of which 11 had suspended parking spaces; and
- 8 defaulting tenants with allocated car parking spaces in Chilton Court, of which 4 had suspended parking spaces.

3.4.31 Additionally, the Housing Department was currently initiating the process of re-possessing sheds from tenants in arrears. The department is hopeful that this will result in the recovery of rent arrears outstanding.

3.4.32 The acting Housing Manager also confirmed that the Gibraltar Port Authority contacts the Housing Department before allocating any berths at the Mid-Harbour Small Boats Marina, to ascertain whether persons applying for boat berths have any rent arrears outstanding with the Housing Department. If applicants have any House Rents arrears, then they will not be eligible to apply for a berth until they settle their arrears balance in full and repayment agreements are not accepted in these cases.

3.4.33 Similarly, the department has introduced a policy where it is advising tenants who wish to apply for the purchase of low-cost housing in any of Government's affordable housing schemes, that they are required to be up-to-date with the payment of their House Rents to be eligible for consideration. On 4 February 2025, the acting Housing Manager confirmed that there was one successful applicant to a government affordable housing scheme, who was in arrears of £671, and had paid the full outstanding rent balance one month after handing in the keys of her government flat to the Housing Department. There were 6 other tenants in the same situation, with arrears below £100, that the department was chasing so that their accounts are settled before being eligible for the purchase of affordable housing.

3.4.34 Treasury Statistics – Cross Table Report - The Housing Department's House Rents database generates a Treasury Statistics – Cross Table report consisting of a detailed breakdown, as at the date and time the report is requested, of the total House Rents

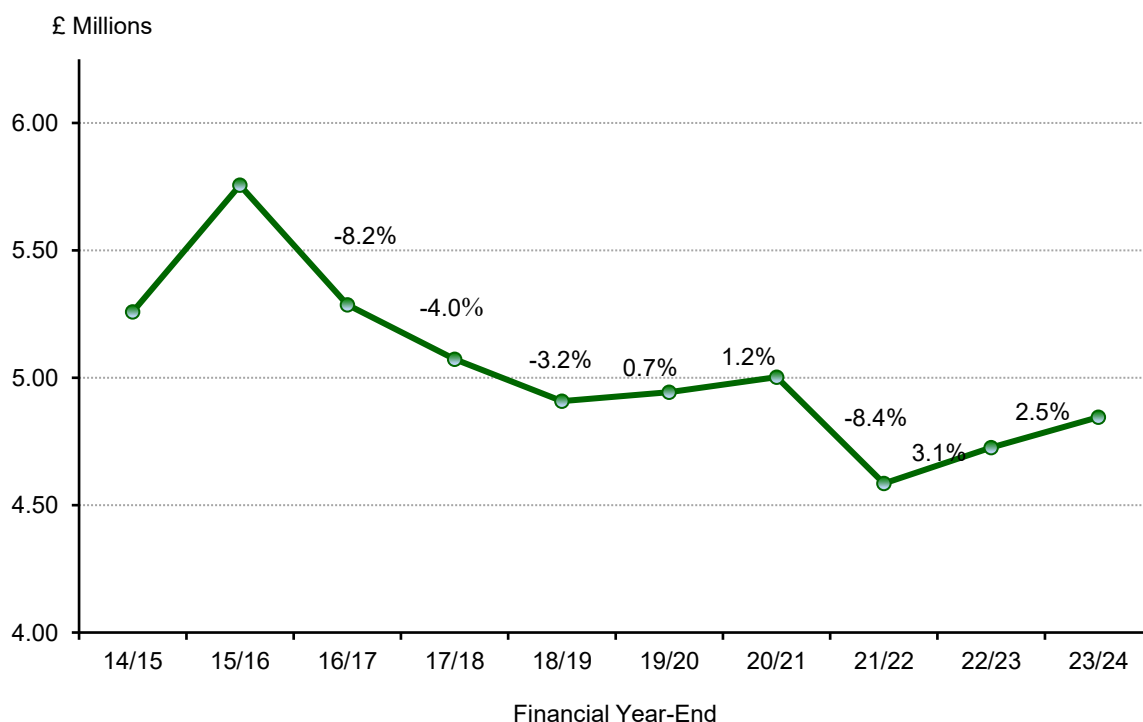
outstanding for both former and current tenants. Additionally, the report generates statistics in respect of current tenants analysed as follows:

- Tenants paying;
- Tenants not paying;
- Tenants with arrears repayment agreements;
- Tenants with no arrears repayment agreements; and
- Tenants defaulting on their arrears repayment agreements.

3.4.35 As I have repeatedly highlighted in my previous reports, I consider the information generated by the 'Treasury Statistics - Cross Table' report to be a very valuable management information tool to monitor House Rents collections, with the report generating extremely useful statistics which the Housing Department can use to effectively manage and monitor House Rents arrears. Nevertheless, the Housing Department have confirmed to me that they do not make use of this report.

3.4.36 Management of Arrears - Figure 65 graphically shows the level of House Rents arrears as at the year-end over the last ten financial years. The chart shows that whilst the initial effectiveness of the arrears recovery strategy introduced by the Government in January 2016 resulted in decreases in the level of House Rents arrears of 8.2%, 4.0% and 3.2% in the financial years ended 31 March 2017, 31 March 2018 and 31 March 2019 respectively, the level of debt since the end of March 2019, shows a gradual rise, as even the perceived decrease in House Rents arrears during the financial year 2021-22 was as a consequence of a number of arrears write-offs approved by the Financial Secretary. Had there been no write-offs of arrears during 2021-22, the arrears owing as at 31 March 2022 would have instead increased by 2.3%. The steady increase in House Rents arrears over the last five years is therefore a cause of concern, and as already mentioned in paragraph 3.4.6, this highlights the importance of continuing the application of the arrears recovery strategy and proactively tackling defaulting tenants at the earliest opportunity to prevent both the escalation of existing arrears and the formation of new arrears through the non-payment of current rent.

Figure 65



3.4.37 As I have commented in previous reports, the effective management of arrears and collection of House Rents is possible by implementing clear policies and procedures to tackle the issues at hand and which outline the department's long-term strategic objectives. The under-mentioned six key areas are an integral part of the management of rent arrears:

- Having well documented and established arrears policies and procedures;
- Applying proactive arrears prevention measures;
- Employing effective arrears recovery measures;
- Instigation of legal action when necessary;
- Effective management of former tenants' arrears; and
- Conducting continuous and periodical performance reviews on arrears recovery procedures with a view of improving operations and related processes.

3.4.38 I am glad that the Housing Department has committed to an arrears recovery strategy that aims to minimise the level of House Rents arrears and to maximise the collection of rental income. Although the effectiveness of the strategy was evident in the first few years of its implementation, the recent trend of increasing House Rents Arrears emphasizes the need to continue strict application of the strategy to avoid further escalation of House Rents Arrears. I am hopeful that the department's officers will have a clear direction from management and the appropriate training support that will empower them to both manage and maintain an effective rent collection system. The proper and integrated use of information technology is also essential to complement the policies and measures that have been introduced.

3.4.39 Write-Offs - There were no write-offs of House Rents arrears during the financial year 2018-19.

3.4.40 Void and Unallocated Government Housing - The value of rents of void and unallocated government housing for the financial year 2018-19, according to the Housing Department's records, stood at £247k (representing 4.8% of the Rent Roll total of £5.19m). By the end of the financial year 2023-24, the rental value of void and unallocated government housing had decreased by £84k to £163k (at that point representing 2.9% of the Rent Roll total of £5.63m). As at 31 October 2024, the department's records showed that 170 properties in the Rent Roll (representing 2.3% of the Government housing rental stock) were classified as being void and unallocated.

3.4.41 Figure 66 shows the length of time the 170 unallocated properties had been void as at 31 October 2024.

Figure 66

Void Duration	Number of Void and Unallocated Properties	Number of Properties Deemed to be Beyond Economical Repair
Less than 20 weeks	21	0
20 weeks to 1 year	24	0
1 year to 5 years	35	6
5 years to 10 years	24	12
10 years to 15 years	31	9
15 years to 20 years	10	4
20 years to 25 years	4	2
25 years to 30 years	16	11
No start date *	5	3
Total	170	47

** Five properties did not have a recorded date as from when the property had become void, thus making it impossible to determine for how long they had been vacant.*

3.4.42 An analysis of the unallocated properties shows that 47.1% of all void properties (80 voids) had remained unallocated for periods of up to 5 years as at 31 October 2024 and a further 24 properties (14.1%) were classified as being void for periods of between 5 years and 10 years. Within the remaining 66 void properties there were 61 properties which were recorded as having been void for periods of between 10 and 30 years, in addition to 5 properties which were recorded as being void for an undetermined period of time, as they did not have a start date as from when they had been void. The resulting average time the 165 unallocated properties with recorded dates had remained void was approximately 8 years and 5 months. It should be noted, nonetheless, that 47 (27.6%) of the total 170 void properties were classified as being beyond economical repair (a decrease of 16 properties since 5 January 2021) which if excluded from the calculation would give the average time a government rental property remains void before it is reallocated to be approximately 6 years and 2 months.

3.4.43 Rent and Repair Scheme - In February 2024 the Minister with responsibility for Housing announced in the Gibraltar Parliament the introduction of a 'Rent and Repair' scheme giving individuals in the housing waiting list the opportunity to apply to repair pre-war properties deemed to be beyond economical repair, and classified as void in the Government housing rental stock, at their own cost. A seven-year period of rent relief would be granted to the successful applicants, and the properties would remain part of the Government housing rental stock. In November 2024 the Housing Department announced that 17 successful applicants had been identified and contacted in the Rent and Repair Scheme's Phase 1, with plans to launch Phase 2 in the near future.

Audit Inspection

3.4.44 On 20 September 2024, I wrote to the Principal Housing Officer informing him of the findings following an audit inspection carried out in the Housing Department up to December 2023. The Principal Housing Officer immediately replied, thanking me for the detailed report and informed me that he would endeavour to implement my recommendations and suggestions. He also explained that he had taken responsibility for the department on 2 April 2024, and practically all of the senior management of the department had left so he would understandably take a bit longer to establish the facts and find out the reasons for the anomalies reported by me.

3.4.45 On 30 September 2024, the Principal Housing Officer wrote to me noting that my letter had not been copied to the Chief Minister, who is the subject in one of the sections of my letter (see paragraph 3.4.48). In the circumstances, he felt that as a matter of courtesy, let alone of proper professional accountability, and to enable the Chief Minister to see the allegations I had made, and the opportunity for his office to provide to me the information that I said had not been provided to me, he was sending a copy of my letter to the Office of the Chief Minister for his attention.

3.4.46 I replied to the Principal Housing Officer on the same day, informing him by way of clarification, that in adherence to good governance, any observation(s) that I raise following an audit inspection is directed to the relevant Head of Department concerned in writing. This is in addition to having previously raised all the audit findings with the Head of Department in an exit meeting at the conclusion of the audit inspection. In the case of the audit of the Housing Department, the previous Principal Housing Officer who was in post at the time, was initially verbally informed of the audit findings and in regard to housing allocations she did not add, or endeavour to find out, any further information on the matter. I appreciate that you were not the Principal Housing Officer at the close of the audit and it was your predecessor who the audit team met with to communicate the audit findings. I explained to the Principal Housing Officer that I do not correspond with government ministers on any matter raised as a result of an audit inspection carried out. If indeed there is any occasion

during an audit where there is evidence that a government minister has been involved in an administrative/procedural decision which I consider of relevance or importance, I of course report this to the Head of Department concerned. It is then up to the Head of Department to bring the issue to the government minister's attention and seek his/her views on the matter. The Head of Department should then convey this information to me as part of his official reply. I told the Principal Housing officer that in explaining to me the need he had of copying the audit management letter to the Chief Minister in order to obtain the necessary information that was not available in the Housing Department, which I welcomed, I told him that I took issue with the reference he had made to [and I quote] '*allegations I had made*'. I explained that all audit queries and observations that I raise in an audit management letter or report, are backed by evidence, it is therefore totally incorrect to refer to these as 'allegations'.

3.4.47 The Principal Housing Officer replied to me on 25 March 2025. Nevertheless, the reply received from the Principal Housing Officer, was not altogether satisfactory as it did not adequately address all the audit findings raised in the audit inspection. I therefore wrote to him again on 16 April 2025, pointing out all the issues that were still pending and which I required a substantive response. However, at the close of this report, the Principal Housing Officer had not yet provided his further explanations. I hereunder draw attention to the most salient matters arising from the audit inspection of the Housing Department, together with the Principal Housing Officer's initial explanations and comments.

3.4.48 Housing Allocations - An examination of a sample of 25 Government Housing Allocations revealed the anomalies hereunder summarised:

- (a) There are no documented policies for the process of allocating Government rent roll properties.
- (b) 18 out of the 25 applicants tested (representing 72% of the sample) were allocated a property notwithstanding that they were not first on the waiting list and without any corresponding documentation in the application files (or the Housing Database) as to the reasons for allocating the property to these applicants, instead of allocating it to someone in a higher position on the waiting list.
- (c) Of the 25 allocations tested, it was noted that the Chief Minister intervened in 7 (28%) of these allocations, either by:
 - waiving the qualifying period of the applicant;
 - awarding discretionary points to the applicant;
 - approving allocation of the applicant to the social list; or
 - by instructing to allocate a property to the applicant.

Whilst in 5 of these 7 cases there was documentation available on file explaining the applicants' circumstances, in the other 2 cases there was no documentation at all to support the decisions taken by the Chief Minister; and even though the Housing Allocation Committee had previously been involved in 4 of the 7 cases, the Housing Allocation Committee was bypassed in all of the decisions made by the Chief Minister.

- (d) I must point out that pursuant to section 3(1) of the Housing Act 2007, '*the general management and supervision, registration and control of public housing and of all buildings comprising public housing shall be vested in and shall be exercised by the Housing Authority*'. The definition of 'Housing Authority' as per section 2 of the Housing Act 2007 means '*The Minister [with responsibility for housing] or such other body or person as the Government may designate from time to time by notice published in the Gazette*'. Nevertheless, no evidence was found which showed that the Chief Minister had been designated to exercise the statutory powers of the Housing Authority by notice published in the Gazette. Yet, contrary to the law, the Chief Minister was directly involved in the aforementioned housing allocations.
- (e) Minutes of meetings held by the Housing Allocation Committee were inspected and matched to the related letter that is sent to the applicant explaining the outcome of the

Committee meeting. It was noted that 3 of the Housing Allocation Committee minutes reviewed did not completely agree to their related outcome letters. The observations noted consisted of:

- the wrong applicant name stated in the minutes;
 - a recommendation for placement on the social waiting list stated in the outcome letter but not in the minutes; and
 - the reference to a Housing Allocation Committee meeting being quoted differently in the outcome letter to that stated in the corresponding minutes of the meeting.
- (f) One applicant was a previous homeowner, yet no evidence was found of her case being referred to the Housing Allocation Committee, nor of the Housing Department questioning if she could afford to purchase a private property. This is one of the cases, also mentioned in paragraph 3.4.45(c), where the Chief Minister intervened and approved to waive this applicant's qualifying period; also award her 1,000 discretionary points; and include her on the Social Category 'A' list.

3.4.49 The Principal Housing Officer replied that the Chief Minister exercised his discretionary powers, citing exceptional circumstances that he believed justified this course of action. Looking ahead, the Principal Housing Officer believed it would be prudent for Housing senior management, in consultation with the Government, to deliberate on whether the Housing Act, the Housing Allocation Scheme, or related policy provisions should explicitly allow the Chief Minister to act in such a manner in the future. He added, that in the absence of any evidence indicating that the Chief Minister is formally designated to exercise statutory powers on behalf of the Housing Authority [Minister for Housing], there are questions regarding the permissibility of such actions. He said that currently there is no clear reference to indicate whether such authority is formally established or not. The Principal Housing Officer was of the view that in order to ensure tighter controls and clarity moving forward, he recommended that the Chief Minister's ability to override existing rules in exceptional circumstances be formally defined. Given that the Chief Minister holds the highest governmental authority, such decisions should, in his view, be legitimised under extraordinary circumstances. The Principal Housing Officer said that an official publication through the Gibraltar Gazette notification would perhaps provide the necessary clarity on this matter.

3.4.50 The Principal Housing Officer acknowledged the discrepancies identified in the audit inspection. He recognised that some of these arose due to human error, input mistakes, deviations from the Housing Act requirements, and lapses in established protocols. He agreed that due process was not consistently followed and applied during the allocation process. To address these issues, he said the department was committed to the following actions:

- Training and Awareness: Ensuring that all staff are properly trained on the correct procedures and are fully aware of the importance of accuracy in all processes.
- Process Revision: Will revise the current processes to incorporate additional checks where necessary, helping to identify and correct errors before they become discrepancies.
- Collaboration with Developers: Will be working closely with the department's software developers to ensure accurate data extraction and to improve system reliability.

He added that the department is committed to adhering strictly to the provisions of the Housing Act, rectifying all identified issues, and making continuous improvements in their practices going forward.

3.4.51 Based on the observations detailed in paragraph 3.4.48, I recommended to the Principal Housing Officer that the department:

- (a) formally sets out a documented policy that explains the steps that the department needs to take and the priority to be given when allocating a government rental property;
- (b) includes the pertinent documentation for each property allocation in the application file, showing the applicant's position on the housing waiting list, as at the date of offer. It is further recommended that the reasoning or rationale behind each allocation is adequately documented, particularly if the applicant is not first on the housing waiting list, or there are exceptional reason(s) for the housing allocation;
- (c) strictly adheres to the provisions of the Housing Act 2007, in that all decisions regarding the allocation of government housing are made solely by the Housing Authority, following the advice of the Housing Allocation Committee when needed; and
- (d) takes greater care to ensure the accuracy of the information recorded in the minutes of the Housing Allocation Committee meetings and its consistency with the related outcome letters to applicants.

3.4.52 Housing Points System - A sample of 10 housing applications was selected for testing from various housing lists. The results of the exercise revealed the following discrepancies:

- (a) There were 9 applicants who had received 'waiting time points' without there being any evidence on file of the applicants having reaffirmed their applications (8 of these review letters were missing and the other review letter, although held on file, had not been signed by the applicant to reaffirm their application) as required by clause 8 of the Housing Allocation Scheme;
- (b) There was an applicant who had been awarded an increase in overcrowding points on two occasions without evidence on file of an updated Environmental Health Report to support the increase in points. This application was awarded 200 housing points based on clause 6(b) of the Housing Allocation Scheme, which states, inter-alia, that '*A further 200 points will be added if every room in the accommodation is used for sleeping purposes*'. However, the last Environmental Health Report on file stated that the kitchen was not used for sleeping;
- (c) Even though there was an application that did not have a bathroom exclusive to the accommodation, as stated in its Environmental Health Report, the applicant was not awarded 100 points, contrary to clause 10(d) of the Housing Allocation Scheme;
- (d) The Environmental Health Reports in respect of 3 applications stated that these properties had zero square area of accommodation, based on the criteria set out in clause 6(b) of the Housing Allocation Scheme. However, the Housing Database's calculations for overcrowding points had been based on the accommodation area of 0.97 square feet, resulting in an understatement of each of these applicants' points by 50 housing points; and
- (e) There were 8 applicants in receipt of 'annual sanitary points' awarded under clause 10 of the Housing Allocation Scheme. The audit examiners could not test and verify the correctness of the points granted to these applicants due to the absence of criteria or documentation in support of their award.

I told the Principal Housing Officer that it was evident from the audit tests carried out that there was a lack of adequate controls to mitigate the risk of input errors by housing officers when entering data and details from the Environmental Health Report into the Housing Database. Given the significant errors identified in this small sample tested, it was strongly recommended that adequate input controls be implemented to minimise the level of errors and ensure the quality and accuracy of the data.

3.4.53 The Principal Housing Officer replied that the department is currently ensuring that tighter input controls are put in place to mitigate errors regarding data input, filing or other

administrative processes. He further explained that the department is reviewing its data retention policy for a proper and secure system to be consistently applied to all their files.

3.4.54 House Rents - A sample of 20 properties (10 pre-war and 10 post-war) was selected for testing the correctness and accuracy of the department's properties stock register.

- (a) The exercise revealed that the monthly rent figures in respect of 7 properties had a difference of £0.10 or more against the actual monthly rent figure in the Housing Database (with one particular property having a difference of £38.50 in the monthly rent). Although the variances in monthly rent are generally not substantial, with the exception of one case, I asked the Principal Housing Officer what the reasons for these differences were;
- (b) The latest rent agreement for property A had not been signed by the tenant;
- (c) Property B did not have a surface area amount specified in the Housing Database and therefore the weekly rent figure assigned to it bypassed the embedded formula; and
- (d) There were 4 properties which prior to being assigned to new tenants had been surveyed and found to require a change in the rentable area of the property, yet had subsequently been allocated to the new tenants without the pertinent amendment to the monthly rent charged in the Housing Database. A recalculation of the monthly rent carried out by the audit examiners on these 4 properties, using the rentable area, demonstrated that the monthly rents should have increased by £0.34, £13.26, £49.49 and £7.66 per property respectively.

3.4.55 The Principal Housing Officer replied that their Software Developer had confirmed that sitting tenants do not get afforded revised calculations of their respective rents. Hence the disparity between the departmental figures in comparison to the audit calculations. The monthly rent figures of the properties highlighted in the audit had all been revised and the respective rents were now reflected accurately.

3.4.56 House Rents Reconciliation - An analysis of the House Rents reconciliation reports extracted from the Housing Database revealed that the Housing Department does not perform a reconciliation of these reports with the Treasury's accounting system. This was confirmed by the Executive Officer of the department's Accounts Section. I told the Principal Housing Officer that this was a matter of concern to me, as monthly reconciliations of government revenue with Treasury records, as well as an annual reconciliation with Treasury at the end of each financial year is considered an essential internal control, to ensure that departmental revenue records agree with the main books of accounts in Treasury.

3.4.57 The audit examiners were nevertheless informed that separate checks against Treasury records are regularly performed on certain balances that appear in these two Housing Database reports, such as checking the house rents received, both via the weekly cashbooks and via deductions of wages and salaries. However, these checks are carried out using an electronic spreadsheet without a formal reconciliation procedure in place. I therefore recommended to the Principal Housing Officer that formal reconciliation procedures are implemented by the department for the reconciliation of cashbooks against Treasury records. The process must be documented by preparing a formal reconciliation statement, duly verified by a supervisory officer, which must be retained for record purposes.

3.4.58 In his reply, the Principal Housing Officer insisted that the department did conduct proper reconciliations with the Treasury's accounting system. He explained that their contracted software engineer was currently working on enhancing the formal reconciliation process regarding payments and deductions. These enhancements are being modified to reflect audit requirements, with the aim of finalising and fully implementing the changes by the start of 1 March 2025.

3.4.59 Gibraltar Capital Assets Limited - Gibraltar Capital Assets Limited (GCAL) is a wholly-owned subsidiary company of the Gibraltar Development Corporation which holds the leasehold title to the apartments of 6 housing estates since March 2016, namely: Alameda Estate, Glacis Estate, Laguna Estate, Moorish Castle Estate, Mid-Harbour Estate and Varyl Begg Estate, and in respect of which it is entitled to the rental income from these apartments. The audit examiners found several references to GCAL transactions within the Housing Database which they queried with Housing staff. However, it was noted that the Housing Department was not forthcoming in relation to most of the audit queries raised regarding GCAL. As far as the Housing Department staff were concerned, their only involvement in GCAL matters entailed the collection of the house rents pertaining to GCAL properties and the transfer of this revenue to GCAL on a monthly basis.

3.4.60 The agreements between the Government of Gibraltar and GCAL were obtained and reviewed by the audit examiners. It was observed that the department was complying with some of the requirements of the Rent Collection and Housing Estates Management Agreement with GCAL, but it was not able to provide evidence to show compliance with some of the other requirements of the agreement. For example, the service levels which need to be achieved each financial year against key performance indicators, or the submission of quarterly reports to GCAL confirming information as specified in the agreement. The audit examiners were informed that it was the Minister for Housing that dealt with this, thereby resulting in the department not being privy to this information.

3.4.61 The Housing Department was similarly not able to provide the audit examiners with evidence to show compliance with some of the requirements of the Property Maintenance and Repair Agreement (despite the Housing Authority, i.e. the Minister for Housing, still being responsible for the maintenance and repairs to GCAL properties), such as, for example:

- the preparation and submission to GCAL of an annual maintenance and upkeep programme for the housing estates;
- the submission of annual operating and capital budgets for approval by GCAL; or
- the submission of a yearly report to GCAL containing full particulars of all the services provided.

3.4.62 It was further noted from the Housing Database, that numerous tenants of GCAL properties who had outstanding rent had had their arrears re-allocated within the database, so that the arrears were no longer recorded as being owed to GCAL but had instead been changed to arrears now allocated to 'LN'. The department explained that the initials 'LN' referred to 'Loan' payments which the Government had made to GCAL, but it was unable to provide further information on this matter, instead referring the audit examiners to the Office of the Financial Secretary. In a subsequent meeting with the Financial Secretary, he explained that the purpose of these 'Loan' payments is to 'top-up' the amounts paid by Government to GCAL, as the Government needs to comply with its obligations under the agreement with the company, which includes meeting certain key performance indicators, thereby ensuring that it does not default on its obligations.

3.4.63 The audit examiners established at the time of the audit inspection that there had been a total of 3 'LN' payments made to GCAL, with a fourth 'LN' payment made some time after the audit had been finalised, as follows:

- 1st 'LN' payment, amounting to £180,007 took place on 5 April 2019.
- 2nd 'LN' payment, amounting to £250,000, was made on 14 December 2020.
- 3rd 'LN' payment totalling £210,561 took place on 11 November 2022.
- 4th 'LN' payment, totalling £160,000 took place on 30 September 2024.

These payments were noted as having been charged to Economic Development & Employment Company Ltd (EDEC), notwithstanding that under the provisions of the Top-up Agreement between GCAL and the Government of Gibraltar, dated 23 March 2016, it is the

Government that is obliged to make the top-up payments. The 'LN' payments are recorded in the Housing Database, as having been made on behalf of a selection of GCAL tenants who had rent arrears accrued after March 2016, by changing the arrears status from 'GCAL' to 'LN' on the database. I told the Principal Housing Officer that it was unclear to me why there was a need for these 'LN' payments to be allocated to GCAL tenants, and therefore welcomed his explanations as to the underlying reason(s) for this. The audit examiners further noted that rent arrears payments made thereafter by these selected GCAL tenants had been erroneously credited to government revenue. In my view, rent arrears received in respect of GCAL tenants' arrears reclassified as 'LN' should not be accounted for as government revenue given that the recovery of these arrears are not in respect of Housing properties.

3.4.64 In his reply, the Principal Housing Officer agreed that the rent arrears payments made by selected GCAL tenants were wrongly credited to Government revenue instead of being credited to EDEC. He confirmed that the necessary adjustments were being actioned by his staff. He also explained that the Housing Department has very limited information with respect to GCAL, as the inner workings of the GCAL Agreement are not disseminated to all Housing Staff, rather it is confidential information held by the Minister for Housing and the Ministry for Finance. He said that the Housing Department does not hold a copy of this Agreement; the department is informed of the relevant action to take as and when necessary. Furthermore, the Housing Manager is informed if the necessary, quarterly key performance indicators (KPIs) are not being met, and if action is required, and by when it will be necessary, in order to try and keep to the KPIs. The Principal Housing Officer said that the Housing Manager then liaises with the contracted software developer in order to ascertain the highest GCAL debtors with a view of re-allocating the arrears owing by the tenant to 'LN' and in this way recording that the debt has been paid by EDEC via the LN payments.

3.4.65 House Rents Arrears - In my correspondence with the Principal Housing Officer I emphasised the importance of continuing to actively seek the recovery of House Rents arrears by his department and in this way prevent the escalation of existing arrears and the formation of new arrears through the non-payment of current rent. The Principal Housing Officer acknowledged the importance of implementing the necessary changes within his department to effectively recover arrears of house rents owed. To this end, he said, a new system had been introduced for the recovery of arrears, which has proven to be successful so far, with increasing deposits being made.

3.4.66 I informed the Principal Housing Officer that the House Rents arrears figures shown in the Arrears of Revenue Returns submitted by his department to the Accountant General since 2016, both as at 31 March and 30 September in each year, included arrears in respect of GCAL properties. I informed the Principal Housing Officer that surprisingly the Accountant General's understanding was that as part of the agreement between the Government and GCAL the House Rents arrears were due to the Government. This view was shared by the Housing Manager, who informed us on behalf of the Principal Housing Officer, that House Rents arrears are owed to the Government and not to GCAL on the basis that House Rents collected from tenants who reside in GCAL properties are transferred from government revenue to GCAL every month, in addition to one-off payments made for any shortfall as advised by the directors of GCAL.

3.4.67 I told the Principal Housing Officer that arrears in respect of GCAL properties cannot be included in the Arrears of Revenue Returns submitted by the department, as the rents collected from GCAL properties do not constitute government revenue. Moreover, the top-up payments and £10m housing allowance (payable in accordance with the Top-up Agreement and the Housing Allowance Agreement between the Government and GCAL respectively) are paid by EDEC and not by the Government. I therefore requested the Principal Housing Officer that the relevant yearly Arrears of Revenue Returns be amended

by excluding the arrears owing in respect of GCAL properties, which I suggested could be disclosed separately as non-government arrears in an explanatory note.

3.4.68 The Principal Housing Officer told me that the department had now taken steps to separate the Arrears of Revenue returns into two categories: Government Housing arrears and GCAL arrears. He said that his department was currently in active correspondence with the Treasury and Ministry of Finance regarding this matter.

3.4.69 Arrears Agreements - A sample of 20 Housing tenants was randomly selected and reviewed from a list of tenants who were defaulting on their arrears agreements, as recorded on the Housing Database. The review revealed the following discrepancies:

- (a) Twelve of the agreements examined showed differences in the total arrears amounts recorded when compared to the Housing Database amounts, as shown in Figure 67.

Figure 67

Agreement No.	Agreement Amount as per:		Difference
	Housing Database	Actual Agreement	
Agreement A	£2,362.83	£2,570.98	£208.15
Agreement B	£1,846.20	£1,914.47	£68.27
Agreement C	£1,187.70	£1,242.70	£55.00
Agreement D	£3,121.57	£3,125.62	£4.05
Agreement E	£4,534.51	£4,555.41	£20.90
Agreement F	£1,554.16	£1,612.35	£58.19
Agreement G	£7,878.67	£8,114.93	£236.26
Agreement H	£2,999.46	£3,203.94	£204.48
Agreement I	£2,933.98	£3,155.00	£221.02
Agreement J	£12,454.03	£12,468.49	£14.46
Agreement K	£1,514.47	£1,433.05	-£81.42
Agreement L	£7,279.34	£7,228.72	-£50.62

- (b) The date of the final payment in agreements E, J, M and N had been omitted on the physical agreement.
- (e) There were 5 cases where the number of monthly instalments in default as calculated by the audit examiners as at 31 October 2023 was different to the amounts stated in the Housing Database. The difference between the total expected payments in respect of each agreement and the amounts that were actually received from each tenant from the start of their agreement up to 31 October 2023 was calculated and then divided by the monthly rent instalments due as per their agreement. This provided an indication as to how many monthly instalments the individual was in default by, and this was compared to the number of monthly instalments in default according to the Housing Database records. The differences found can be seen in Figure 68.

Figure 68

Tenant Code	Agreement No.	Amount in Default as at 31 Oct 2023	Monthly Rent Instalment	Monthly Instalments in Default as per Physical Agreement	Monthly Instalments in Default as per Database	Difference
XX1	E	£1,234	£75.42	16	26	10
XX2	D	£1,069	£66.13	16	40	24
XX3	O	£1,483	£150.00	10	18	8
XX4	B	£4,195	£91.07	46	55	9
XX5	C	£253	£100.00	3	15	12

3.4.70 Figure 68 illustrates how the number of monthly instalments in default was always greater on the Housing Database than that calculated by the audit examiners based on the physical agreements. The monthly rent instalments in respect of the Housing Department's Payment Plan Agreements are made up of two components, namely:

- the tenant's total outstanding arrears divided by the number of months in the repayment period; and
- the tenant's current rent – which is the monthly current rent payable by the tenant at the date of the agreement.

The audit test revealed that applying a fixed amount for the tenant's current rent renders the Payment Plan Agreement inaccurate as soon as there is a variation in the tenant's current rent, for example when there is a yearly increase in House Rents. In effect, any variations in current rent will result in the element of the tenant's contributions towards rent arrears no longer being equal to the agreed amount specified on the Payment Plan Agreement. Considering that instalments paid are allocated first to current rent and the remainder towards the outstanding arrears, this causes an irregularity that distorts the Housing Database's management information as to the number of instalments which are in default. The database does not effectively distinguish whether the default amount results from the tenant's failure to adhere to the agreement plan or whether it is due, for example, to the failure by the department to update the tenant's current rent in response to increases in house rent.

3.4.71 The audit examiners brought to the attention of the Housing Department's Enforcement and Compliance Section several matters of concern which they had observed during the course of the audit which appeared to be compromising the reliability of the management information held in the Housing Database. The main issues they had identified related to inaccuracies in the reports extracted from the database, such as those described in paragraph 3.4.62 regarding the records of defaulting tenants, but also included errors in tenants' records, such as those resulting from the allocation of 'LN' payments to the arrears of tenants of GCAL properties. For instance, it was noted that one tenant, who had outstanding house rent, was not classified in the Housing Database as being in arrears, as a consequence of his arrears having been selected for inclusion as an 'LN' payment. Nevertheless, according to the Housing Database programmer, this issue has since been resolved. The audit examiners noted how these issues affected the work, and indeed the morale, of the staff at the Housing Department, as they need to physically check tenants' records individually due to the reports produced by the Housing Database being considered unreliable, when they could be using the electronic information held in the database to procure working efficiencies instead.

3.4.72 It was further noted that there was one tenant who commenced his tenancy on 15 July 2015 and had consistently failed to meet his current monthly rental payments, resulting in an accumulation of rent arrears of £1,440 by 9 April 2018. On this date, the tenant resolved the situation by settling this outstanding debt and was therefore able to obtain a shed on 16 April 2018; after which the tenant once again reverted to the non-payment of rent up until 6 June 2023, when again a lump sum payment of £3,795 was made. This tenant has subsequently defaulted in his monthly rent obligations. I therefore proposed to the Principal Housing Officer that a more proactive measure be applied to the housing arrears strategy whereby permits issued for shed allocations require yearly renewal. This approach could help incentivise tenants to meet their monthly rental obligations, or at the very least on an annual basis, as otherwise they stand to be deprived of the shed allocated to them.

3.4.73 The Principal Housing Officer informed me that House Rents payment shortfalls typically occur when tenants do not update their rent payments in response to official notifications of rent increases. He explained that these notifications are sent via media announcements and official letters, with at least one month's notice before any rent increase takes effect. In response to this issue, the Housing Department has introduced a direct debit facility, which will help eliminate the gap between the new rent amount and existing standing orders that

might be falling short. Although some tenants have yet to switch from standing orders to direct debit, the department will continue to offer this option. He was confident that ultimately, this initiative will streamline payments and address discrepancies caused by rent increases.

3.4.74 Housing Database System Testing - An examination of the Housing Department's Database reports showing House Rents collected in respect of GCAL and Government properties for the month of February 2022, revealed that there were 51 payments of House Rents from tenants of GCAL properties which were recorded as income relating to Government properties. The audit examiners were informed that this could be due to the fact that all payments of House Rent arrears which relate to periods prior to March 2016, i.e. the date when Government entered into the agreement with GCAL, are recognised by the Housing Database as Government revenue, irrespective of whether they are now considered to be GCAL properties, since it is only after March 2016 that House Rents relating to GCAL properties have been due to GCAL. Notwithstanding the department's explanations, the audit examiners verified that, out of the 51 payments, totalling £4,402, there was one payment of £8.51 which was made by a tenant who had cleared his arrears in April 2017, meaning that his payment, made on 2 February 2022, did not relate to any House Rents which had accrued prior to March 2016 and should, therefore, not have appeared as government rent (revenue) collected in the Database report.

3.4.75 Rent Relief - A sample of 21 rent relief applications (relating to 20 government-owned tenancies and one privately owned property) was randomly selected for testing. The results of the audit exercise revealed the following discrepancies:

- (a) There were 5 applicants whose income consisted of Social Assistance, all of whom had their income overstated, as the monthly Social Assistance figure calculated by the Housing Database was not the amount declared by the applicant.
- (b) There were 3 applications which did not have sufficient supporting documentation on file to confirm the Old Age Pension income received by the individual.
- (c) Out of 15 rent relief applications where the individual could potentially be in receipt of Minimum Income Guarantee (MIG), there were 4 instances where the rent relief file did not contain any evidence that the Department of Social Security had been contacted to confirm the amount of MIG paid to the individual. Furthermore, the section on the rent relief form authorising the disclosure of information had not been signed by the tenant.

3.4.76 I recommended to the Principal Housing Officer that the Housing Department re-establishes a data disclosure arrangement with the Gibraltar Savings Bank to obtain details of investment income (interest derived from savings) received by rent relief applicants in order to correctly assess individuals for rent relief.

3.4.77 I also enquired from the Principal Housing Officer the reason(s) why the Community Care Household Cost Allowance received quarterly by individuals of pensionable age, is not considered when calculating rent relief.

3.4.78 In his reply, the Principal Housing Officer informed me that the Gibraltar Savings Bank has withdrawn the disclosure arrangement that they previously had with the Housing Department. Additionally, he told me that the Community Care Household Cost Allowance is not considered income for the purpose of assessing rent relief.

3.4.79 Housing Asset Register - In previous audit inspections my predecessor reported that notwithstanding the departmental exercise of updating the Housing Asset Register by way of undertaking a physical survey of all government rental properties, the department had not yet applied the revised Asset Register data to any of the properties' rental values. I now understood that the exercise of updating the Asset Register in relation to the composition/measurements of government rental properties and subsequent entry into the Housing Database had apparently been discontinued in 2011. I asked the Principal Housing Officer if the previously ongoing property survey exercise had been completed and, if so, whether

the revised data in the Asset Register has been applied to the properties' rental values in the Housing Database. I pointed out that this was a matter of concern to me as there could be a potential net loss of government revenue in the event of there being properties where the rental value was understated.

3.4.80 The Principal Housing Officer replied that the update of the Housing Asset Register was initially a departmental exercise conducted by the Housing Works Agency. However, the Agency discontinued this process in 2011 at the request of the Minister for Housing.

3.4.81 **Voids** - A sample of 20 properties classified as void in the Housing Database, as at 11 August 2022, was selected for testing. Ten out of the 20 properties tested were either 'under offer', 'ready for allocation' or 'in the process of being prepared for allocation'. The following observations were noted in respect of the remaining 10 properties:

- (a) 5 properties were deemed to be beyond economical repair;
- (b) 3 properties were being considered for sale/tender;
- (c) 1 property was pending Housing Department instructions; and
- (d) 1 property was occupied by squatters.

I asked the Principal Housing Officer for an update on the 10 remaining properties specified in (a) to (d) above and enquired what action was being taken by the Housing Department to evict squatters.

3.4.82 In regard to the 10 remaining voids, the Principal Housing Officer informed me that:

- 2 of the properties were beyond economic repair;
- 3 of the properties had been included in the 'Rent & Repair Scheme';
- 2 of the properties were being considered for sale/tender;
- 2 of the properties had been transferred to another department; and
- 1 property was currently pending Housing Department instructions upon checks being carried out.

The Principal Housing Officer explained that the property that I had reported to be occupied by squatters was in effect a property occupied by individuals that were awaiting the formalisation of the tenancy agreement.

No.6 Convent Place

3.5.1 Other Grants and Donations - An examination of expenditure charged to Head 2, No.6 Convent Place; Subhead 2(7)(b) Other Grants and Donations revealed a total of £434,912 spent by the Government in legal fees relating to the tribunal and legal proceedings against the Medical Director of the Gibraltar Health Authority (GHA), who was accused of bullying a hospital biochemist in 2017. The expenditure which spans the period February 2018 to July 2022, is detailed by financial year in Figure 69.

Figure 69

Financial Year	Expenditure
2017-18	£5,813
2018-19	£34,150
2019-21	£201,093
2021-22	£189,694
2022-23	£4,162
Total Expenditure	£434,912

- 3.5.2** The Medical Director was successful in two separate appeals and cleared of any wrongdoing by a disciplinary panel that investigated the allegations against him. The Medical Director was awarded 80% of his legal costs in the Supreme Court appeal, and all the costs in the later Court of Appeal.
- 3.5.3** On 29 March 2022, I wrote to the Chief Secretary, the Controlling Officer of the Grants and Donations subhead of expenditure under the No.6 vote, enquiring if the Government envisaged recovering the legal fees expended on behalf of the Medical Director, from the legal costs that the appellant is required to meet all, or in part (80%), following the Court of Appeal's decision on this legal case. As the Chief Secretary did not reply to me despite my reminder, I again wrote to him on 28 November 2023. The Chief Secretary replied to me on 13 December 2023, that a legal firm was engaged in recovering the costs on the Government's behalf. During 2024, I again requested updates from the Chief Secretary as to the recovery of the costs, but there were no developments.
- 3.5.4** On 20 September 2024, I again wrote to the Chief Secretary with the following:
- (a) the reason(s) behind the Government's decision to meet the Medical Director's legal fees amounting to £434,912 in total.
 - (b) Considering the huge expenditure incurred by the Government in meeting the Medical Director's legal costs, I find the time it was taking for the Government to recover the costs it had incurred to be exceedingly long, which was concerning to me.
 - (c) Given the Court's ruling that the appellant shall pay 80% of the Medical Director's costs, which the Medical Director's contracted lawyer is chasing to recover from the appellant's lawyers, I requested confirmation that the Medical Director would be reimbursing the Government of Gibraltar with the remaining 20% legal fees that the Government met on his behalf.
 - (d) I also highlighted that I considered charging the cost of the Medical Director's legal fees (£434,912) to Head 2, subhead 2(7)(b) Other Grants and Donations was not a proper allocation of expenditure deemed to be recoverable. Considering that the nature of the expenditure does not constitute a 'grant' or 'donation' the correct allocation of this expenditure should in my view have been more appropriately charged to an advance account pending the recovery of the legal costs.
- 3.5.5** The Chief Secretary replied on 13 October 2024, informing me that they had been pressing the appellant's lawyer for a response on the recovery of costs. They were now proceeding with an application to the court for a detailed assessment of costs.
- 3.5.6** On 21 October 2024, the Senior Executive Officer from No.6 Convent Place, replied to the questions I had posed (see paragraph 3.5.4) on behalf of the Chief Secretary and are detailed hereunder:
- (a) The reason why the Government has met the Medical Director's legal fees was because Government was vicariously liable for the actions of the Medical Director, and the Government would have been equally vicariously liable for any damages which may have been found due to the claimant/s. All actions were within the Medical Director's actual, or ostensibly, authority as Medical Director.
 - (b) In regard to the excessive time being taken to recover costs, the Senior Executive Officer explained that as the Chief Secretary had previously mentioned in his email dated 13 October 2024, the next step has been taken with an application to the court for a detailed assessment of costs. He reiterated that they had continuously made every effort to keep updated with the recovery of funds as this matter was also of great concern to them as it was to the Principal Auditor.
 - (c) The Senior Executive Officer said they were now focused on claiming the 80% as per the judgement before considering the remaining 20%.

- (d) In regard to the expenditure allocation in the accounts, the Senior Executive Officer replied that he would be forwarding my suggestion to the Financial Secretary for his views.

3.5.7 Regarding the expenditure allocation, the Senior Executive Officer of No.6 Convent Place replied on 20 March 2025, informing me that he had had the opportunity to discuss the matter at length with both the Chief Secretary (as the Controlling Officer) and the Financial Secretary, and they both agreed that given the circumstances of the case, consideration could have been given at the time to charge this expenditure to an alternative Head of Charge. However, at the time with the information that was available and in view that the Medical Director needed urgent legal representation, it was decided that the most suitable Expenditure Head was the Grants and Donations Vote.

3.5.8 On 21 March 2025, the Financial Secretary also wrote to me clarifying that both he the Chief Secretary agreed that with the benefit of hindsight and the developments that had occurred since the aforementioned expenditure was incurred, the expenditure should have been allocated to a different Head of Charge. The Financial Secretary highlighted that neither of them were involved when the expenditure was initially incurred, therefore, the decision to charge it to the Grants and Donations Vote of Expenditure must have been based on the information available to the Chief Secretary at that time. The Financial Secretary, said that he could only suspect that this decision was influenced by the fact that, at that time, recovery of any costs was not anticipated and given the circumstances the Grants vote was deemed the most appropriate Head of Charge. In response to my questions he replied:

- (a) If the government had expected to recover costs from the outset, charging the expenditure to an Advance Account would likely have been the correct Head of Charge.
- (b) Whilst the books of accounts remain open from an audit perspective, the accounting systems are closed. Making several adjustments on these that could affect multiple years doesn't seem efficient. This would require a discussion with the Accountant General.

3.5.9 On 6 May 2025, I replied to the Financial Secretary, acknowledging that neither he nor the Chief Secretary had been involved with this matter at the time. Nonetheless, I told him that it would be expected that supporting documentation to have been recorded, or held on file, detailing the reason(s) for allocating this expenditure to the Grants and Donations subhead of expenditure. I also informed him that I did not agree with him that the accounting systems were closed, whilst the accounts are still subject to audit, any material or significant audit adjustment can still be effected in the Treasury books of accounts. In this particular case the total legal fees in respect of this case amount to £434,912 which is not material, nevertheless the expenditure is significant in my opinion. I told him that I was copying-in the Accountant General so that she could express her view as to whether the adjustment crediting Head 2, subhead 2(7)(b) Other Grants and Donations and debiting an Advance Account would be made in the 2018-19 public accounts of Gibraltar.

3.5.10 The Accountant General replied to me on 8 May 2025 explaining that from the Financial Secretary's comments, she understood that he was suggesting the inclusion of a note in the public accounts to acknowledge the misallocation, rather than proposing any amendment to the accounting system itself. In her view, given the time that had elapsed and considering that, at the time, there was no expectation of cost recovery, the most transparent approach was to place a post year-end note in the 2018-19 accounts under Head 2 Subhead 2(7)(b) Other Grants and Donations. This note would explain that the sum of £34,150 (the element that pertains to the financial year 2018-19 of the overall total of legal fees amounting to £434,912) should have more accurately been recorded under a newly created subhead such as 'Legal Fees' (or similar). She could further caveat the note by explaining that the change in allocation was raised as part of the audit being conducted now and that while no system adjustment had been made due to the time elapsed and the non-material nature of the

amount, it was considered appropriate to disclose this for the sake of transparency and to provide clarity to the reader. The Accountant General believed this method offered a clear audit trail while preserving the integrity of the original accounting records, without the risk of distorting historical records.

- 3.5.11** I replied to the Accountant General on 12 May 2025, informing her that I did not consider that misallocations should be dealt with by way of notes to the accounts. I reminded her that the appropriate way was to correct these by way of journal entries. I also drew attention to the fact that, aside from the aforementioned misallocation of expenditure, there were two other misallocations that I was also insisting should be journalised and, in this way, corrected, although I was aware that in these two other misallocations she was also of the view of adding explanatory notes in the accounts to these entries as well (see paragraph 2.13.1). I concluded by saying that ultimately it was up to her, as Accountant General to decide whether to adjust the misallocations pointed out as a result of the audit of the public accounts.
- 3.5.12** The Accountant General replied on 12 May 2025, explaining that on account of the significant time elapsed since the 2018-19 financial year; the Treasury's current human resource constraints; and the security protocols the Treasury have in place within their accounting system; for reasons of security and good governance, she remained of the view that it would not be an efficient or proportionate use of resources to process retrospective journal entries for transactions dating back seven years. As such, she believed that including explanatory notes in the accounts was a transparent and responsible approach. It ensured that the reader of the accounts was fully informed, maintains the integrity of the historical financial data, and provides clear accountability without compromising system controls or diverting limited resources from current priorities. She, nevertheless, acknowledged my view that such matters should ideally be corrected via journal entries and respected my role in providing an independent audit opinion. However, whilst she understood that a note-based approach might lead to a qualified opinion on the accounts, she had hoped that the rationale provided might support a more flexible resolution. I thereafter verbally informed the Accountant General that I maintained that the correct procedure was to adjust the misallocations via audit journals.
- 3.5.13** On 6 May 2025, I wrote to the Senior Executive Officer at No.6 Convent Place requesting an update on the recovery of the legal fees by the Government of Gibraltar. The Senior Executive Officer replied to me on 21 May 2025, informing me that on 14 January 2025, the legal representatives of the Medical Director had filed with the Supreme Court an application for a detailed assessment of costs which had been prepared by a costs expert. The amounts claimed under the bills of costs are £167,907 for the Supreme Court hearing and £43,086 for the Court of Appeal. The appellant's lawyers had thereafter filed points of dispute contesting the Medical Director's bills of costs. Their position is that in respect of the Supreme Court matter £68,836 is payable, whilst in regard to the Court of Appeal, £13,976 is payable. The Medical Director's lawyers subsequently filed a response to the points of dispute. However, the Senior Executive Officer at No.6 Convent Place explained that the Medical Director's lawyers have been discussing with the appellant's lawyers the possibility of settling the matter without a hearing.

Personnel & Development (previously named Human Resources)

- 3.6.1 Secondment of Customs Officer to the Gibraltar Football Association** - On 6 December 2024, the Acting Director Personnel & Development wrote to a serving Executive Customs Officer informing him that it had been exceptionally agreed to second him to the Gibraltar Football Association (GFA) and that the secondment would be effective from 6 December 2024 up to and including 5 December 2029 and would be subject to review thereafter. The letter also mentioned that the GFA would pay the Government a contribution of 25% of his salary towards his pension costs. As a seconded employee he would continue to be eligible for a pension under the Pensions Act and the duration of the secondment would count

towards his pensionable service. The letter further said that this officer's salary would continue to be that of his current grade within the Government Service and annual pay reviews agreed by the Government for his grade would continue to apply accordingly. The letter ended by stating that the officer's agreed salary with the GFA would now be met by the GFA during his period of secondment with no payments received from the Government during the secondment period.

3.6.2 On reading the letter I wrote to the Director of Personnel & Development on 18 December 2024, I informed him that I was aware that there had already been precedents of public officers seconded to the GFA in 2014, namely, a previous government archivist and senior technician from the Department of Education. I highlighted to the Director that in his letter to the Executive Customs Officer he had stated that: *'As a seconded employee you will continue to be eligible for a pension under the Pensions Act and the duration of the secondment will count towards your pensionable service'*. In this respect, I asked the Director under what provisions of the Pensions Act would the period of secondment be deemed to count as pensionable service. I also expressed my difficulty in understanding the Executive Customs Officer's contractual engagement with the GFA being considered a 'secondment', given that secondments are typically used as a mechanism for employees to: temporarily work on a different section within an organisation; or working for a different organisation entirely, the purpose of which is usually for the employee's professional development; for knowledge exchange; for his original employer (in this case HM Customs, which is essentially the Public Service) to gain in some way; or to help fill a vacancy while still remaining employed with the original employer, who typically continues to pay the employee's salary. In the case of the Executive Customs Officer, I did not believe his secondment with the GFA was for any of the above-mentioned reasons, as clearly the work that this officer would be undertaking whilst employed in the GFA was not customs-related work, or any type of government work, but rather work associated with this officer's previous private secondary work, i.e. football-related work. Moreover, the Gibraltar Government (the Executive Customs Officer's employer) was not paying his salary, which I considered to be unusual as this is usually the case during a period of secondment. I informed the Director of Personnel & Development that in my view, if the Executive Customs Officer wanted to undertake a football-related activity during a specific time away from his permanent government employment, the logical and correct way to proceed, and for which there is provision under General Orders, was to request a career break which would allow him to return to work after the specified time of the break. This, I concluded, was in my view, the correct way to proceed.

3.6.3 The Director of Personnel & Development replied to me on 4 April 2024, agreeing with me that there were no explicit provisions in the Pensions Act addressing secondments. He pointed out, however, that there was precedents established with the secondments of two previous public officers to the GFA. The Executive Customs Officer's secondment followed the same terms and conditions. As with the two previous secondments to the GFA, the Government acknowledged that if the Executive Customs Officer were to resign from his employment with the Government, he would lose his entitlement to a pension under the Pensions Act.

3.6.4 At the time of the archivist's secondment, the then Financial Secretary had instructed that no amendments to the Pensions Act were required to facilitate this arrangement. Furthermore, in that instance like this one, the GFA contributed 25% of the pensionable salary towards his pension costs. The Director of Personnel & Development added that while the archivist's secondment letter did not explicitly state that the period would count towards pensionable service, this was implied by the financial arrangement. The wording in the Executive Customs Officer's letter was included to clarify this point explicitly. Further, the Financial Secretary's instructions at the time also stated that this clause was to cover their continued eligibility to a pension under the Pensions Act.

3.6.5 In regard to my concerns as to whether this arrangement constituted a true secondment, the Director acknowledged that secondments were commonly understood to involve professional development, knowledge exchange, or benefits to the original employer. However, they are not exclusively limited to these purposes. In cases such as this, he argued, and to his understanding, a national sports association plays a significant role in national sports development, international representation, and youth programmes, and a secondment may have been considered as justified to serving the wider public interest. The Director of Personnel & Development said that while it was not for him to determine the specific justifications for the approval of this particular secondment, such a consideration may have been taken into account.

3.6.6 In regard to my suggestion that a career break would have been a more appropriate route, the Director highlighted that career breaks are governed by a separate standalone policy rather than General Orders. Career breaks are subject to a maximum limit of five years and are not extendable, and the period is taken as unpaid leave which is non-reckonable service; a secondment allows for greater flexibility. Finally, regarding the fact that the Government is not paying the Executive Customs Officer's salary during his period of secondment, the Director explained that this arrangement was entirely consistent with the terms applied to both previous cases.

3.6.7 **Award of Revised Pensions to Retired Fire Officers** - On 3 April 2020, I wrote to the Human Resources Manager and the Accountant General to report the following:

During the process of pre-auditing the revised pension award of a retired former Fire Control Operator, it was noted that the revision of the pension had come about as a result of granting the retired Fire Control Operator the Contractual Overtime Allowance and an enhancement of the Continual Professional Development (CPD) Allowance. Further examination of the pension award revealed the following anomalies:

Contractual Overtime Allowance

- (a) The effective date the contractual overtime allowance was introduced for Fire Control Operators was 25 April 2016, yet the allowance was being awarded to the retired Fire Control Operator for pension purposes notwithstanding the fact that this employee had retired on 3 July 2014, i.e. 21 months before this allowance came into effect.
- (b) The retired Fire Control Operator was being awarded the contractual overtime allowance for pension purposes, yet this officer had never worked, or had been paid, fixed overtime in his last year of service (which is the basis for receiving the contractual overtime allowance) prior to his retirement on 3 July 2014, as indeed had none of the fire control operators prior to 25 April 2016, when the allowance was introduced.
- (c) I further informed the Human Resources Manager and the Accountant General that another officer, a former Fire Control Operator who had died on 2 May 2013 (approximately 3 years before the allowance came into effect), was also due to have his gratuity payment revised as a consequence of similarly being awarded the contractual overtime allowance.

Enhanced CPD Allowance

- (d) The effective date that the enhanced CPD allowance was introduced for Fire Control Operators was 1 November 2015, nevertheless the enhanced allowance was also being awarded to the aforementioned retired Fire Control Operator for pension purposes even though, as mentioned, he had retired on 3 July 2014, i.e. 16 months before the enhancement of this allowance came into effect.
- (e) Similarly, the aforementioned deceased officer who died on 2 May 2013 (2½ years before the enhanced allowance came into effect) was also due to have his gratuity payment revised as a consequence of the enhanced CPD allowance.
- (f) Additionally, a further seven retired Fire Officer officers listed in Figure 70, who retired during the period May 2013 to June 2015, i.e. prior to 1 August 2015 – the date the

enhanced CPD allowance came into effect for Fire Officer grades, were also due to have their pension awards revised notwithstanding that they were all well retired when the enhanced CPD allowance came into effect.

Figure 70

Grade	Date of Retirement
Sub Officer	1 May 2013
Divisional Officer	9 June 2013
Leading Firefighter	1 August 2013
Firefighter	30 November 2013
Firefighter	2 August 2014
Firefighter	31 January 2015
Deputy Chief Fire Officer	26 June 2015

- (g) I told the Human Resources Manager and the Accountant General that I was aware that the revision of the aforementioned officers' pensions and gratuities was a Government decision, notwithstanding the concerns expressed by the staff of the Human Resources Department at the time, including providing advice that the fire control operators had not worked fixed overtime prior to 25 April 2016.
- (h) I therefore informed the Human Resources Manager and the Accountant General that I was not prepared to sign-off (as having been pre-audited) the revised pension award in respect of the retired Fire Control Operator, nor of any of the retired officers of the Gibraltar Fire and Rescue Service listed in the table above.
- (i) I explained to the Human Resources Manager and the Accountant General that I was taking this stand on the basis that on the respective dates that the contractual overtime allowance and the enhanced CPD allowance were introduced, the retired Fire Control Operator and the other seven former fire officers had already retired, hence it was highly improper to award revised pension awards to officers who were not in Government service at the time that these allowances came into effect. Furthermore, in the case of the contractual overtime allowance, it could potentially be illegal in my opinion to include the allowance as part of the retired Fire Control Operator's pensionable emoluments with a view of revising his pension (to the extent of even paying him the allowance on his last day of service on 2 July 2014), when the allowance had in fact not yet become a pensionable allowance (effective date 25 April 2016 as per Legal Notice 50 of 2020). I informed them that I was therefore returning the retired Fire Control Operator's pension file back to the Human Resources Department.

3.6.8 On 14 April 2020, a Higher Executive Officer from the Human Resources Department replied to me on behalf of the Human Resources Manager informing me that it had been reiterated from No.6 Convent Place that the Chief Minister had committed to approve these measures, notwithstanding that the officers had retired prior to their implementation. The Higher Executive Officer said that she had copied-in the Industrial Relations Officer at No.6 in the email, who might be able to provide me with further information. She reiterated that the pension awards would be revised as from the date the Fixed Overtime and CPD payments were introduced and not earlier.

3.6.9 Unbeknown to me, on 28 January 2021, the Industrial Relations Officer from No.6 Convent Place wrote to the Higher Executive Officer at the Human Resources Department explaining that the commitment was given by the Chief Minister directly to the retired Fire Control Operator, and he (the Industrial Relations Officer) had not been in attendance. The Industrial Relations Officer believed this commitment had been given without the full understanding of what was being asked for. He concluded saying that in the circumstances there was no option other than to follow the Principal Auditor's advice. The Higher Executive Officer from the human Resources Department replied to the Industrial Relations officer on the same

day, enquiring if this meant that the revised pension awards in respect of the fixed overtime and the enhanced CPD payment were not to be proceeded with. She said if this was so, then the affected retired officers would need to be informed of this, as they were expecting their pensions to be revised.

3.6.10 In correspondence where I was not copied but which I later saw, the Higher Executive Officer at the Human Resources Department wrote to the Accountant General, the Industrial Relations Officer at No.6 and to the Office of the Financial Secretary, on 18 November 2021, informing them that a claim by a retired Fire Control Operator to have his pension award revised, and that of another seven Fire Officers, on account of an enhanced CPD allowance had been approved by the Government in 2019. However, she explained that the Principal Auditor had raised objections to this on the grounds that the increase in the allowance had been effective after the officers' retirement dates and it was contrary to the Pensions Act to process these as if they had held the increased allowance at the time of their retirement. She explained that as a consequence the matter had therefore been left in abeyance. But recently [November 2021] instructions had been received from the Assistant Industrial Relations Officer stating that the Government had agreed that these pension increases be awarded by way of equivalent ex-gratia payments as they could not be processed under the Pensions Act. The Higher Executive Officer pointed out that this would involve both a difference in gratuity lump sum payment and monthly occupational pension. She enquired where would the ex-gratia payments be charged, i.e. the No.6 Convent Place Ex-gratia vote or the Human Resources Department's Ex-gratia subhead of expenditure. The Higher Executive Officer added that the ex-gratia payments would take effect as from 1 August 2015 in the case of the Firefighter grades, and 1 November 2015 in the case of the Fire Control Operator grade and not on their respective retirement dates. There would thus be an element of arrears.

3.6.11 I thereafter learnt there was correspondence between all stakeholders, with the omission of the Principal Auditor, where the calculations on the cost of the ex-gratia payments were discussed. The cost of paying the arrears and projected cost for 20 years was calculated to be:

- Lump sum payments in respect of revised gratuities with effect from August/November 2015 up to May 2023 - **£128,730.**
- Lump sum payments in respect of uplifted pensions incorporating the CPD allowance with effect from August/November 2015 up to May 2023 - **£116,446.**
- Projection of estimated cost for 20 years - **£558,881.**
- Total cost of arrears (lump-sum payments) plus potential estimated cost for 20 years - **£804,057**

3.6.12 On 30 March 2023, when I learnt that the revised pension and gratuities were going to be paid by way of ex-gratia payments, I informed the Higher Executive Officer at the Human Resources Department that I would be commenting on this matter in my report to Parliament, given the circumstances where the initial intention was to revise the pensions of these fire officers in order to include the payment of the enhanced CPD allowance, and only after I expressed my concerns were the payments of the revised pensions and gratuities stopped and a decision subsequently taken to effect the revision of the pensions and gratuities by way of ex-gratia payments equivalent to the value of the revised pensions and gratuities. I informed the Higher Executive Officer I was nevertheless glad to have learned that the intention to revise the pension award of the retired Fire Control Operator and the gratuity payment to the next-of-kin in respect of the deceased officer, as a consequence of granting these officers the Contractual Overtime Allowance when this was introduced on 25 April 2016, despite the fact that the retired Fire Control Operator had retired earlier on 3 July 2014 and the deceased officer had died on 2 May 2013, had not been proceeded with and was stopped. The Higher Executive Officer replied to me on the same day saying that she agreed with my comments and with my disagreement on how these payments had been processed.

She also informed me that in the case of the intentioned review of the fixed overtime for the retired Fire Control Operator and the deceased Fire Control Operator, the Human Resources Department had stressed to the Government that this should not be paid, and this was therefore not proceeded with.

- 3.6.13** I thereafter learnt that the lump-sum payments in respect of revised gratuities and uplifted pensions to the 8 retired fire officers in lieu of the originally proposed revised pensions and gratuities, as a consequence of an increase to the CPD Allowance, were effected between the period 25 April 2023 and 12 July 2023.
- 3.6.14** On 7 May 2025, I wrote to the Director of Personnel and Development in relation to the ex-gratia payments that had been made to the 8 retired fire officers informing him that my position at the time was that these officers' pensions and gratuities could not be subject to revision given that they had retired before the effective date of the allowance increase; and it was therefore contrary to the Pensions Act to revise these pension and gratuity awards as if the allowance increase had been in place at the time of their retirement. I told him that I had thereafter learned that even though the pension awards were not formally revised, the Government decided nonetheless to apply the CPD allowance increase to the 8 retired officers by way of ex-gratia payments charged to the Human Resources Department's (now the Department of Personnel and Development) ex-gratia vote. I reiterated to the Director of Personnel and Development that my opinion on this matter remained unchanged insofar as the allowance increase was effective after the retirement dates of the individuals involved, and as such these retirees had not accrued entitlement to this allowance increase. I therefore found it extraordinary that the Government should have chosen to go ahead and revise the retiree fire officers' pensions and gratuities, albeit by way of ex-gratia payments, despite being aware (from my expressed views on the matter) that their course of action was irregular.
- 3.6.15** In the same correspondence with the Director of Personnel and Development I further told him that I understood that since the ex-gratia payments made to these 8 pensioners in mid-2023, these individuals continue to receive regular monthly payments, equivalent to what, in effect, constitutes a hypothetical pension increase, similarly charged to the Department of Personnel's ex-gratia vote. I emphasised to the Director that given the significance of awarding a pension increase to pensioners who were not entitled to this increase, I would be commenting on this matter in my report to Parliament. I told the Director that although cognisant he had not been involved in this matter, given that he was not the Director of Personnel and Development (Human Resources Department) at the time, I nevertheless required to know his views and comments on this issue. I also copied-in the Chief Secretary, the Financial Secretary and the Accountant General in this correspondence so that they were aware of the seriousness of this matter.
- 3.6.16** Also on 7 May 2025, the Higher Executive Officer from the Department of Personnel and Development wrote to me explaining by way of an update, that further to the original 8 retired Fire Officers who had received revised pensions and gratuities in respect of the CPD allowance enhancement, the Government had further approved that the same treatment be afforded to all those retired Fire Officers who had received the CPD payments since its introduction in 2007. She said that this included an additional 24 Gibraltar Fire Rescue Service retirees whose payments had recently been processed. The approval to revise the pensions of these additional 24 retirees had been conveyed to the Department of Personnel and Development by the Industrial Relations Officer in No.6 Convent Place. The Higher Executive Officer additionally informed me that the matter was awaiting a decision as to whether the payments were to receive annual increases equivalent to any increases under the Pensions (Increase) Act.
- 3.6.17** After learning about the additional 24 retired officers also receiving revised pensions and gratuities by way of ex-gratia payments, I established that the cost of paying the arrears to these 24 retirees was calculated to be £804,057 in total, broken down as follows:

- Lump sum payments in respect of revised gratuities with effect from 2007/November 2015 up to January 2025 - **£277,680**.
- Lump sum payments in respect of uplifted pensions incorporating the CPD allowance with effect from 2007 up to January 2025 - **£619,458**.

There was no projected cost calculation for these 24 retired performed by the Treasury Department.

3.6.18 The Director of Personnel and Development replied to me on 23 May 2025, explaining that whilst he fully acknowledged the concerns I had raised, as I had correctly highlighted in my email, he had not been involved in the decision-making process surrounding this matter which predated his appointment as Director of Personnel and Development. As such, he did not believe it would be appropriate for him to offer a personal view or commentary on a process in which he had no part. From his understanding, he said, the payments in question arose following discussions between the Government and the staff side, resulting in an agreement and the identification of a suitable mechanism to facilitate the implementation of that agreement. He added that this might not be the response I had been hoping for, but he trusted I would understand his position in this regard.

3.6.19 I replied to the Director of Personnel and Development on the same day, informing him that whilst respecting his view of not offering an opinion on a process where he had not been involved, I was disappointed that he had not offered his views, at the very least, in his capacity as Controlling Officer of the Head of Expenditure (namely, Head 6, Subhead 2(11) Ex-Gratia Payments) where the Government directed to charge, what I considered to be irregular payments. I told the Director that I was nevertheless glad and comforted somewhat, by the fact that the Higher Executive Officer from his department had in 2023 agreed with my views and expressed her disagreement on how these revised pension payments had been processed. I further informed the Director that I was aware that in the case of the Contractual Overtime Allowance (Fixed Overtime) revision, where Government also wanted to proceed in the same way, the Higher Executive Officer from his department had been instrumental in advising that those payments should not be proceeded with, and it was stopped.

3.6.20 Claim for Pension Benefits by Ex-Police Officer Dismissed from the Royal Gibraltar Police - In August 2022, I was asked to give my opinion on a claim for the payment of a monthly pension presented by a former police constable who had been dismissed from the Royal Gibraltar Police in 2010, aged 43 years of age, after the Disciplinary Board's recommendation of termination of service without loss of pension benefit was approved by His Excellency the Governor.

3.6.21 On 12 August 2022, I wrote to the Human Resources Manager providing my views on the case, as follows:

- The former police constable who reached age 55 in 2022, had presented a claim to Government requesting that he was entitled to receive a pension on the basis that when his service was terminated in 2010, the Disciplinary Board had recommended that he be dismissed without loss of pension benefit.
- I told the Human Resources Manager that as there is no provision in the Pensions Act for an entitlement to a pension for an officer who is dismissed from the Service for misconduct, on termination from the Service the Police Officer was paid a gratuity under regulation 27 of the Pensions Act in respect of his 23 years and 9 months of public service. I explained to the Human Resources Manager that this gratuity constituted the 'pension benefit' that the former police constable was entitled at the time of his dismissal.
- I explained to the Human Resources Manager that my view, which was in line with the opinion expressed by officers of the Human Resources Department, was that the former

police constable on leaving the service, and taking into account the decision of the Disciplinary Board, was entitled to receive whatever pension benefit was due to him at that precise moment, bearing in mind that he had not yet attained the minimum pensionable age for a Police Officer, i.e. 50 years of age, in which he could retire. The former police constable was therefore solely eligible to a gratuity, just as if he had resigned from the service at that time. I added that that this was in line with other numerous cases that had received a similar treatment.

- I highlighted that the Royal Gibraltar Police had explained that police discipline processes are governed by the Police (Discipline) Regulations 1991, the penalties to impose being specified in Schedule 2 of these regulations, whilst in the rest of Government departments the disciplinary sanctions come under General Order 7.4.2. Nevertheless, the penalties are practically identical with very small differences between them. The Police further pointed out that retirement on the grounds of public interest, which would allow for the payment of a monthly pension, was not a penalty open for the Police Disciplinary Board to consider given that this was not covered under the Police (Discipline) Regulations 1991.
- The position of the Commissioner of Police was understandably that he is bound by the decision of the Police Disciplinary Board and that its recommendation of termination of service without loss of pension benefit had been complied with, in that a gratuity (pension benefit) was paid to the former police constable at the time. In his view, there was no scope under Schedule 2 of the Police (Discipline) Regulations 1991 to allow any police officer that is guilty of misconduct to be awarded a monthly pension.
- I further told the Human Resources Manager that in considering this case from all angles, there was also the moral argument as to whether it was fair and reasonable for a police officer, whose service had been terminated due to misconduct and before reaching retirement age, to receive a higher pension benefit than a comparable police officer who resigned from the police service also before attaining the age of retirement. I questioned whether an officer who had been penalised could come out in a better position than an officer with a clean service. This line of thinking lead me to believe that this is why a Disciplinary Board's recommendation of 'termination of service without loss of pension benefit' can only mean, in the case of a police officer of less than 50 years of age, the payment of a gratuity, as otherwise allowing the officer being disciplined to receive a monthly pension would give him an advantage over an equivalent officer who hypothetically resigned from Service (with a clean sheet) and with the same number of years of service, who in those circumstances would only be entitled to a gratuity.

3.6.22 The former police constable was soon after informed that the position of the Commissioner of Police was that he was bound by the decision of the Police Disciplinary Board and that the Board's recommendation of termination of service without loss of pension benefit had been complied with, in that a gratuity (pension benefit) was paid to him at the time. In the Commissioner's view, there was no scope under Schedule 2 of the Police (Discipline) Regulations 1991 to allow any police officer that was guilty of misconduct to be awarded a monthly pension.

3.6.23 The former police constable was further informed that even though the Disciplinary Board's view that he was being dismissed without loss of pension benefits could have been interpreted as the officer being entitled to a monthly pension, it was not clear how the Disciplinary Board could have applied this decision given that termination of service under sections 6(1)(a)(v) and 7 of the Pensions Act (retirement on grounds of public interest) was not an available option under Schedule 2 of the Police (Discipline) Regulations 1991. It was suggested to the former police constable that he present a properly documented case to the Government, including a legal opinion on the matter, on the basis of which the Government could then make their recommendations.

- 3.6.24** That was the last I heard of this case, until I recently performed a review of ex-gratia payments made by the Government during the last 6 financial years, in which I ascertained that the former police constable, who had been dismissed for misconduct in 2010, had been paid an ex-gratia payment of £170,669 on 26 January 2024, see paragraph 5.5.26. Although I requested to learn the nature of this payment and for the corresponding documentation to be provided to me, I received no response.
- 3.6.25 Essential Services Officers Transferred to Public Service Posts** - During the last few years there has been a significant number of essential services officers who have been transferred from their respective organisations to the civil service or to the wider public service.
- 3.6.26** In practically all the cases, the officers have been transferred to positions of a lower grade in terms of pay. Nevertheless, the transferred officers have preserved their respective contractual conditions as essential services officers retaining their pay scales, allowances and conditions, including the accrued pension rights as essential services officers.
- 3.6.27** Given the high number of officers being transferred from their post, the majority of which are ex-police officers, I requested the Director of Personnel & Development, on 11 December 2024, to provide me with a list of all essential services officers transferred from their department since 1 April 2018 to date. The information I requested was: the name of the officer; the transfer date; the department/authority/agency/corporation the officer was transferred to; the post that the officer was appointed to; and the reason for the transfer.
- 3.6.28** On 18 December 2024, the Senior Executive Officer (Industrials, Uniformed, Professional and Technical Grades) of the Department of Personnel & Development, on behalf of the Director of Personnel & Development, replied acknowledging the contents of the request and that they would be providing the information in the new year, as they might have to undertake some manual searches.
- 3.6.29** On 4 April 2025, the Senior Executive Officer from the Department of Personnel & Development submitted to me the information depicted in Figure 71. This shows the transfer of 38 essential services officers during the period 1 April 2018 up to 1 February 2025.

Figure 71

Grade	Department	Transfer Date	Department Transferred To	Post Appointed To	Reason For Transfer
Police Constable	Police	25/06/2018	GFRS	Fire Control Operator	Change of Appointment
Police Constable	Police	01/09/2018	Civil Contingency	GDC Grade 1 (AA)	Transfer of undertaking to GDC
Police Constable	Police	01/05/2019	Environment	GDC Grade 1 (AA)	Transfer of undertaking to GDC
Police Constable	Police	01/06/2019	Human Resources	GDC Grade 1 (AA)	Public Service transfer to GDC
Police Constable	Police	31/10/2019	Housing	Admin. Assistant	Change of Appointment
Senior Customs	Customs	18/11/2019	Civil Contingency	Senior Customs	Following an Internal Investigation
Superintendent	Police	24/02/2020	GFIU	Director GFIU	Change of Appointment
Police Constable	Police	07/04/2020	RGP	Stores Officer with Driving Duties	Injury at Work
Police Constable	Police	01/11/2021	Social Security	Admin. Assistant	Injury at Work
Police Constable	Police	01/11/2021	Care Agency	Compliance & Investigating Officer	Injury at Work
Police Constable	Police	01/11/2021	RGP	Exhibits Officer	Injury at Work
Customs Officer	Customs	01/11/2021	GHA	GDC Grade 2 (AO)	TUPE transfer to GDC
Police Sergeant	Police	15/11/2021	Environment	GDC Grade 2 (AO)	TUPE transfer to GDC
Police Constable	Police	23/12/2021	Environment	GDC Grade 3 (EO)	TUPE transfer to GDC
Police Constable	Police	30/03/2022	Port Authority	GDC Grade 4 (HEO)	Transferred to Port Authority, then subsequently transferred to Procurement
Police Constable	Police	20/06/2022	GHA	GHA Clerk (AO)	Contract Terminated as Police Constable

PART 3 - DEPARTMENTAL AUDITS

Police Constable	Police	30/08/2022	Office of Fair Trading	GDC Grade 1 (AA)	Occupational Health
Police Constable	Police	30/09/2022	Employment	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2022	Personnel and	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2022	Employment	GDC Grade 4 (HEO)	Transferred to Employment, then moved to Housing and finally to Personnel Development
Police Inspector	Police	01/02/2023	Gibraltar Air Terminal Ltd	GDC Grade 5 (SEO)	Public Service transfer to GDC
Police Sergeant	Police	01/02/2023	Ministry of Equality	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/06/2023	Gibraltar Air Terminal Ltd	GDC Grade 5 (SEO)	Public Service transfer to GDC
Police Sergeant	Police	01/10/2023	Employment	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2023	Care Agency	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2023	Care Agency	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2023	Port Authority	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2023	GHA	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Sergeant	Police	01/10/2023	Employment	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2023	Gibraltar Air Terminal Ltd	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Sergeant	Police	01/10/2023	Office of Fair Trading	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2023	Digital Services	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2023	Care Agency	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	01/10/2023	Digital Services	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	08/11/2023	Care Agency	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Constable	Police	18/06/2024	CAU	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Sergeant	Police	17/07/2024	RGP	GDC Grade 4 (HEO)	Public Service transfer to GDC
Police Inspector	Police	01/02/2025	Economic Development	GDC Grade 5 (SEO)	Public Service transfer to GDC

3.6.30 After reviewing the list, I replied to the Senior Executive Officer on 7 April 2025, I informed him that he had only provided rational reasons for 7 of the officers out of the 38 officers transferred, namely:

- the officer transferred from HM Customs due to an internal investigation;
- the change of appointment of an officer transferred to the GFIU;
- the 4 officers transferred because of injury at work; and
- the police officer transferred for occupational health reasons,

I told the Senior Executive Officer that the reasons provided for the transfers of the remaining 31 officers were meaningless and inadequate. I therefore requested the Senior Executive Officer to provide me with the actual reasons for the transfer of these 31 officers.

3.6.31 On 13 May 2025 I wrote to the GDC Secretary and the Industrial Relations Officer informing them that the Director of Personnel & Development had verbally informed me that his department was actively looking for the information I had requested but they had limited information on the reasons for the transfer of the essential services officers to public service posts, as these transfers were administered by No.6 Convent Place. I therefore requested them to provide me with the reasons for the transfer of the essential services officers listed in Figure 71.

3.6.32 I subsequently wrote again to the Director of Personnel & Development on 22 May 2025 insisting that that we had been waiting for the information requested for a long time and that the information that was provided on 4 April 2025 was inadequate and since then we had been pressing for a response without success.

3.6.33 The Director of Personnel & Development replied to me on the same day confirming that they had now reviewed the records of all the officers, and they had no information on file regarding the reasons for the transfers beyond what had already been provided.

- 3.6.34** At the close of this report, the GDC Secretary and the Industrial Relations Officer had not replied to my request for information on the reasons for the transfer of such a high number of essential services officers or even acknowledged my email.
- 3.6.35** I believe that a significant number of police officers that were transferred from the Royal Gibraltar Police could have been granted protection under the provisions of Part IV A Public Interest Disclosures of the Employment Act as a result of the 2024 McGrail Inquiry.
- 3.6.36 Retirement of Police Officers with Ex-Gratia Payments** - As part of an audit review carried out on ex-gratia payments made in Government departments, agencies and authorities in the 6-year period from 1 April 2018 to 31 March 2024, see paragraphs 5.5 of this report, it was observed that there were a number of ex-gratia payments made to retiring police officers (paragraph 5.5.23 of this report refers).
- 3.6.37** As a consequence, on 16 April 2025 I wrote to the Director of Personnel & Development to provide me with a list of all the police officers who have left the Service since 1 April 2020 and received an ex-gratia payment on retirement and to include in the list the name of the officer; grade; retirement date; ex-gratia amount paid; payment date; and most importantly the reason for the granting of the ex-gratia payment. I also requested the Director to provide me with the Settlement/Severance Agreements governing the award of the ex-gratia payments to the retired police officers.
- 3.6.38** On 13 May 2025 I wrote to the GDC Secretary and the Industrial Relations Officer informing them that the Director of Personnel & Development had verbally informed me that in his department he had limited or no information on this matter as it was dealt with by No.6 Convent Place, so I requested them to provide me with a list of all the police officers who left the Service since 1 April 2020 and who received an ex-gratia payment on retirement. I also requested them to send me the Settlement/Severance Agreements for the granting of the ex-gratia payments paid to the retired police officers.
- 3.6.39** After a number of reminders to the Director of Personnel & Development, he replied to me on 22 May 2025 apologising for the delay in responding, whilst his staff had been searching for the information required, and further apologising for not having acknowledged or issued a holding reply in the interim. He also instructed his team to provide the information I required by close of business of the next day.
- 3.6.40** On 23 May 2025, the Director provided me with supporting documentation on the ex-gratia payments made to the retiring police officers by his department. However, apart from accumulated annual leave paid to retiring police officers as ex-gratia payments (which is not the correct methodology as payments of annual leave should be charged to personal emoluments), the reasons for granting the remaining and significant ex-gratia payments could not be ascertained from the supporting documentation provided by the Director of Personnel & Development.
- 3.6.41** At the close of my report, the GDC Secretary and the Industrial Relations Officer had not replied to my audit query or even acknowledged my email dated 13 May 2025.
- 3.6.42 Pensions and Gratuities** - By agreement, and up until the end of October 2023 all pensions and gratuities awarded under the provisions of the Pensions Act and the Parliament Act were pre-audited by the Gibraltar Audit Office.
- 3.6.43** During the financial year 2018-19, 132 pension awards and 44 revised pension awards, mainly arising from amendments to the pensionable emoluments, were submitted for audit examination. Of these, 26 (14.8%) were found to contain errors/discrepancies and were referred back to the Human Resources Department or the Treasury Department for correction prior to audit certification. Additionally, there were 12 officers who retired on medical grounds during 2018-19. A total of 128 gratuities were awarded during the financial

year in question, of which 122 related to commutation of pension awards and 6 gratuities were paid on resignation from the Government Service.

- 3.6.44** The Government of Gibraltar introduced Early Exit Scheme Agreements for government employees as from 2011. These Early Exit schemes allow the retirement, under the provisions of the Pensions Act, of employees of certain grades from a number of Government departments (including statutory authorities/agencies and Civil Service employees transferred to wholly owned Government companies) with added benefits. The added benefits provided by the Early Exit Schemes (although not all schemes provide the same conditions) include: enhancement of the years of service of officers who opt to take these schemes; payment of a lump-sum equivalent to two or three years of basic salary; and the chance for these employees to either retire early or otherwise retire beyond normal retirement age. On the other hand, those employees who benefit from these schemes are not eligible for future employment with the Government, or any Government company, authority or agency; nor are they eligible to register as unemployed in order to receive unemployment benefit or social assistance benefit. Nevertheless, these employees can obtain other employment. In the financial year 2018-19, 29 officers entitled to a pension award under the Pensions Act, retired under an Early Exit Scheme.
- 3.6.45** Expenditure on pension payments under the Pensions Act and the Parliament Act in the financial year 2018-19 amounted to £40.50m compared to £36.96m during the previous financial year. The rise of £3.54m (9.6%) is accounted for by a cost-of-living increase of 3.1% applied to pensions on 1 July 2018 and by a net increase of 84 pensioners during the financial year 2018-19.
- 3.6.46** Expenditure on gratuity payments under the Pensions Act and the Parliament Act for the financial year ended 31 March 2019 totalled £0.30m compared to £1.50m during the financial year 2017-18.
- 3.7.47** Under the Pensions (Widows and Orphans) Act ("WOPS"), 2 new pension awards were made during the financial year 2018-19, compared to 7 WOPS pension in the previous financial year. Expenditure on WOPS pension payments for the financial year 2018-19 amounted to £0.31m, compared to £0.32m in the previous year. There was an annual cost of living increase of 3.1% applied to WOPS pensions on 1 July 2018.
- 3.6.48** During the financial year 2018-19, one pension award was made to former government employees, while in the previous financial year there were none. Expenditure on pension payments to former government employees for the financial year 2018-19 stood at £0.13m which is the same as in the previous financial year. The annual cost of living increase applied to pensions on 1 July 2018, in respect of former government employees, was 3.1%. £0.02m was spent on gratuities for former government employees compared to nil spent in the previous year.
- 3.6.49 Commutation of Pensions and Early Exit Scheme Lump-Sum Payments Paid by the Government to Credit Finance Company Limited** - Public servants employed prior to 1 January 2012 enjoy pension rights under the Pensions Act. Under the provisions of regulation 26 of the Pensions Regulations, officers eligible to a pension may exercise an option to receive a reduced pension in addition to a commuted pension gratuity.
- 3.6.50** Pensions paid to government employees are charged to Consolidated Fund Charges Head 03, Subhead 1 Pensions, whilst commuted pension gratuities are paid out from Consolidated Fund Charges Head 03, Subhead 2 Gratuities under the Pensions Act and Parliament Act.
- 3.6.51** Prior to 1 April 2012, the gratuities were paid to retiring government employees directly by the Government of Gibraltar. However, on this date the Government of Gibraltar reached an agreement with Credit Finance Company Limited ("Credit Finance") –at the time, a wholly-owned Government company– whereby the amount of gratuity is paid to the officer

concerned by Credit Finance by way of an agreement between this company, the officer concerned and the Government. The Government thereafter repays the gratuity to Credit Finance by way of monthly instalments over a period of time, chargeable to Consolidated Fund Charges Head 03, Subhead 1 Pensions.

3.6.52 Quite separately, employees who retire under a Government Early Exit Scheme who are eligible to receive a lump-sum payment equivalent to 2 or 3 years' annual basic salary, are also paid these payments by Credit Finance under an agreement between the officer concerned and Credit Finance and the Government. The Government similarly repays the lump-sum payment to Credit Finance in monthly instalments over a period of 10 years, chargeable to the Consolidated Fund under the Human Resources Head of Expenditure and Subhead Early Exit Schemes.

3.6.53 At my request, the acting Accountant General provided me with information regarding the repayment sums paid by the Government of Gibraltar to Credit Finance since the financing arrangement commenced on 1 April 2012, both for the payment of pension commutations and the payment of Early Exit Scheme lump-sum payments, see Figures 72 and 73.

Figure 72

Financial Year	Pension Commutation Repayment (Principal)	Pension Commutation Repayment (Interest)	Total Pension Commutation Repayments per year
2012-2013	£117,582	£349,415	£466,997
2013-2014	£266,084	£1,043,451	£1,309,535
2014-2015	£581,803	£1,937,979	£2,519,782
2015-2016	£963,910	£3,117,828	£4,081,738
2016-2017	£1,328,176	£4,045,857	£5,374,033
2017-2018	£1,715,618	£4,946,430	£6,662,048
2018-2019	£2,295,801	£5,894,211	£8,190,012
2019-2020	£3,082,810	£6,840,586	£9,923,396
2020-2021	£3,935,503	£7,773,410	£11,708,913
2021-2022	£4,668,611	£8,326,896	£12,995,507
2022-2023	£5,127,358	£8,836,006	£13,963,364
2023-2024	£6,105,381	£9,443,271	£15,548,652
2024-2025	£6,982,810	£10,030,488	£17,013,298

Figure 73

Financial Year	Early Exit Scheme Lump-Sum Repayment (Principal)	Early Exit Scheme Lump-Sum Repayment (Interest)	Total Early Exit Scheme Lump-Sum Repayments per year
2014-2015	£59,557	£52,355	£111,912
2015-2016	£222,755	£185,894	£408,649
2016-2017	£295,037	£218,745	£513,782
2017-2018	£401,290	£272,158	£673,448
2018-2019	£583,477	£379,055	£962,532
2019-2020	£739,189	£439,717	£1,178,906

2020-2021	£901,725	£486,470	£1,388,195
2021-2022	£1,074,019	£521,731	£1,595,750
2022-2023	£1,228,091	£520,358	£1,748,449
2023-2024	£1,392,139	£511,203	£1,903,342
2024-2025	£1,458,648	£490,461	£1,949,109

3.6.54 The acting Accountant General incorporated the following footnotes in the Public Accounts of Gibraltar for the year ended 31 March 2019, under:

- Consolidated Fund Charges Head 03, Subhead 1 Pensions, disclosing that the sum of 40,495,521 paid in pensions by the Government of Gibraltar, includes £8,190,012 in respect of repayments of pension commutations to Credit Finance Company Limited, representing £2,295,801 of principal; and £5,894,211 in respect of interest paid to the company; and
- Consolidated Fund Head 6 Human Resources, Subhead 2(5) Early Exit Schemes, disclosing that the expenditure sum of £962,532, in respect of repayments of Early Exit Scheme lump-sum payments to Credit Finance Company Limited represents £583,477 of principal; and £379,055 in respect of interest paid to the company.

3.6.55 In my last report on the public accounts of Gibraltar for the financial years 2016-17 and 2017-18, I commented in paragraph 3.7.9 that the expenditure relating to the repayments in respect of the Early Exit Scheme lump-sum payments made to Credit Finance, charged to the Human Resources Head of expenditure under Subhead Early Exit Schemes, include individuals who were employed in Government-owned companies who had never been civil servants. I told the acting Accountant General that I did not consider this expenditure to be a proper charge on the Consolidated Fund as these payments were made on the basis of an Early Exit Scheme relating to Government-owned companies. The acting Accountant General replied that the decision to charge the Consolidated Fund with payments in respect of individuals who were non-civil servants was in line with the individual agreements contracted by the employees with the Government of Gibraltar and Credit Finance. I replied to the acting Accountant General telling her that I was aware that the employees who received the Early Exit Scheme lump-sum payments had entered into an agreement with the Government and Credit Finance whereby the Government would repay the Early Exit Scheme monthly instalments to Credit Finance, yet I insisted that this arrangement was flawed and improper given that Government was accepting a liability (inclusive of interest) which does not correspond to it, as in my view this liability should be a charge on the companies' books. I added that to make matters worse, the financial arrangement is not disclosed in any way, so the reader of the Public Accounts of Gibraltar would never be aware that the expenditure under the Human Resources Head of Expenditure, Subhead Early Exit Schemes includes payments made in respect of employees of Government-owned companies. The position on this issue has not changed and remains the same in the financial 2018-19, as a consequence, the total expenditure shown under Head 6 Human Resources, Subhead 2(5) Early Exit Schemes, amounting to £962,532, includes expenditure relating to employees of Government-owned companies who are not civil servants, and which in my view should not be included as Consolidated Fund expenditure.

Department of the Environment

3.7.1 In my last report on the public accounts of Gibraltar for the years 2016-17 and 2017-18, specifically in paragraphs 3.8.1 to 3.8.9, I reported that I had written to the previous Chief Executive (Environment) informing her that an audit review carried out on the level of overtime earned in the Government Service had revealed that 3 supervisory officers working in a specific section of the Department of the Environment were in the top 13 highest overtime earners in Government.

- 3.7.2** I reported that I had told the Chief Executive that the overtime earned by an SPTO during the 12-month period November 2018 to October 2019 amounted to £113,709, representing a staggering 196% of his basic salary. This officer, who was the top overtime earner in the entire civil service during the aforementioned 12-month period, was significantly higher than the overall second highest overtime earner in Government, who worked in another department, who had earned £73,362 in comparison. I pointed out to the Chief Executive that further examination of the emoluments earned by the SPTO during the last 12 financial years, and of two PTOs in the last 8 financial years since their appointment to the Department, revealed that their overtime earnings had consistently remained at an exceedingly high level throughout.
- 3.7.3** In my report, I commented that I had further told the Chief Executive that I was aware that in the past she, and indeed her predecessor, had raised their serious concerns to the Government on the inordinate level of overtime earned by this management team, but nevertheless, the situation had been allowed to continue uncontrolled. However, the Chief Executive never provided me with a formal written reply to my letter.
- 3.7.4** When my report on the public accounts of Gibraltar for the years 2016-17 and 2017-18, which contained the audit findings on the excessive level of overtime earned in this section of the Department of the Environment, was tabled in Parliament (and hence made public), the Government publicly reported that they had *"promptly put an end to the malpractice as soon as it was brought to the Government's attention some years back"*. The Government said that *"The officer in question retired"* and *"The Government was not prepared to accept the continuation of this practice, enforced a ban on discretionary overtime and put in place strict measures to ensure that even mandatory emergency overtime is justified in detail and approved by senior management"*. The Government concluded by saying, *"The [Principal] Auditor's report, when it has come, vindicates the position the Government took at the time and the stricter controls that we imposed on overtime to avoid any further abuse"*.
- 3.7.5** However, a recent inspection was carried out on the overtime earned by the 3 supervisory officers (managers) working in this section, beyond the figures reported in my last report which was up to the financial year 2019-20. The findings are detailed in paragraphs 3.7.6 to 3.7.10.
- 3.7.6** Figure 74 shows the earnings of Officer A (SPTO), with the new figures shown in bold. The SPTO retired from his job on 20 August 2020; yet during the financial year 2020-21, prior to his retirement, this officer was paid overtime amounting to £68,951 in respect of a 7-month period. This overtime represents 302% of the officer's basic salary of £22,825 during the period in question.

Figure 74

OFFICER A (SPTO)

Financial Year	Basic Salary	Overtime	Total	% of O/T to Basic Pay
2008-09	£33,721	£49,493	£83,214	147%
2009-10	£36,180	£55,514	£91,694	153%
2010-11	£37,895	£54,837	£92,732	145%
2011-12	£38,991	£60,446	£99,437	155%
2012-13	£40,019	£57,823	£97,842	144%
2013-14	£41,153	£64,658	£105,811	157%
2014-15	£42,236	£75,944	£118,180	180%
2015-16	£48,970	£88,775	£137,745	181%
2016-17	£54,345	£106,765	£161,109	196%
2017-18	£55,683	£96,959	£152,642	174%

PART 3 - DEPARTMENTAL AUDITS

2018-19	£57,111	£109,617	£166,728	192%
2019-20	£58,496	£116,185	£174,681	199%
2020-21	£22,825	£68,951	£91,776	302%

* Officer A retired from the Environment Department on 20 August 2020.

∅ The overtime received by Officer A includes 2 months of previously accumulated overtime, as the Treasury Department pays overtime two months in arrears.

3.7.7 Officer B (PTO) is still working in the section and as can be seen in Figure 75, his high level of overtime earnings continued during the financial years 2020-21, 2021-22 and 2022-23. Although there was a noticeable decrease in overtime earnings during the year 2023-24, this was however as a result of the PTOs' conditioned hours changing from 37 hours to 48 hours per week with effect from 1 July 2023. Even though the change in working hours has resulted in a decrease in overtime expenditure of around 40%, on the other hand the basic salary of this officer has increased by approximately 30%. The net effect is therefore a decrease in overall earnings of around 10%. Nonetheless, it is important to note that the increase in basic pay will have an impact in the final salary pension of this officer when he retires, representing an increase of around 30% in gratuity and pension payments that also needs to be factored in.

Figure 75

OFFICER B (PTO)

Financial Year	Basic Salary	Overtime	Total	% of O/T to Basic Pay
2012-13	£33,529	£21,084	£54,613	63%
2013-14	£34,610	£37,003	£71,613	107%
2014-15	£35,520	£40,187	£75,707	113%
2015-16	£36,468	£43,818	£80,286	120%
2016-17	£37,470	£43,586	£81,056	116%
2017-18	£38,501	£44,482	£82,983	116%
2018-19	£39,495	£46,327	£85,822	117%
2019-20	£40,376	£44,147	£84,523	109%
2020-21	£40,655	£57,656	£98,311	142%
2021-22	£40,655	£43,050	£83,705	106%
2022-23	£40,655	£44,492	£85,147	109%
2023-24	£49,719	£25,771	£75,489	52%
2024-25	£53,340	£23,080	£76,420	43%

* Officer B commenced working in the Environment Department on 18 June 2012.

3.7.8 As can be seen in Figure 76, Officer C (PTO) also continued his high level of overtime earnings during the financial years 2020-21, 2021-22 and 2022-23. Nevertheless, as mentioned in paragraph 3.7.7, as a consequence of the change in conditioned hours from 37 hours to 48 hours per week, introduced on 1 July 2023, there was a resultant decrease in the overtime earned by this officer in the financial year 2023-24. As previously highlighted this decrease must be viewed against the consequential increase in the officer's basic pay, and also in conjunction with the resultant increase this officer enjoyed in pension and gratuity payments when the officer retired on 30 April 2024, approximately a year after the change in conditioned hours.

Figure 76

OFFICER C (PTO)

Financial Year	Basic Salary	Overtime	Total	% of O/T to Basic Pay
2012-13	£29,755	£25,018	£54,773	84%
2013-14	£30,599	£33,881	£64,480	111%
2014-15	£31,404	£37,706	£69,110	120%
2015-16	£32,242	£40,027	£72,269	124%
2016-17	£33,129	£39,195	£72,324	118%
2017-18	£34,040	£39,924	£73,964	117%
2018-19	£37,995	£39,355	£77,350	104%
2019-20	£40,376	£42,781	£83,157	106%
2020-21	£40,655	£54,146	£94,801	133%
2021-22	£40,655	£45,480	£86,135	112%
2022-23	£40,655	£44,759	£85,414	110%
2023-24	£49,719	£30,712	£80,431	62%

* Officer C retired from the Environment Department on 30 April 2024.

- 3.7.9** On 22 May 2023, a new officer (Officer D) was appointed as Manager in this section of the Department of the Environment, and although holding a more senior position than the PTO under his supervision, earns an annual salary of £38,699 (equivalent to an Executive Officer), which is less than that of the PTO, i.e. £53,640. The conditioned hours of the Manager are 37 hours per week, which are now inconsistent with the conditioned hours performed by the PTO under his supervision, i.e. 48 hours per week. In practical terms, this means that the Manager will have more scope to claim extra hours as overtime and these additional hours worked will be paid at a higher rate of pay. In Figure 77 it can be seen that the level of overtime earned by Officer D (Manager), is considerably high. In the last financial year 2024-25, he earned a total of £51,328 in overtime, which represents 132% of his basic pay.

Figure 77

OFFICER D (Manager)

Financial Year	Basic Salary	Overtime	Total	% of O/T to Basic Pay
2023-24	£29,024	£21,676	£50,700	75%
2024-25	£38,699	£51,328	£90,027	132%

* Officer D commenced working in the Environment Department on 22 May 2023.

- 3.7.10 Conclusion** - Although at first glance the change in conditioned hours of the PTOs is seen as having delivered a decrease in overtime spending in this section of the Environment Department. When account is taken that the change has also brought about an increase in the basic pay of these officers, and moreover the pension and gratuity on retirement of these officers is enhanced as a result of the increase in final salary, it can be concluded that there has been no overall savings to the public purse. Additionally, the fact that the newly appointed Manager's conditioned hours are 37 hours per week means that he is already working a very high number of additional hours, indicating an elevated level of overtime spending. In my view, there has been no effective decrease in overall public spending in this section of the Department of the Environment when all the factors are taken into account, despite the Government's public statement stating that they had promptly put an end to the malpractice in this area.

3.7.11 Department of the Environment - Contracted Services

On 29 May 2025, I wrote to the acting Chief Executive of the Department of the Environment following a review of the department's contracted services. The following are the observations noted.

3.7.12 Tenders - The services provided to the Government of Gibraltar by the following service providers were never put out to tender in accordance with Government's purchasing and procurement policy:

- (a) **Environmental Agency Limited:** for the provision of the following functions and duties: General district work; Disinfestation, rodent control, disinfection; pollution (water, air, noise) control; building control; animals and birds; litter control; food enterprises and food control; food import control; markets, street traders and hawkers; infectious diseases; waste; and the enforcement of environmental legislation.
- (b) **Environmental Agency Limited:** for the provision of the Gibraltar Air Quality and Climate Change Programme.
- (c) **Eden Botanics:** for botanical services.
- (d) **Gibral-Flora Limited:** for botanical services.
- (e) **Gibraltar Ornithological & Natural History Society:** for the management of macaques.
- (f) **Gibraltar Veterinary Clinic:** for the management of macaques.
- (g) **Animal Welfare and Conservation Centre Limited:** for the management of the animal impounding service and for the provision of animal conservation services.
- (h) **Trustees of the Gibraltar Trust for Natural History and the Trustees of the Helping Hand:** for carrying out particular duties and services in relation to the nature conservation aspect of the Upper Rock Nature Reserve and the Marine Nature Reserve.
- (i) **Janet Howitt:** for environmental consultancy services.
- (j) **Brian Gomila:** for the Barbary Macaque awareness and education programme.
- (k) **JT Security Limited:** for security services.
- (l) **General Lifts Limited:** for lift maintenance service.
- (m) **Trafalgar Cleaning Services Limited:** for cleaning services.

I asked the acting Chief Executive the reason(s) why the department had not processed the contracting of the abovementioned services, worth over £5.00m in total, through the tender procurement process in adherence with the Government's purchasing and procurement policy.

3.7.13 It was noted that the services provided by Wildlife (Gibraltar) Limited for the management and maintenance of the Alameda Gardens, Commonwealth Park, Campion Park and Upper Rock Areas as well as for the control of the gull population had its original contract put out to tender in 1990-91. However, due to the company's satisfactory work, their specialist skill-sets and for the purposes of continuity, the department no longer considers it necessary to re-tender for these services.

3.7.14 Expired Contracts - I informed the acting Chief Executive that despite not having gone to tender, the following service providers had contracts with the department which were found to have expired and had not been re-tendered:

- (a) Environmental Agency Limited's agreement for the Gibraltar Air Quality and Climate Change Programme, which expired on 31 December 2020.
- (b) Greenarc Limited for the upkeep of planted areas, which expired on 30 April 2002.

- (c) The Trustees of the Gibraltar Trust for Natural History and the Trustees of the Helping Hand for carrying out particular duties and services in relation to the nature conservation aspect of the Upper Rock Nature Reserve and the Marine Nature Reserve, which expired on 31 March 2000.
- (d) Janet Howitt for environmental consultancy services, which expired on 31 August 2020.
- (e) Brian Gomila for the Barbary Macaque awareness and education programme, which expired on 1 March 2016.

The department had not set up a formal agreement with Eden Botanics or Gibrat-Flora Limited for the maintenance of planted areas.

3.7.15 I informed the acting Chief Executive that not going through the tendering process, or not re-tendering for a terminated contract in order to ensure continuity of the existing service provider, can carry legal, financial, reputational, operational, and strategic risks, as follows:

Legal and Compliance Risks

- Violation of Procurement Rules: The Department of the Environment, as a public sector entity, needs to comply with the Procurement (Public Sector Contracts) Regulations 2016 to ensure that fair and open procurement processes are conducted.
- Risk of Legal Challenge: Disappointed suppliers may legally challenge the departmental decision of not tendering or re-tendering.

Financial Risks

- Reduced Value for Money: Without competition, the department may overpay for services due to lack of market pressure.
- Hidden Costs: Long-standing service providers may become complacent, and costs can creep up due to inefficiencies or renegotiated terms.

Reputational Risks

- Perception of Favouritism or Corruption: Other suppliers or stakeholders may view the decision not to re-tender as biased, particularly in the case of the management and maintenance of the Alameda Gardens, Commonwealth Park, Campion Park and Upper Rock Areas, where the family connection between the Director of Wildlife (Gibraltar) Limited and the Minister for the Environment, can lead to loss of trust in the procurement process.
- Damage to Market Confidence: Potential suppliers may disengage from future tenders, thus reducing competition long term.

Operational Risks

- Complacency in Performance: Without the threat of competition, the incumbent service providers may reduce service quality or innovation.
- Lack of Innovation: New suppliers might offer better technologies or methods, hence skipping the market test can prevent improvements.

Strategic Risks

- Locked-in Dependencies: Relying on a single provider long-term may create supplier lock-in, making future transitions more difficult or costly.
- Missed Opportunities: Competitive tenders often reveal new solutions, partnerships or efficiencies of which the department could potentially be missing out.

3.7.16 Insurance Cover - Although the respective agreements of the underlisted service providers requires that they have adequate insurance cover in place, the department had not requested that the respective companies provide evidence to this effect.

- (a) Environment & Waste Management Services Limited;
- (b) Wildlife (Gibraltar) Limited;
- (c) The Animal Welfare and Conservation Centre Limited; and
- (d) General Lifts Limited.

Following the audit review, the department was able to confirm that these service providers had now presented evidence of having adequate insurance cover as required by the respective contracts with the Government, except for Environment & Waste Management Services Limited who had not replied to the department's request. I asked the acting Chief Executive if he could confirm if this company had now presented the necessary evidence of having the required insurance cover.

- 3.7.17 Provision of Additional Services** - It was noted that the Barbary Partridge Allowance being paid to Wildlife (Gibraltar) Limited had not been formally incorporated into their agreement with the department. Additionally, the provision of other services was being paid on the basis of the draft expenditure budget presented by the company, yet these services had not been incorporated in the agreement the department has with Wildlife (Gibraltar) Limited, such as for the maintenance of Campion Park.
- 3.7.18** No evidence was found in relation to the department's acceptance of additional works/services awarded to Eden Botanics for the maintenance of plants at Governor's Parade.
- 3.7.19** Additional work provided by Greenarc Limited was noted as being separately invoiced to the department but had not been incorporated into the agreement with the company.

PART 4 - STATUTORY AND OTHER AUDITS

Audit and Certification of Accounts of Statutory and Other Bodies

4.1.1 Certified Accounts of Statutory Bodies - The accounts of the entities listed in Figure 78 below have been audited and certified since the completion of my report on the public accounts of Gibraltar for the financial years 2016-17 and 2017-18.

Figure 78

Organisation	Accounts for the Year-Ended
Borders & Coastguard Agency	31 March 2015
Borders & Coastguard Agency	31 March 2016
Borders & Coastguard Agency	31 March 2017
British Protestant Trust	31 December 2022
Gibraltar Electricity Authority	31 March 2017
Gibraltar Heritage Trust	31 March 2017
Gibraltar Health Authority	31 March 2014
Gibraltar Health Authority	31 March 2015
Gibraltar Savings Bank	31 March 2024

4.1.2 Accounts not yet Certified - The accounts of the entities detailed in Figure 79 had not been certified by me by the close of this report for the reasons explained in paragraphs 4.1.3 to 4.1.12.

Figure 79

Organisation	Accounts for the Year/Period-Ended
Borders & Coastguard Agency	31 March 2018
Borders & Coastguard Agency	31 March 2019
Care Agency	31 March 2016
Care Agency	31 March 2017
Care Agency	31 March 2018
Care Agency	31 March 2019
Gibraltar Culture and Heritage Agency	31 March 2013
Gibraltar Culture and Heritage Agency	31 March 2014
Gibraltar Culture and Heritage Agency	31 March 2015
Gibraltar Culture and Heritage Agency	24 June 2015
Gibraltar Development Corporation	31 March 1997
Gibraltar Development Corporation	31 March 1998
Gibraltar Development Corporation	31 March 1999
Gibraltar Development Corporation	31 March 2000
Gibraltar Development Corporation	31 March 2001
Gibraltar Development Corporation	31 March 2002
Gibraltar Development Corporation	31 March 2003
Gibraltar Development Corporation	31 March 2004
Gibraltar Development Corporation	31 March 2005
Gibraltar Development Corporation	31 March 2006
Gibraltar Development Corporation	31 March 2007
Gibraltar Development Corporation	31 March 2008
Gibraltar Development Corporation	31 March 2009
Gibraltar Development Corporation	31 March 2010
Gibraltar Development Corporation	31 March 2011

Gibraltar Development Corporation	31 March 2012
Gibraltar Development Corporation	31 March 2013
Gibraltar Development Corporation	31 March 2014
Gibraltar Development Corporation	31 March 2015
Gibraltar Development Corporation	31 March 2016
Gibraltar Development Corporation	31 March 2017
Gibraltar Development Corporation	31 March 2018
Gibraltar Development Corporation	31 March 2019
Gibraltar Electricity Authority	31 March 2018
Gibraltar Electricity Authority	31 March 2019
Gibraltar Garrison Library Trust	31 March 2012
Gibraltar Garrison Library Trust	31 March 2013
Gibraltar Garrison Library Trust	31 March 2014
Gibraltar Garrison Library Trust	31 March 2015
Gibraltar Garrison Library Trust	31 March 2016
Gibraltar Garrison Library Trust	31 March 2017
Gibraltar Garrison Library Trust	31 March 2018
Gibraltar Garrison Library Trust	31 March 2019
Gibraltar Health Authority	31 March 2016
Gibraltar Health Authority	31 March 2017
Gibraltar Health Authority	31 March 2018
Gibraltar Health Authority	31 March 2019
Gibraltar Heritage Trust	31 March 2018
Gibraltar Heritage Trust	31 March 2019
Gibraltar Port Authority	31 March 2017
Gibraltar Port Authority	31 March 2018
Gibraltar Port Authority	31 March 2019
Gibraltar Sports and Leisure Authority	31 March 2010
Gibraltar Sports and Leisure Authority	31 March 2011
Gibraltar Sports and Leisure Authority	31 March 2012
Gibraltar Sports and Leisure Authority	31 March 2013
Gibraltar Sports and Leisure Authority	31 March 2014
Gibraltar Sports and Leisure Authority	31 March 2015
Gibraltar Sports and Leisure Authority	31 March 2016
Gibraltar Sports and Leisure Authority	31 March 2017
Gibraltar Sports and Leisure Authority	31 March 2018
Gibraltar Sports and Leisure Authority	31 March 2019

4.1.3 Borders & Coastguard Agency - The draft accounts of the Borders & Coastguard Agency for the financial year 2014-15 was submitted to me on 8 February 2017 and the draft accounts for the financial years 2015-16, 2016-17, 2017-18 and 2018-19 were submitted to me on 1 July 2022. The accounts for the Agency for the financial year 2017-18 has been examined and is due to be certified by me shortly. The audit review of the 2018-19 accounts is nearing completion.

4.1.4 Care Agency - The draft accounts of the Care Agency for the financial year 2015-16 was submitted to me on 26 May 2023, whilst the draft accounts for the financial years 2016-17, 2017-18 and 2018-19 were submitted to me on 2 September 2024. The accounts for the financial years 2015-16, 2016-17 and 2017-18 have been examined and are due to be certified by me shortly. The audit review of the 2018-19 accounts is nearing completion.

- 4.1.5** Gibraltar Culture and Heritage Agency - The accounts of the Gibraltar Culture and Heritage Agency for the financial years 2012-13 and 2013-14 have been examined and are due to be certified by me shortly. The accounts for the financial year ended 31 March 2015 and for the financial period to cessation ended 24 June 2015 had not been presented to me at the close of this report.
- 4.1.6** Gibraltar Development Corporation - A preliminary review of the Gibraltar Development Corporation accounts for the financial years 1996-97 to 2000-01, showed that these 5 sets of accounts had been prepared in a combination of cash accounting and accruals, and therefore required to be amended to a single basis of accounting. It is now necessary for the Accountant General to resubmit these accounts on a cash basis of accounting, in line with the standards for the preparation of the public accounts of Gibraltar. At the close of this report, despite numerous reminders, the Gibraltar Development Corporation accounts for the financial years 1996-97 to 2000-01 had not yet been re-submitted to me for examination, nor had the accounts for the financial years 2001-02 to 2018-19 been presented to me for audit examination and certification.
- 4.1.7** Gibraltar Electricity Authority - The draft accounts of the Gibraltar Electricity Authority for the financial years 2016-17 and 2017-18 were resubmitted to me on 27 October 2023. These accounts have been examined and are due to be certified by me shortly. The draft accounts for the financial year 2018-19 were submitted to me for examination on 8 July 2024. The audit review of these accounts is nearing completion.
- 4.1.8** Gibraltar Garrison Library Trust - The draft accounts of the Gibraltar Garrison Library Trust for the financial years ended 31 March 2012 and 31 March 2013 have been examined. However, at the close of this report, I am still awaiting the post-audit adjustments to be made by the Trust. The Trust submitted draft accounts for the financial years ended 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 on 16 May 2019. However, the accounts for the financial year 2018-19 have not been submitted, despite the requirement that they be provided to me within seven months after the end of the financial year, as stipulated in section 12(2) of the Gibraltar Garrison Library Trust Act 2011.
- 4.1.9** Gibraltar Health Authority - The audit examination of the draft accounts of the Gibraltar Health Authority, incorporating the Elderly Residential Services Section, for the financial years 2015-16 and 2016-17 are currently ongoing. The draft accounts of the Gibraltar Health Authority for the financial years 2017-18 and 2018-19 were submitted to me on 7 July 2023.
- 4.1.10** Gibraltar Heritage Trust - The revised draft accounts of the Gibraltar Heritage Trust for the financial years 2016-17, 2017-18, and 2018-19 were re-submitted to me with the audit adjustments on 2 April 2025. The accounts for 2017-18 are due to be certified shortly, while the revised accounts for the financial year ending 31 March 2019 are currently under review.
- 4.1.11** Gibraltar Port Authority - The draft accounts of the Gibraltar Port Authority for the financial years 2016-17, 2017-18 and 2018-19 were submitted to me on 27 July 2020, 21 June 2023 and 8 July 2024 respectively. The accounts have been examined and are due to be certified by me shortly.
- 4.1.12** Gibraltar Sports and Leisure Authority - The draft accounts for the financial years 2009-10 to 2018-19 were submitted to me on 12 August 2024 the audit review of these accounts are currently on-going.
- 4.1.13** Housing Works Agency - The accounts of the Housing Works Agency for the financial year ended 31 March 2019 have been examined and are due to be certified shortly.
- 4.1.14** **Non-Submission of Audited Accounts by Ministers to Parliament** - In my last report to Parliament, I reported that I had written to the Financial Secretary on 31 March 2023, informing him that there were numerous sets of accounts of statutory authorities and

agencies that had been audited and certified and returned to the relevant entities many years ago which contrary to the legal provisions governing the statutory authority or agency had not yet been laid in Parliament.

4.1.15 The Financial Secretary never replied to me. So I again wrote to all the Chief Executive Officers of the statutory authorities and agencies on the need for the ministers of their respective entities to table the accounts of their authorities or agencies in Parliament. This had a positive effect generally and out of the 19 sets of statutory accounts that were pending to be laid in Parliament, 16 sets of accounts were soon after tabled in the House.

4.1.16 The only exception are the 3 sets of accounts of the Borders & Coastguard Agency (BCA), for the financial years 2011-12, 2012-13 and 2013-14 which were audited and certified on the dates shown hereunder, but contrary to the provisions of section 13(5) of the Borders & Coastguard Agency Act 2011, the audited accounts had not yet been laid in Parliament at the close of this report.

- BCA Accounts for the period ended 31 March 2012 - accounts certified on 13 November 2013.
- BCA Accounts for the financial year 2012-13 - accounts certified on 13 November 2013.
- BCA Accounts for the financial year 2013-14 - accounts certified on 5 January 2021.

I met with the Chief Executive Officer of the Borders & Coastguard Agency on 17 January 2025, where aside from other matters, we discussed the need to have these accounts tabled in Parliament. On 3 May 2025 I again contacted the Chief Executive of the Agency and reminded him to inform the Minister responsible for the Chief Minister that since the Borders & Coastguard Agency was set up in 2011, no accounts of the Agency have ever been presented in Parliament, despite 2 sets of these accounts having been audited and certified over 11 years ago and the other accounts having been audited and certified over 4 years ago. However, at the close of this report the audited accounts of the Agency had not been laid in Parliament.

4.1.17 Moreover, the accounts of the Gibraltar Health Authority (GHA) for the financial years 2013-14 and 2014-15 were audited and certified on the dates shown hereunder, yet contrary to the provisions of section 15(5) of the Medical (Gibraltar Health Authority) Act, 1987, the audited accounts had not yet been laid in Parliament at the close of this report.

- GHA Accounts for the financial year 2013-14 - accounts certified on 14 November 2024.
- GHA Accounts for the financial year 2014-15 - accounts certified on 14 November 2024.

I wrote to the Director General of the Gibraltar Health Authority on 3 May 2025 and reminded him on the need to inform the Minister for Health to have the 2 sets of GHA accounts tabled in Parliament at the earliest opportunity.

Audits of Government Agencies, Authorities and Corporations

4.2.1 As statutory auditor of the Gibraltar Development Corporation (GDC), I undertook a review of a number of GDC staff matters. I hereunder draw attention to the observations noted and brought to the attention of the GDC Secretary. I thereafter report on an advance account controlled by the Captain of the Port under the Gibraltar Port Authority.

Gibraltar Development Corporation

Review of a Gibraltar Development Corporation (“GDC”) Officer

4.3.1 On 22 May 2025, I wrote to the GDC Secretary outlining numerous audit observations following a review undertaken on a specific GDC officer, and requesting the GDC Secretary to provide her views and comments on the findings of the audit review. I hereunder draw attention to the matters arising from the audit review. For ease of reference, I include a timeline of events in Appendix B at the end of this section 4 of my report.

4.3.2 Garden Leave - By way of background information I will explain that during the year 2022, I was in correspondence with the Human Resources Manager in connection with a GDC officer's absence on garden leave during the years 2019 to 2022. Essentially, I wanted to know:

- The reason why this GDC officer had been on garden leave on an apparent indefinite basis for over 3 years; and
- Given that garden leave is not covered by Government General Orders, under what criteria had garden leave been awarded to this GDC officer.

The Human Resources Manager replied saying that, [quote] '*The period in question [period of garden leave] forms part of the agreement between HMGoG and the GDC officer. Unfortunately, the agreement is non-disclosure. Therefore, I do not hold all the information regarding this case. The Chief Secretary has just given us the relevant action points for us to deal with*'.

4.3.3 On 21 October 2022, I wrote to the Chief Secretary to enquire on the above two bullet point queries and to highlight that as Principal Auditor I was empowered to request any information I required relating to the audits I undertake and therefore entitled to obtain such information, regardless if there is an agreement of non-disclosure, as this does not apply to the Principal Auditor in the performance of his statutory duties. I therefore kindly requested the Chief Secretary to provide me with the information I required. The Chief Secretary replied that he was travelling the following day and that I was perfectly entitled to elicit from the GDC Secretary any pertinent document I wished to peruse relating to my audits.

4.3.4 On 25 October 2022, I wrote to the GDC Secretary regarding the two queries outlined in paragraph 4.3.2 and requested that she provide me with this information. She replied to me on 29 October 2022, saying that unfortunately, she was unable to answer my email, given that this happened before her time and involvement. She therefore asked her predecessor to provide us with the background on this matter and to answer my specific queries. Her predecessor replied on the same day, explaining that due to allegations made against him by the GDC officer, and subsequent legal claim, he had been removed from dealing with this employee some time ago. He added that the Human Resources Department held all correspondence relating to the GDC officer. As a consequence, the GDC Secretary wrote to me explaining that she would raise the matter internally and would revert with further comments shortly. However, she never provided me with a response to my audit queries.

4.3.5 On 5 November 2024, I requested the GDC's officer's personal and sick leave files from her Head of Department in the Ministry of Justice, Trade and Industry. An examination of this officer's files revealed the following observations:

- The GDC officer, a GDC Grade 3 officer (equivalent to Executive Officer in the Civil Service), whilst employed at the GHA Elderly Residential Services (ERS), was on continuous sick leave as from 16 July 2018 and reached a total of 182 days of sickness absence on 9 November 2018. As from this date the GDC officer entered half pay. Nevertheless, an instruction was issued to the Principal Secretary of the Ministry of Health, Care and Justice, by the Private Secretary to the Chief Minister on 1 April 2019, informing her that whilst the Office of the Chief Minister investigated the allegations presented by the GDC officer, this officer's sick absence should be at full pay.
- On 5 July 2019, the GDC officer was formally informed by the GDC Human Resources that she was on 'Garden Leave' as from 12 June 2019 until further notice. The GDC officer was further informed that during the period of garden leave, aside from her basic pay, she would receive a monthly 'loss of earnings' allowance of £371.97 (£210.31 in respect of substitution allowance and £161.66 in respect of on-call allowance). The GDC officer continued to receive the loss of earnings allowance

up to 31 October 2022 which means, in the absence of supporting documentation, that she was on garden leave up to this date – a total of 3 years and over 4 months.

4.3.6 In the circumstances, I asked the GDC Secretary in my letter of 22 May 2025:

- (a) What were the allegations put forward by the GDC officer?
- (b) The reason why the GDC officer was placed on garden leave on an apparent indefinite basis for over three years?
- (c) Under what criteria was the GDC officer granted garden leave, bearing in mind that such practice does not exist in the public service and there is no provision for this type of leave in General Orders?
- (d) I told the GDC Secretary that the concept of garden leave should be for a relatively short period of time, and so why then was the garden leave granted to the GDC officer allowed to run for nearly 3½ years? Particularly given the significant cost of having the GDC officer at home without working during such an extended period (in aggregate over £124k was paid to the GDC officer during her garden leave).

4.3.7 **Absenteeism by the GDC Officer** - A recent examination of the GDC officer's leave and sick leave file revealed that management had recorded on file that this officer had a substantial number of days where she had not come to work. In Figure 80 is a record of the days the GDC officer was absent from work, in respect of which she had not presented a sick note or annual leave form in support of her absence:

Figure 80

Date	Absence (Days/Time)	Remarks
27 November 2023	1 day	
22 December 2023	1 day	
18 January 2024	1 day	At the Union, went to work at 14:00
22 January 2024	1 day	Officer arrived at 12:00 and left at 12:45
2 February 2024 am	0.5 day	Officer arrived at 12:00
19 to 22 March 2024	4 days	
26 March 2024	1 day	Officer on Strike
3 April 2024	1 day	
4 April 2024	1 day	
8 April 2024	1 day	
9 April 2024	1 day	Officer on Strike
11 April 2024	1 day	
12 April 2024	1 day	Officer on Strike
17 April 2024	3.5 hours	Officer came in at 10:30 and left at 14:00
23 April 2024	2.25 hours	Officer arrived at 11:00
24 April 2024	2 hours	Officer arrived at 10:45
25 April 2024	1 day	
30 April 2024	1 day	
2 May 2024	2.25 hours	Officer arrived at 11:00
13 to 14 May 2024	2 days	
16 to 17 May 2024	2 days	
20 May 2024	1 day	
22 May 2024	1 day	
24 May 2024	1 day	
28 to 29 May 2024	2 days	
31 May 2024	1 day	
4 June 2024	1 day	
Total	28.5 days plus 10 hours	

- 4.3.8** I highlighted to the GDC Secretary that the days of absence shown in Figure 80, which span the period November 2023 to June 2024, are separate and have no connection with the GDC officer's period of garden leave which ended in October 2022, and her prior period of extended sick leave which ended in June 2019. I told the GDC Secretary that there was hence a need for the 28.5 days and 10 hours of absenteeism to be recovered from the GDC officer.
- 4.3.9** **Appointment to Higher Grades (Promotions)** – In my letter to the GDC Secretary, I drew attention to the fact that on 10 October 2022, whilst on the last month of her period of garden leave, the GDC officer (GDC Grade 3 officer) was promoted to a higher grade, namely the post of Facilities and Operations Manager, i.e. GDC Grade 4 officer (equivalent to Higher Executive Officer) in the Gibraltar Health Authority Elderly Residential Services (ERS).
- 4.3.10** Approximately 2 years later, on 16 September 2024, a transfer memorandum was issued by the GDC specifying that the GDC officer was being transferred from the GHA (ERS) to the Ministry of Justice at her GDC Grade 4 grade. However, subsequently on 18 September 2024, the GDC officer was issued a letter informing her that she was being 'transferred' with effect from 1 September 2024, from the GHA (ERS) to the Ministry of Justice, as a Grade 4 officer Personal-to-Holder and at a salary of £56,702 per annum. Prior to the transfer, the GDC officer was on the minimum+4 point of the GDC Grade 4 pay scale, i.e. £44,977, with still 3 incremental spine points to reach the maximum of the salary scale (£48,444). So, in essence, the transfer was in fact a promotion to a personal-to-holder post at the same grade but at a much higher salary (£56,702), approximately equivalent to the penultimate spine point (£56,742) of the GDC Grade 5 (equivalent to Senior Executive Officer) salary scale, representing a salary increase of £11,725 per annum to the GDC officer.
- 4.3.11** In the circumstances, I requested the GDC Secretary to provide me with a reply to the following queries:
- (a) When the GDC officer was promoted to GDC Grade 4 on 10 October 2022 whilst she was still on garden leave, was this as a consequence and condition of the (undated) settlement agreement (see paragraph 4.3.22) between the Gibraltar Development Corporation and the GDC officer, submitted by the GDC officer's lawyer on 7 July 2021? In other words, was she promoted by way of a direct appointment to the higher grade without going through a process of application, interview and selection by a GDC Selection Board in competition with other applicants?
 - (b) When the GDC officer was further 'promoted' to a GDC Grade 4 Personal-to-Holder post on 1 September 2024, was this by way of a GDC Selection Board in competition with other applicants? If so, when was the job vacancy advertised, and which officers made up the selection board? Or alternatively, was this by way of a direct appointment (promotion) to the higher grade?
 - (c) What was the rationale to issue a letter 2 days after the initial transfer memo transferring (promoting) the GDC officer to the Ministry of Justice as a GDC Grade 4 Personal-to-Holder when in fact she already held a GDC Grade 4 post which had been duly reflected in the transfer memo from the GDC. In other words, what was the reason for enhancing or augmenting the GDC officer annual salary by £11,725?
- 4.3.12** **Irregularities in Overtime and Substitution Claims** – In my letter to the GDC Secretary I told her that on 19 August 2019, I had written to her predecessor, and also copying-in the Financial Secretary, the Chief Secretary, the Accountant General and the Elderly Residential Services Manager informing them that in July 2019, the GDC officer, then working in the GHA (ERS), and whilst on sick leave/garden leave, had submitted a claim for substitution allowance for the vacant post of Facilities and Operations Manager in respect of the period 1 June 2017 to 22 November 2017, together with an overtime claim covering the period 15 May 2017 to 26 October 2017. I explained to the GDC Secretary that the GDC officer, a GDC Grade 3 officer at the time, had been suspended from duty on 22 November 2017

whilst an allegation of fraud and/or mismanagement of public funds was investigated. On 13 July 2018, her suspension was lifted after the allegations were disproven by the corresponding Police investigation. I informed the GDC Secretary that given the very unusual circumstances where an officer was claiming substitution allowance and overtime in bulk in 2019 in respect of substitution and overtime undertaken in 2017 (after two years had elapsed), I was going to verify the accuracy of the claims submitted by the GDC officer.

4.3.13 As a consequence of the audit review, the following observations were noted:

Overtime

- (a) The GDC officer had submitted a claim for overtime, claiming 460 hours of overtime worked during a period of 18 weeks and amounting to £13,890.45. The overtime submission contravened the provisions of Conditions of Service which states, '*Overtime pay should always be issued with salary. There should be an adequate period between the end of an overtime period and the time of payment. This period should not normally exceed one month.*'
- (b) An examination of the overtime hours claimed by the GDC officer against her annual and sick leave records revealed that she had claimed a total of 35 hours of overtime during a period of 6 days when she was either on annual or sick leave, according to her leave records. The cost of the over-claimed overtime amounted to £989.26.
- (c) Separately, there were 4 instances in which the GDC officer had claimed overtime on a public/bank holiday, yet the hours claimed on those days were surprisingly not from early morning –which is the logical time an officer would work the overtime if the individual has to attend to work on a public holiday– but instead commenced at 16:30 up to 21:30 (during winter hours) and 14:30 to 21:30 (during summer hours), surprisingly the same hours the GDC officer usually claimed overtime during a normal working day, leading me to believe that these hours had been erroneously claimed. The cost of this potentially erroneous overtime claimed on the 4 days of public/bank holidays was £1,000.13.

Substitution

- (d) The GDC officer had submitted a substitution allowance claim for an aggregate period of over 5 months, from 1 June 2017 to 22 November 2017, amounting to £1,312.34. An examination of her claim revealed irregularities, not only in the days in which she claimed to be absent from work due to either sick or annual leave, but also in the period being claimed. According to the information submitted by the GDC officer in her substitution claim forms, she was absent for a total of 27 days on annual and sick leave during her period of substitution (these days are deducted from the total amount of days during which she was substituting). However, these 27 days did not agree with her annual/sick leave records which show a substantially higher amount of leave absence, i.e. 55 days, with the result that the GDC officer over-claimed the substitution allowance by a sum representing £568.08.
- (e) The 5-month period of substitution claimed by the GDC officer from 1 June 2017 to 22 November 2017 includes the months of June 2017 and July 2017 which she had previously claimed and had been paid to her. The GDC officer therefore erroneously re-claimed substitution allowance for these 2 months in the net sum of £137.88.

In summary, the GDC officer over-claimed a total of **£1,695.22** in overtime and substitution allowance in the July 2019 claim submitted, as follows:

	Amount Claimed	Correct Amount	Amount Over-claimed
Overtime	£13,890.45	£12,901.19	£989.26
Substitution Allowance	£1,312.34	£744.26	£568.08

Re-claimed Substitution	£137.88	-	£137.88
Total	£15,340.67	£13,645.45	£1,695.22

To this could be added the 4 days of public/bank holidays, during which the GDC officer claims she worked overtime, but which look highly irregular because of the time that these hours were worked on days which were non-working days, representing **£1,000.13** which could potentially have also been erroneously over-claimed.

Note: It should be noted that the GDC officer's overtime and substitution claim amounting to £15,340.67 which has £1,695.22 over-claimed, as shown in the table above, was never paid to her, I presume, given the numerous anomalies it contained.

4.3.14 Given the findings above, I decided to check the GDC officer's previous overtime and substitution claim that was paid to her in June 2017. The following are the further observations noted:

- (a) In June 2017, the GDC officer was paid £5,560.95 in overtime in respect of the 3-month period 13 February 2017 to 10 May 2017. It was noted, however, that there were 6 days of overtime claimed and paid when she was on certificated sick leave and 1 day when she was on annual leave. The amount in over-claimed overtime was 29¼ hours at time and half with 5¾ of these hours having the additional night duty allowance premium of 25%, representing a total of **£807.47** overclaimed by the GDC officer.
- (b) Also in June 2017, the GDC officer submitted a substitution allowance claim for an aggregate period of 2 months in respect of the period 1 March 2017 to 30 April 2017 for which she was paid £584.03. An examination of her substitution claim again revealed irregularities regarding the days in which she claimed to be absent from work due to either sick or annual leave. According to her annual and sick leave records the GDC officer was on annual leave from 8 March 2017 to 9 March 2017; on certificated sick leave on 21 March 2017; and on annual leave on 31 March 2017. Yet, on her substitution claim form she only recorded as being on annual leave on 8 March to 9 March 2017, thereby failing to declare two days of absence with the consequent overpayment of **£39.58**.
- (c) In regard to the overtime and substitution payments made to the GDC officer in June 2017, she over-claimed and was overpaid a total of **£847.05** in overtime and substitution allowance, as follows:

	Amount Claimed	Correct Amount	Amount Over-claimed
Overtime	£5,560.95	£4,753.48	£807.47
Substitution Allowance	£584.03	£544.45	£39.58
Total	£6,144.98	£5,297.93	£847.05

- (d) In conclusion, I told your predecessor, the Financial Secretary, the Accountant General and the Elderly Residential Services Manager that the substantial anomalies in the GDC officer's overtime and substitution claims had demonstrated that these claims were being prepared, checked and authorised departmentally without due care and attention. The high incidence of errors found led me to question the accuracy of previous claims and submissions presented by the GDC officer, which have already been paid to her, and which might similarly contain errors.
- (e) I added that given the nature and extent of the errors and anomalies noted in the GDC officer's belated overtime and substitution claim in 2019, it might appear that the GDC officer had acted in a fraudulent manner, or at the very least she had proceeded dishonestly. I therefore requested that the GDC Secretary look into this matter and take whatever disciplinary steps he might deem appropriate.

- (f) I further told the GDC Secretary, that I was of the view that the level of overtime (extra hours worked beyond conditioned hours) periodically claimed by the GDC officer was inordinately excessive, particularly during the last few years (at the time), and should therefore be strictly monitored and restricted by management. The following was a breakdown of the overtime that had been paid to the GDC officer in the 5 tax years up to June 2017:

Tax Year	Overtime Received
2012-13	£5,312
2013-14	£4,838
2014-15	£5,845
2015-16	£16,246
2016-17	£24,094
Total	£56,335

I further pointed out to the GDC Secretary's predecessor that I understood that approximately two/three years ago, the Financial Secretary had advised that the level of overtime performed by the GDC officer should be restricted.

- (g) I also drew attention to the fact that the GDC officer had an outstanding Scholarship Fees Reimbursements debt with the Department of Education, amounting to **£5,149.40** which she still had to repay. Additionally, I pointed out that the GDC officer also owed the sum of **£5,823.98** to the Gibraltar Sports and Leisure Authority (GSLA) in respect of outstanding fees payable for the use of the sports hall in 2013 and during 2015-16 which required to be settled by her.
- (h) However, I must report that the GDC Secretary at the time never replied to my email, and neither did the previous Financial Secretary, nor the Chief Secretary at the time, nor the Accountant General at the time, nor the Elderly Residential Services Manager at the time reply to me, or express their views or any concerns in writing that they may have had. I am aware that the GDC officer's overtime and substitution claim of £15,202.79 was never paid, probably because of the £1,695.22 overclaimed by her. However, the previously overclaimed sum of £847.05 by the GDC officer in overtime and substitution payments to her, was never recovered from the GDC officer. I find it surprising that in spite of my concerns on the nature and extent of the errors noted in the GDC officer's overtime and substitution claim in 2019, added to the previous sums she had over-claimed and been overpaid in 2017, no investigation or action was taken by the GDC Secretary, or by any of the senior grades that were copied into my correspondence. My call for a review on the matter, or for an investigation, given that it appeared that the GDC officer had acted in a possibly fraudulent manner, and/or had proceeded dishonestly in many of the overtime and substitution claims she made, were ignored. To my knowledge no disciplinary steps or other action was taken in regard to this matter. Additionally, no action was taken to bring to account the £847.05 overclaimed and overpaid to the GDC officer.
- (i) Considering the seriousness of the GDC officer's actions, I am very concerned at the overall lack of management action displayed. Moreover, I find it equally concerning that there appeared to be no will, or perceived effort, by the aforementioned senior officers to recover the arrears of revenue in scholarship fees and hire of the GSLA sports hall (in aggregate totalling £10,973.38) that is owed by the GDC officer, one of which has been outstanding for 12 years and the other for over 8 years. This is particularly surprising bearing in mind the significant sum (£260,000) that was paid to the GDC officer as a lump-sum payment (see paragraph 4.3.15).

- 4.3.15 Claim by the GDC Officer against the Gibraltar Development Corporation** - On 5 October 2020, the GDC officer filed a claim in the Supreme Court of Gibraltar against her employer, the Gibraltar Development Corporation. From the Court Claim Form, it was noted that the claimant could not say how much was likely to be recovered at that stage, but she did not expect the claim to exceed £500,000. According to the Claim Form, the particulars of the claim, in brief terms, were:

“Damages for personal injuries, loss and damage caused consequential to those injuries sustained on or around 9 October 2017 as a result her employment with the GDC which were caused by the negligence and/or breach of contractual duty and/or breach of statutory duty including but not limited to the management of Health and Safety Regulations 1996 (as amended) of the defendant (the GDC), its servants or agents; in addition to interest on those damages pursuant to section 14 of the Contract and Tort Act 1960.”

- 4.3.16** On 22 February 2021, the Supreme Court wrote to the defendant (the GDC) informing the Corporation that no defence had been filed and the time for doing so had expired. Consequently, the Court issued a judgment in default, ordering that the GDC must pay the claimant (the GDC officer) an amount which the Court would decide, in addition to costs. The Court additionally informed the GDC that it should attend the Court on a date to be notified, when the Court would make its decision.
- 4.3.17** On 19 March 2021, the Registrar, Supreme Court issued a Consent Order upon agreement of the two parties, that judgment in default be set aside on the grounds that the parties were negotiating the terms of a possible settlement and as a consequence the GDC officer's claim be stayed until 19 April 2021. On 11 May 2021, the Registrar, Supreme Court, ordered the GDC officer's claim be further stayed until 18 June 2021.
- 4.3.18** On 7 July 2021 a preliminary Without Prejudice Schedule of Loss (“Schedule of Loss”), dated 30 June 2021, amounting to £295,820 (up to June 2021), was submitted to the GDC Chairman (the Chief Minister) following the GDC officer's claim filed on 5 October 2020 against the GDC. The summary of the Schedule of Loss claim is shown hereunder:

• General Damages	£40,000
• Past loss of Earnings (Net)	£106,638
• Past loss of Pension Contributions	£30,660
• Past Gratuitous Care and Assistance	£23,400
• Past Medical Expenses and Losses	£56,892
• Future Loss of Earnings	TBC
• Future Loss of Pension	TBC
• Future Gratuitous Care and Assistance	TBC
• Future Medical Expenses	£38,230
Total	<u>£295,820</u>

- 4.3.19** However, on conducting a detailed review of the components making up the Schedule of Loss the following points were noted:

<p>General Damages General Damages for pain, suffering and loss of amenity is an estimated sum. However, this is an arbitrary figure for the assessment of general damage in personal injury cases.</p>	<p>£40,000</p>
<p>Past Loss of Earnings (Net) <u>Loss of earnings: May 2017 to November 2017 - Period before suspension</u> £12,963.33 Gross (i.e. £10,370.65 net of Income Tax at 20%) made up of:</p> <ul style="list-style-type: none"> • Overtime - Claimed 460 hours of overtime worked, i.e. £11,931.38, during the period 15 May 2017 to 21 November 2017; and 	

- On Call - £103.47 for time on-call in respect of May and June 2017 and £928.48 for time on-call for July to November 2017.

It should be noted that the GDC officer submitted a claim to Treasury in July 2019 for the aforementioned 460 overtime hours, but this submission claim was never paid by Treasury (see paragraph 4.3.13(a)). The difference between the original calculations of overtime claimed as per paragraph 4.3.13(a), i.e. £13,890.45, and the amount as per the Schedule of Loss, i.e. £11,931.38, is due to the fact that the initial calculations are based on the rate of pay applicable to the GDC officer whilst substituting to the GDC Grade 4, whereas the Schedule of Loss claimed calculation is based on the GDC officer's basic rate of pay of GDC Grade 3.

Loss of earnings: 22 November 2017 to 31 July 2018 - Period during suspension

- Overtime - £19,221.60 Gross (i.e. **£15,377.28** net of Income Tax at 20%). Claimed 4.5 overtime hours per working day for a total of 166 working days during this period.

In my view, this claim should not have been entertained, given that the overtime specified is hypothetical, the hours claimed by the GDC officer were not performed and are not part of the conditions of employment of the GDC officer. The standard practice when remunerating an officer who is suspended from work is to pay basic salary only and does not include any hypothetical overtime the officer could have been eligible for.

- On-call - £2,717.85 Gross (i.e. **£2,174.28** net of Income Tax at 20%)

In my view, this claim should not have been entertained, given that the on-call allowance is hypothetical as the GDC officer was clearly not on on-call duties as she was suspended from work. The standard practice when remunerating an officer who is suspended from work is to pay basic salary only and does not include any hypothetical on-call allowance the officer could have been eligible for.

- Substitution - £3,117.84 Gross (i.e. **£2,494.27** net of Income Tax at 20%)

In my view, this claim should not have been entertained, given that the substitution allowance is hypothetical as the GDC officer was clearly not substituting for a higher post as she was suspended from work. The standard practice when remunerating an officer who is suspended from work is to pay basic salary only and does not include any hypothetical substitution allowance the officer could have been eligible for.

Loss of Earnings: 1 August 2018 to 31 May 2019

- Overtime, substitution and on-call – Estimated amount £31,000 (i.e. **£24,800.00** net of Income Tax at 20%)

In my view, this claim should not have been entertained, given that the GDC officer was on continuous sick leave from 16 July 2018 to 11 June 2019, and had sick leave dispensation at full pay approved on instruction by the GDC Chairman (the Chief Minister). In the Schedule of Loss, the GDC officer stated that this estimate was prepared by the Treasury, however, when I contacted Treasury they confirmed that no such estimate had been requested, or prepared by Treasury.

Loss of Earnings: 1 November 2018 to 31 March 2019

- Sick leave at half pay - £6,739.67 Gross (**£5,391.74** net of Income Tax at 20%). The GDC officer claimed four months of sick leave at half pay that had been deducted from her salary before the sick leave dispensation at full pay instruction was issued by the GDC Chairman. the GDC officer's salary for these four months was never adjusted back to account for the sick leave dispensation instruction.

Loss of Earnings: 1 June 2019 to 30 June 2021

- Overtime - £48,238.25 Gross (i.e. **£38,590.60** net of Income Tax at 20%). Claimed 3 overtime hours per working day, based on an average of 20 working days per month at

<p>the rate of pay applicable on substitution to the GDC Grade 4 during this period whilst the GDC officer was on garden leave as from the 12 June 2019 onwards.</p> <p>In my view, this claim should <u>not</u> have been entertained given that this overtime is hypothetical, the hours claimed by the GDC officer <u>were not performed</u> as she was, during this period, on garden leave and overtime is not part of the conditions of employment of the GDC officer.</p> <ul style="list-style-type: none"> On-call - £4,041.50 Gross (i.e. £3,233.20 net of Income Tax at 20%). Claimed on-call allowance amounting to £161.66 per month during this period. <p>In my view, this claim should <u>not</u> have been entertained at all, given that the GDC officer had already received this amount in salary whilst she was on garden leave as 'loss of earnings' since July 2019 to October 2022.</p> <ul style="list-style-type: none"> Substitution - £5,257.75 Gross (i.e. £4,206.20 net of Income Tax at 20%). Claimed substitution allowance amounting to £210.31 per month during this period. <p>In my view, this claim should <u>not</u> have been entertained at all, given that the GDC officer already received this amount in salary whilst she was on garden leave as 'loss of earnings' since July 2019 to October 2022.</p> <p>It must be stressed that at the time of the submission of the Schedule of Loss to the GDC Chairman in July 2021, the GDC officer was already in receipt (for two years prior to July 2021) of the substitution and on-call loss of earnings in her salary whilst she was on garden leave.</p>	<p>£106,638</p>
<p><u>Past Loss of Pension Contributions</u> <u>Loss of Pension Contributions: January 2018 to August 2021</u></p> <ul style="list-style-type: none"> Included in the Schedule of Loss is the GDC officer's claim of £30,659.75 in respect of loss of contribution to her pension fund on the basis that she contributed at 8% and her employer contributed 17% in accordance with the basic salary of a GDC Grade 3 Officer (i.e. £33,447 min+4 August 2017 pay review). <p>However, this claim is <u>not factual</u> as the GDC officer does <u>not contribute and has never contributed</u> (since she started in 2008 as a GDC employee) to a Government contributory pension scheme, despite being previously reminded in writing in June 2016, that she was not a member of neither of the two government contributory pension schemes available to her. It is surprising that the GDC officer has had the audacity to claim loss of Pension Contributions when she has never joined any of the two contributory pension schemes available to her since her employment with the GDC in 2008.</p>	<p>£30,660</p>
<p><u>Past Gratuitous Care and Assistance</u> <u>Past Gratuitous Care and Assistance: 2018 to 2020 (3 years)</u></p> <ul style="list-style-type: none"> The GDC officer claimed £23,400 in respect of care and assistance at home with everyday domestic tasks for 20 hours per week at a rate of £7.50 per hour (based on 75% of a commercial rate of £10 per hour) during her period of suspension, sickness absence and garden leave. <p>This could perhaps have been challenged and not entertained, as no evidence of actual expenditure incurred by the GDC officer was held on file.</p>	<p>£23,400</p>
<p><u>Past Medical Expenses and Losses</u></p> <ul style="list-style-type: none"> The GDC officer claimed £13,230 in respect of medical consultations at a rate of £200 per session twice a month for a period of three and half years together with medication costs. However, the claimed amount does not agree with the underlying narrative for the expenses allegedly incurred by the GDC officer. 	

<ul style="list-style-type: none"> Therapy expenses for treatment and consultations were claimed by the GDC officer adding up to £20,500 at a rate of £500 per month for nearly three and half years from 2018 until June 2021. Other various medical expenses were claimed totalling £23,162. 	£56,892
<u>Future Loss of Earnings</u> <ul style="list-style-type: none"> A substantial continuing loss of earnings claim would be made if the GDC officer is unable to return to her pre-accident employment given her age and years left to retirement. The Schedule of Loss states that the amount of the loss will be valued upon receipt of the GDC officer's updated medical prognosis. 	TBC
<u>Future Loss of Pension</u> <ul style="list-style-type: none"> The GDC officer ascertained that there would be a substantial claim given her age and years left until retirement if she is unable to return to her pre-accident employment. The Schedule of Loss states that the amount of the loss will be valued upon receipt of information as to her prospective pension. Once again, this is simply <u>not true</u> given that, as previously mentioned above, the GDC officer does <u>not contribute and has never contributed</u> to a Government contributory pension scheme. 	TBC
<u>Future Gratuitous Care and Assistance</u> <ul style="list-style-type: none"> Given the GDC officer's ongoing condition, there would also be a continuous claim for gratuitous care and assistance as she still requires help with some aspects of her everyday life. 	TBC
<u>Future Medical Expenses</u> Future Medical Expenses based on actual expenses incurred were included in the Schedule of Loss, made up of: <ul style="list-style-type: none"> The GDC officer claimed £19,500 in relation to a quote obtained by her for a possible surgical procedure, medical consultation fees, treatment costs and associated tests. The GDC officer also claimed £13,230 in relation to medical consultation sessions twice a month and related medication for the next three years. Therapy expenses of £500 per month totalling £5,500 were claimed by the GDC officer until May 2022. 	£38,230
<u>Total Schedule of Loss Claim</u>	£295,820

4.3.20 In my letter dated 22 May 2025, I told the GDC Secretary that considering the content of some of the salient components making up the Schedule of Loss Claim, it is clear that the Schedule of Loss was not reviewed or subjected to detailed examination or verification process by the Gibraltar Development Corporation or by the Government to establish the accuracy, content and legitimacy of the different elements of the claim.

4.3.21 I further pointed out to the GDC Secretary that I found it surprising to see in the Schedule of Loss Claim that the GDC officer asserted in a 'statement of truth paragraph' that the facts in the Schedule of Loss are true, when some of these facts are false (e.g. the loss of pension contributions, bearing in mind the GDC officer is not a contributor to a contributory pension scheme; and the loss of on-call allowance and substitution allowance during her period of garden leave when she had already been paid these allowances).

4.3.22 I informed the GDC Secretary that in 2022, under a settlement agreement (undated) between the GDC and the GDC officer it was agreed that:

- The GDC would pay the GDC officer £260,000 in full and final settlement of the GDC officer's claim, exclusive of costs;
- The GDC would pay the GDC officer's legal costs and disbursements to be assessed, if not agreed;
- The GDC officer to return to work on 4 January 2021 on a staged basis as advised by a suitable Occupational Health Practitioner;
- The GDC officer's position as acting Facilities and Operations Manager (equivalent to GDC Grade 4) in the Elderly Residential Services to be made permanent with a starting salary at grade 4, scale 1;
- The GDC officer's sick leave record to be set to zero, effectively reversing any sick leave taken as a result of her injuries; and
- The GDC officer would be entitled to 90 days annual leave for the year 2021 to cover leave brought forward.

4.3.23 On 1 June 2022, the GDC paid the GDC officer, via her lawyer, a total sum of **£260,000**, exclusive of costs and disbursements, as an ex-gratia payment. The settlement agreement provided that the GDC officer would release and discharge all actions against the GDC in connection with the dispute. The settlement agreement entered into by both parties, in connection with the compromise of disputed matters, provided that it shall not be represented or construed by the parties as an admission of liability or wrongdoing on the part of either of the parties to the agreement or any other person or entity. The settlement agreement between both parties provided that the GDC officer's legal costs and disbursements in relation to the dispute be paid by the GDC. These legal costs amounted to **£19,773** and were paid by the GDC to the GDC officer's legal representative on 26 August 2022.

4.3.24 On 7 September 2022, the Supreme Court issued a Notice of Discontinuance whereby the claimant, the GDC officer, discontinued all of her claim against the defendant, the GDC.

4.3.25 In my letter dated 22 May 2025, I told the GDC Secretary that given the circumstances that transpired, I should be grateful to learn why the GDC did not, in the first place, contest the claim against the Corporation by filing a defence in Court? The fact that the public officers named in the claim put forward by the GDC officer were committed to making representations that refuted the GDC officer's allegations against the way the GDC officer claimed she had been treated, suggested there was at least a chance the claim would be rejected and thus public funds spared.

4.3.26 I told the GDC Secretary that I found it most concerning that the GDC appeared to have willingly accepted not to file a defence in Court, with a view of challenging the claim served by the GDC officer. Instead, the Corporation proceeded to settle out of court without first undertaking a formal internal investigation into the matter by seeking the views of the officers that the GDC officer refers to in her court claim. Conducting such an investigation would have established whether the claim was right, justified and reasonable. In any event, the GDC officer should have been advised that instead of filing a claim in Court against the GDC, she should first have lodged a complaint through the Head of the GHA Elderly Residential Services in accordance with Government General Orders.

4.3.27 **The GDC Officer's Involvement in Political Activities** - There are two sections within Government General Orders that govern the activities of public servants on matters of political activities and controversy. The two sections fall under section 6 – Conduct, specifically sections 6.3 and 6.5. For ease of reference, I have enclosed extracts of these provisions in Appendix C at the end of this section of my report.

4.3.28 In my letter dated 22 May 2025, I told the GDC Secretary that an inspection of the GDC officer's departmental personal files showed that, initially in her career, after being a

Terminals Assistant GDC Grade 2 officer (equivalent to Administrative Officer in the Civil Service) in the Gibraltar Tourist Office for over three years when she joined the GDC, she wrote to her Head of Department on 8 November 2011, informing him that she had joined a local political party as a member two years previously and became the chairperson for the party's youth section, including also being a member of the party's executive committee. She further explained to her Head of Department that being 'election month' at the time, ahead of the General Elections on 8 December 2011, it would entail her being more actively involved at a public level. She informed him that she had been selected as 'Head Representative' of the political party in a polling station and later escorting the ballot boxes when polls close, evidently taking annual leave for this purpose. In the letter, she enquired whether such activity would pose a problem. There is subsequently an unsigned letter in her file by her Head of Department, dated 9 November 2011, addressed to the GDC Human Resources Manager, where the Department Head recommends that given the GDC officer's position as a Terminals Assistant (equivalent to Administrative Officer), which falls under the Intermediate Group category in General Orders (see Appendix D) in relation to Political Activities, and taking into account her actual duties, he did not see that she could have an influence on any matter of a political sensitivity. There is no further correspondence on file that shows evidence of a decision having been taken of her request. Nonetheless, considering the GDC officer's subsequent continued involvement in political activities that have been publicly evident in the media, I can only conclude that she was permitted to undertake political activities outside working hours.

- 4.3.29** Whilst the GDC officer's career in the public service progressed during the course of time, and she was promoted on 12 May 2014, from GDC Grade 2 (Administrative Officer) to GDC Grade 3 (Executive Officer) within the Gibraltar Tourist Office, she continued her political activities outside of work, and even though her new grade still fell under the Intermediate Group category, there is no evidence on her personal files that she requested permission to undertake these activities.
- 4.3.30** As a GDC Grade 3 officer, the GDC officer was substituting for the post of Facilities and Operations Manager in the GHA (ERS), i.e. GDC Grade 4 officer, on a continuous basis since August 2015. In time, and as previously mentioned in paragraph 4.3.9, the GDC officer was promoted to Facilities and Operations Manager on 10 October 2022. Yet, despite this post being in the Politically Restricted Group, as per General Order 6.5.3 (see Appendix E), the GDC officer continued to be actively involved in political activities, including during the General Elections in October 2023, when this is clearly prohibited under General Orders. Surprisingly, none of her superiors, the GDC Secretary or the Chief Secretary who issues a reminder to all public servants prior to the Elections to strictly abide by the provisions of General Orders 6.3 and 6.5, via a government-wide Bulletin of Circular, stopped her from undertaking this activity. Moreover, although currently the GDC officer is no longer the Facilities and Operations Manager in the GHA ERS and therefore not in the politically restricted group, the fact that she is a GDC Grade 4 with a personal-to-holder salary approximating the maximum salary of a GDC Grade 5 officer, the GDC officer should have requested permission if she wants to participate in political activities. Particularly, given the fact that she has been serving since 2023 as a member of a political party's executive committee. However, there is no evidence in her personal files that she requested permission to undertake these activities.

Gibraltar Development Corporation Staff Appointments

- 4.3.31** On 7 October 2024, I wrote to the GDC Secretary, drawing attention to a number of copies of letters and offers of appointment which I had received in the mail, in respect of which I required an explanation.
- 4.3.32** I asked the GDC Secretary if she could explain the reason(s) why the officers listed in subparagraphs (a) to (c) below had been appointed (promoted) to GDC senior managerial posts. I also enquired why these officers, with the exception of Officer X, had been placed at the

maximum of their new salary scale, which is not the standard methodology when appointing an officer from a lower graded post to a higher post.

(a) **Officer X**

Officer X, a Senior Biomedical Scientist at the GHA and temporarily promoted to the post of Pathology Services Manager up until August 2023 was earning £76,192 per annum (Min +3 of the salary scale). He then reverted back to his post in September 2023 earning £56,359 per annum (Maximum point of the salary scale) as he was interdicted from duty. Officer X was offered a GDC Grade 5 (personal-to-holder) post, with effect from 12 August 2024, in the Department of Personnel & Development (Supernumerary) and granted 100% facility time for the first two years (as a special concession in his current role as an official of a trade union) earning £67,265 per annum (Minimum point of the salary scale), but eventually will be earning £75,594 (Maximum point of the salary scale). This has resulted in Officer X, notwithstanding his interdiction from duty arising from misconduct whilst acting Pathology Services Manager at the GHA, being essentially promoted to a GDC post.

(b) **Officer Y**

Officer Y, an Ambulance Station Officer at the GHA, was temporary promoted to the post of Chief Ambulance Officer up until March 2023, earning £56,359 per annum (single salary scale point). He then reverted back to his Ambulance Station Officer post in April 2023, earning £35,634 per annum (Maximum point of the salary scale). However, after reverting to his substantive grade, Officer Y was on an extensive period of sick leave. Officer Y was then 'transferred' to the GDC, with effect from 1 August 2024, as a GDC Grade 5 (personal-to-holder) post in the Department of Personnel & Development (Supernumerary) and seconded to the GHA (Elderly Residential Services Section) as Elderly Residential Services Manager (Administration) earning £75,594 per annum (Maximum point of the salary scale). This resulted in Officer Y being essentially promoted to a senior GDC post at a substantial level – effectively more than doubling his previous basic pay.

(c) **Officer Z**

Officer Z was a Borders and Coastguard Officer (BC1) up until December 2023, earning £39,912 (Maximum point of the salary scale). In January 2024, he was offered a GDC Grade 4 (personal-to-holder) post in the Department of Personnel & Development (Supernumerary) and seconded to the Department of Employment earning £50,763 per annum (single salary scale point). In April 2024 he was transferred to the Ministry for Industrial Relations, Civil Contingencies and Sport. With effect from 1 August 2024, Officer Z was offered a GDC Grade 5 post in the Department of Personnel & Development (Supernumerary) and seconded to the GHA (Elderly Residential Services Section) as Facilities Manager earning £58,821 per annum (Maximum point of the salary scale). This has resulted in Officer Z being essentially promoted twice, to two different GDC managerial posts in a period of 8 months.

4.3.33 I informed the GDC Secretary that although it could be the case that some of these appointments may have been the result of the officers concerned applying to the specific posts and then being selected via a promotion board, I nevertheless expressed my concern at the relative ease with which these officers had moved (transferred) across the wider public service and appointed to GDC managerial positions at significant higher salaries. I further told the GDC Secretary that these were not isolated cases as there had been other officers in the public service who in recent years had similarly been transferred and appointed to GDC senior positions, or altogether 'upgraded' in their posts to very senior positions, some even without going through a selective and independent promotion board. I pointed out to the GDC Secretary that this was cause for serious audit concern.

- 4.3.34** On 18 October 2024, the GDC Secretary wrote to me explaining, in regard to Officer X, that prior to his interdiction, Officer X had been discharging the role of Pathology Services Manager earning circa £76K per annum in addition to allowances. She pointed out, however, that sufficient concerns were raised as to the impartiality of the disciplinary process, and naturally, Officer X could no longer remain in the GHA. The GDC Secretary explained that the Corporation took into account that Officer X had been acting as Head of Department for a considerable period, to the extent of being temporarily appointed in that role. The Gibraltar Development Corporation also considered that Officer X, if engaged by the GDC, would no longer receive his GHA allowances resulting in a drop in his remuneration. The Corporation therefore considered that in the circumstances, it was appropriate to engage Officer X as a GDC Grade 5 (personal-to-holder) on the minimum point of the scale. The GDC Secretary further explained that Officer X had been elected as an official of a trade union in 2024 and in the absence of a specific work area, he had provisionally been afforded 100% facility time as opposed to 50% facility time, until a determination could be made concerning his re-deployment. She said that, whilst it would appear that Officer X might have been given a promotion based on his basic salary, consideration should be given that he is no longer in receipt of the allowances he previously enjoyed, in fact, his post gross earnings under his GDC appointment were lower than what he had been earning in the GHA.
- 4.3.35** Regarding Officer Y and Officer Z, the GDC Secretary said her explanations were applicable to both officers given the similarities of their cases. The GDC Secretary made reference to my correspondence where I had highlighted each individual's basic pay. She said that nevertheless, there were additional emoluments that made up these officers' previous respective salaries that result in the provisions made in their GDC appointments.
- 4.3.36** I do not agree with the GDC Secretary's explanations, since aside from an officer's contractual basic pay, any allowances or overtime that an officer might have enjoyed as part of his previous job role is not a de facto entitlement to be used to the officer's advantage when requesting to maintain a similar level of gross income, on being considered for a transfer to another government position. Such consideration is not appropriate nor acceptable in my view.
- 4.3.37** In a separate case, on 31 May 2025, I wrote to the GDC Secretary, having seen in the incoming mail, a copy of an offer of appointment letter, dated 29 May 2025, showing that an individual had been appointed as GDC Grade 4 Officer at the Ministry of Equality, Employment, Culture & Tourism with effect from 1 June 2025. Further examination showed the individual being made the offer of appointment was closely related to a Government Minister. Not having seen the job of GDC Grade 4 advertised in a Gibraltar Development Corporation Bulletin of Circular, I enquired from the GDC Secretary the following information:
- Had the post been advertised in the public service?
 - If so, could she refer me to the GDC Bulletin of Circular where the post was advertised?
 - If the post was advertised, had an independent selection board been involved in the selection process?
 - If the post had been advertised, how many other applicants had applied for the post?
 - Why had the individual been placed in the GDC Grade 4 (personal-to-holder) salary of £51,353 (a one-point salary scale), and not at the minimum point of the generic salary scale of the GDC Grade 4, i.e. £38,077, which is usually the starting salary point in the scale where new appointees that come into the public service from the private sector start.

At the close of this report, the GDC Secretary had not replied to my queries.

4.4 Gibraltar Port Authority

- 4.4.1** An examination of the Government Advance accounts during the financial year 2018-19 showed there was an Advance account titled 'North Mole Incident', under the control and responsibility of the Captain of the Port. The account showed a debit balance of £3,361,070

as at 31 March 2019, which had been brought forward from the previous financial year 2017-18 and dates back to the financial year 2011-12.

- 4.4.2** The advance account relates to the expenditure incurred in relation to the tragic explosion that occurred on 31 May 2011 at Nature Port Reception Facilities Limited in the North Mole, as a result of which substantial damage was sustained by the facilities on the site and the surrounding port area.
- 4.4.3** On 24 May 2017, a claim was filed against Nature Port Reception Facilities Limited by the Government of Gibraltar and the Gibraltar Port Authority in the Supreme Court of Gibraltar. The proceeds of the claim were received on 23 December 2021 as full and final settlement of the claim.
- 4.4.4** Nevertheless, at the close of this report, the sum of £1,986,070 remains outstanding in the advance account which needs to be addressed by the Captain of the Port, as Controlling Officer of the Advance Account. A decision requires to be taken on whether the outstanding amount in the Advance Account is to be recharged to the Gibraltar Port Authority or the Consolidated Fund. Alternatively, consideration might be given to write-off the outstanding balance as an abandoned claim, as a Notice of Discontinuance was issued by the Supreme Court on 23 December 2021 and no further claims will be made on this.
- 4.4.5** On 15 May 2025, I wrote to the Captain of the Port seeking further information on the position of the Advance Account, however, at the close of this report I had not yet received a reply.

Examination of Liquidators' Accounts

- 4.5.1** Since the completion of my last report on the annual accounts for the financial years 2016-17 and 2017-18 on 21 December 2023, the liquidators' accounts of companies in compulsory liquidation as listed in Figure 81 have been examined, up to the dates indicated, in accordance with the provisions of Section 245(3) of the repealed Companies Act.

Figure 81

Company	Accounts Audited Up To
Aladdin's Treasure Cave Limited	15 March 2024
Aldgate Insurance Company Limited	8 January 2024
Cabor Trustees Limited	30 June 2024
Eurolife Assurance (International) Limited	30 June 2024
Gibland Secretarial Services Limited	30 June 2024
Globe Trading Company Limited	04 March 2025
Lemma Europe Insurance Company Limited	30 June 2024
Sandvik Marine Electronics Limited	13 March 2024

PART 4 - STATUTORY AND OTHER AUDITS

A TIMELINE OF EVENTS RELATING TO THE GDC OFFICER.

Date	Event
09/10/2017	Officer alleges she sustained personal injuries, loss and damage caused as the result of several incidents which occurred on or about this date.
22/11/2017	Officer was suspended from duty as a consequence of allegations of fraud and or mismanagement of public funds.
13/07/2018	Officer's suspension from duty was lifted as allegations had been answered and disproven by RGP investigation. As such, it was decided there was no merit in conducting a separate internal investigation.
16/07/2018	Officer commenced continuous sick leave (until 11/6/19).
09/11/2018	Officer on sick leave entered half pay (until 31/3/19).
08/03/2019	Officer met with GDC Chairman (Chief Minister).
01/04/2019	Instruction from GDC Chairman (Chief Minister) for officer to be paid her salary in full after officer met with him on 8/3/19.
13/06/2019	Officer makes representations to Industrial Relations Officer regarding loss of earnings whilst on garden leave (on the basis that she had been verbally informed she was on garden leave). As a consequence, GDC Secretary authorises the payment of a monthly loss of earnings allowance of £371.97 which encompasses substitution allowance (£210.31) and on-call allowance (£161.66) to ensure officer does not suffer any further additional stress. Loss of earnings allowance paid up to 31/10/22.
01/07/2019	Officer submitted a claim for substitution allowance amounting to £1,312.34 for the vacant post of Facilities and Operations Manager in respect of the period 1/6/17 to 22/11/17, together with an overtime claim for £13,890.45 (460 hrs) covering the period 15/5/17 to 26/10/17. This claim was not paid by Treasury, but officer includes it in her Schedule of Loss claim in support of the Settlement Agreement.
05/07/2019	Officer formally informed in writing that she had been granted garden leave retrospectively with effect from 12/6/19.
26/05/2020	Officer's lawyer letter of claim to GDC Chairman (Chief Minister).
07/09/2020	Officer met with GDC Chairman (Chief Minister) for the purpose of discussing the possibility of a settlement in regard to claim. Following this meeting, a settlement was agreed in principle on several terms.
14/09/2020	Email correspondence from officer's lawyer to GDC Chairman (Chief Minister).
05/10/2020	Officer files Claim Form and Particulars of Claim in Supreme Court.
29/10/2020	Officer's lawyer sends letter to GDC Chairman informing him that he will proceed to draft a Settlement Agreement for the GDC Chairman's consideration.
22/02/2021	Supreme Court judgment for officer entered in default, as no defence having been filed and the time for doing so having expired.
02/03/2021	Supreme Court issues Relisting Notice from 11/03/21 to 26/03/21.
19/03/2021	Supreme Court issues Consent Order upon agreement of the parties – Judgment in default to be set aside.
11/05/2021	Supreme Court issues Consent Order, upon agreement of the parties on the grounds that the parties are negotiating the terms of a possible settlement, the Claim herein stayed until 18/6/21.
13/05/2021	Meeting held between officer's lawyer and GDC Chairman (Chief Minister) in connection with officer's claim.

PART 4 - STATUTORY AND OTHER AUDITS**A TIMELINE OF EVENTS RELATING TO THE GDC OFFICER (Cont'd).**

07/07/2021	Draft Settlement Agreement and Without Prejudice Schedule of Loss dated 30/6/21 submitted by officer's lawyer to GDC Chairman (Chief Minister).
01/06/2022	GDC paid £260,000 to the Officer, pursuant to the Settlement Agreement between both parties.
26/08/2022	GDC paid £19,773 in respect of Officer's lawyer's legal fees pursuant to the Settlement Agreement between both parties.
07/09/2022	Notice of Discontinuance of Claim filed by Officer's lawyer in the Supreme Court.
10/10/2022	Officer promoted to GDC Grade 4 at GHA ERS, whilst on garden leave. This was one of the conditions of the Settlement Agreement.
Nov'23 to Jun'24	Officer incurs 30 days of absenteeism between 27/11/23 to 4/6/24.
16/09/2024	Officer is transferred to the Ministry of Justice as a GDC Grade 4 with effect from 1/9/24. Officer was on salary point Min+4, (£44,977).
18/09/2024	Officer "promoted" to GDC Grade 4 (personal-to-holder) and placed on salary point £56,702, representing a yearly increase in salary of £11,725, two days after being transferred to the Ministry of Justice.

EXTRACT FROM GOVERNMENT GENERAL ORDERS

6.3 PARTICIPATION OR INVOLVEMENT BY PUBLIC SERVANTS IN MATTERS OF PUBLIC OR POLITICAL CONTROVERSY

6.3.1 *Officers are subject to the Official Secrets Acts 1911 to 1929. There is, however, no objection to an officer repeating information which has already been made public. The Official Secrets Acts cover material published in a speech, lecture, radio or television broadcast, in the Press or in book form; they cover non-secret as well as secret information, and apply not only during an officer's employment but also when he has retired or left the service.*

6.3.2 *An officer who wishes to take part in any outside activity which involves the disclosure of official information or use of financial experience must obtain prior authority from the Director of Personnel and Development.*

6.3.3 *Subject to the provisions in this section, Public Servants are bound to retain a proper reticence in matters of public and political controversy which relate to Gibraltar so that they should not normally take an active part in any such matter which is or could be one of public or political controversy whether or not it is one with which they are officially concerned. If for any reason they feel impelled as private citizens, and in relation to any issue, to take publicly an active part, write to the press, broadcast speeches or lectures, appear in the media, or participate in outside organisations they may do so provided that:*

- (i) they are not in the Politically Restricted Group listed at Appendix 6B to this Chapter; or,*
- (ii) they are not closely engaged in working to, or assisting Ministers (e.g. working in a Minister's private office or engaged in tendering advice or executing immediate ministerial directives; or work that is subject to considerations of national security or public safety).*

6.3.4 *Public servants who intend to pursue such an active public part must adhere to the following general principles:*

- (a) There must be no disclosure of official information which is not already in the public domain;*
- (b) The relations between public servants and Ministers or the advice given to Ministers must not be disclosed;*
- (c) There must be no comment or activity which conflicts with the interests of the department, or which relate to the activities or responsibilities of the officer's department, or which bring the good name of the department or the Public Service generally as a body into disrepute. This includes activity which has a direct bearing on, or relevance to, the department where the public servant concerned is employed at a given time or has worked in at any time during the preceding 10 years.*

Public servants may of course consult with their Head of Department for guidance or clarification before they proceed with such intended course of action. Failure to comply with the general principles set out above may render the officer liable to disciplinary proceedings under Section 7 of General Orders.

EXTRACT FROM GOVERNMENT GENERAL ORDERS**6.5 POLITICAL ACTIVITIES**Statement of Intent

6.5.1 *The purpose of these Rules is to provide a framework within which Gibraltar Public Servants may enjoy as much freedom as possible to engage, as private individuals, in local political activities without undermining the confidence of Ministers and the public in the impartiality with which the public service carries out the policies of the Government of the day. In order to maintain that confidence, it is essential that certain categories of public servant should be required to refrain from political activities as defined in paragraph 6.5.2 below. In approaching these rules, 3 points in particular need to be emphasised:*

- (a) *the rules are concerned with political activities which involve the public expression of personal political views, rather than privately held beliefs and options;*
- (b) *the rules relate to activities carried on outside of official working hours: even public servants in the politically free category (as defined below) should not engage in political activities when they are on duty, in uniform or on official premises;*
- (c) *all public servants are bound by the rules concerning the use of official information or experience (see General Orders 6.3.1 to 6.3.3).*

Rules

6.5.2. *Political activities subject to restriction are defined as follows:*

- (a) *public announcement as a candidate or prospective candidate for the Parliament;*
- (b) *holding, in party political organisations, offices which impinge wholly or mainly on party politics in the field of the Parliament;*
- (c) *speaking in public on matters of political controversy;*
- (d) *expressing views on such matters in letters to the press, or in books, articles or leaflets;*
- (e) *canvassing on behalf of a candidate for the Parliament, or on behalf of a political party.*

6.5.3 *Public servants in the grades listed in Appendix 6B [reproduced in Annex 3 of this report] are known as the politically restricted group, and are debarred from engaging in any of the political activities defined above.*

6.5.4 *Public servants in grades listed in Appendix 6C, form the intermediate group whose freedom to engage in political activities will vary according to the particular post they are holding at a given time. They do not therefore have an automatic right to engage in political activities, but they may be granted that right on application to the Director of Personnel and Development, if he is satisfied that the nature of their present duties is such as not to make it undesirable for them to be allowed to engage in political activities. As a general rule, the Director of Personnel and Development will only withhold permission from staff who, for the time being, are:*

- (a) *closely engaged in assistance to Ministers, e.g. in tendering advice or executing immediate ministerial directives; or working in sensitive areas, e.g. in the private offices of Ministers or senior officials, or work that is subject to considerations of national security; or*
- (b) *regularly acting as government or departmental spokesman in dealings with commercial undertakings, pressure groups or any other bodies and appearing to those organisations to have influence in the application or government policy affecting them; or*
- (c) *representing the government in dealings with overseas governments; or*
- (d) *involved in a significant amount of face to face contact with the public on matter having a direct bearing on the personal lives of individual citizens.*

6.5.5 *Public servants in the grades excluded from Appendices 6B and 6C are known as the politically free group and are not subject to any limitations on their freedom to engage, within the law, in political activities, subject only to the considerations set out in paragraph 6.5.1 above.*

PART 4 - STATUTORY AND OTHER AUDITS

EXTRACT FROM GOVERNMENT GENERAL ORDERS

6.5.6 *Staff in the intermediate group who are given permission to undertake political activities remain liable in the usual way for postings to different official duties, as the needs of the public service require. When requested to do so, the Director of Personnel and Development will endeavour to ensure that any staff who have been given permission to engage in political activities will, on transfer, be moved to other duties where they can continue to engage in such activities. Where this is not possible, staff will be required to desist from their political activities*

6.5.7 }
6.5.8 } *Relate to an Appeals Process*

Code of Discretion

6.5.9 *Public servants in the policies free category, and those in the intermediate category who have been granted permission to engage in political activities, shall observe a code of discretion under which any comments on the policies of any political party are to be expressed with moderation. This is particularly important in relation to matters for which the Minister supervising their own department is responsible. Personal attacks should be avoided.*

PART 4 - STATUTORY AND OTHER AUDITS**APPENDIX 6B TO GENERAL ORDER 6.5.3****Politically Restricted Group****CIVIL SERVICE**

Accountant General
 Additional Stipendiary Magistrate & Registrar
 Administrator Bleak House
 Assistant Collector of Customs
 Assistant Commissioner of Police
 Assistant Director Information Technology & Logistics
 Assistant Principal Auditor
 Attorney General
 Chief Executives
 Chief Executive, Gibraltar Courts Service
 Chief Fire Officer
 Chief Justice
 Chief Motor Vehicle Examiner
 Chief Officer (Manager E Prison)
 Chief Officer E-Services and Innovation
 Chief Secretary
 Chief Surveyor
 Chief Technical Officer
 Civil Contingencies Coordinator
 Civil Contingencies and Departmental Press Officer
 Clerk to the Parliament
 Collector of Customs
 Commissioner of Income Tax
 Commissioner of Police
 Commissioner of Sustainable Development
 Compliance and Investigating Officer
 Court Clerk
 Crown Counsel
 Deputy Chief Fire Officer
 Deputy Clerk to the Magistrate
 Deputy Head Teacher
 Director of Civil Aviation
 Director of Commerce
 Director of Education
 Director of Estates
 Director of Information Technology & Logistics
 Director of Postal Services
 Director of Public Prosecutions
 Financial Secretary
 Head, Civil Status & Registration Office
 Head, European Union Law Draftsman
 Head of Drug Services and Probation
 Head Teacher
 Human Resources Manager
 I.T. Officer Level 3
 Law Draftsman/Drafter
 Legal Assistant
 Legal Counsel
 Maritime Administrator
 Media and Public Relations Officer
 Media Director
 Parliamentary Counsel
 Police Grades
 Principal Auditor
 Principal Youth Officer
 Principal Housing Officer

Prison Superintendent
 Puisne Judge
 Security Liaison Officer
 Senior Crown Counsel
 Senior Education Advisor
 Senior Environment Officer
 Senior Executive Officer
 Senior Law Drafter
 Senior Finance Centre Executive (Insurance)
 Senior Finance Centre Executive (Private Clients)
 Senior Marine Surveyor
 Senior Officer Grades
 Senior Personal Secretary
 Senior Professional & Technology Officer
 Statistics Officer Level 5
 Statistics Officer Level 4
 Stipendiary Magistrate

All other administrative and executive posts/grades of equal or higher ranking not listed above.

PUBLIC SERVICE**Gibraltar Development Corporation**

Finance Director
 Grade 5 (Pay Band C1)
 Head of Gambling (Executive Director)
 Senior Officer
 Training Centre Manager

Borders & Coastguard Agency

Chief Executive Officer
 Deputy Head of Immigration/Training Officer
 Duty Manager
 Head of Immigration/Training Manager
 Training Officer
 Compliance Manager
 Senior Borders and Coastguard Officer

Care Agency

Chief Executive (Senior Officer)
 Clinical Standards Compliance Director
 Deputy Manager (St Bernadette's Resource Manager)
 Head of Service
 Manager
 Manager (St Bernadette's Resource Manager)
 Residential Home Manager
 Senior Executive Officer
 Unit Manager

Gibraltar Electricity Authority

Assistant Financial and Administration Manager
 Chief Executive
 Finance and Administration Director
 Financial and Administration Manager

PART 4 - STATUTORY AND OTHER AUDITS

APPENDIX 6B TO GENERAL ORDER 6.5.3**Politically Restricted Group (Cont'd)****Housing Works Agency**

Grade 9 (Senior Professional Technical Officer)
Head of Agency

Gibraltar Health Authority

Associate Director Catering
Chief Ambulance Officer
Deputy Associate Director - Catering
Deputy Chief Ambulance Officer
Director of Finance and Procurement
Director of IMT
Director of Nursing Services
Director of Public Health
Head Occupational Therapist
Head of Optometry
Head Orthoptist
Head Pharmacist
Head of School
Senior Executive Officer

Gibraltar Health Authority – Elderly Residential Services

Catering Manager
Deputy Nursing Co-Ordinator
Facilities and Operations Manager

Gibraltar Port Authority

Chief Executive Officer/Captain of the Port

Gibraltar Sports and Leisure Authority

Grade 1 (Chief Executive Officer)

Airport Fire and Rescue Service

Senior Fire Officer

Gibraltar air Terminal Limited

Air Terminal Director
Duty Manager
Commercial Manager

(Revised February 2020)

PART 4 - STATUTORY AND OTHER AUDITS**APPENDIX 6C TO GENERAL ORDER 6.5.4****Intermediate Group**

Administrative Assistant	Nursery Assistant
Administrative and Managerial Support Officer	Nursery Nurse
Administrative Officer	Nursery Officer
Archaeologist	Personal Secretary
Archivist	Post Officer Manager Level 3
Assistant Auditor	Post Officer Manager Level 4
Assistant Environmental Protection Officer	Post Delivery Person
Assistant (Art, D&T and Food Tech)- Schools	Prison Grades
Audit Administrative Executive	Professional and Technology Officer
Audit Clerk	Registrar of Yachts
Audit Manager	School Bus Driver/Support Service Assistant
Auditor	School Crossing Patrol Officer
Bailiff	School Librarian
Bailiff Manager	School Nurse
Civil Contingencies Officer	School Secretary
Clerk/Word Processor	Security Guard
Community Services Officer	Security Guard/Carpark Attendant
Counselling Psychologist	Senior Customs Officer
Court Usher/Paper Keeper	Senior Driving and Vehicle Examiner
Customs Officer	Senior Messenger
Driver and Vehicle Examiner	Senior Paper Keeper
Education Advisor	Senior Social Worker
Educational Psychologist	Senior Technician (Schools)
Environmental Monitor	Senior Youth & Community Worker
Environmental Protection Officer	Sorter
Executive Officer	Social Worker
Executive Customs Officer	Special Needs Learning Support Assistant
Exhibit Officer	Special Needs Learning Support Asst. (Specialist)
EU Funds Advisor	Special Needs Learning Support Asst. & Vehicle Escort
EU Funds Financial Controller	Statistics Officer Level 1
EU Programmes Facilitator	Statistics Officer Level 2
EU Social Fund/Interreg Coordinator	Statistics Officer Level 3
Fire Grades	Statistics Trainee Technician
Head Mechanic	Stores Officer
Head Messenger	Support Manager 3
Health and Safety Officers	Support Grade Band 1
Higher Executive Officer	Support Grade Band 2
Higher Professional & Technology Officer	Teacher
Information Technology Technician	Team Leader
Information Technology Trainee Technician	Technician D&T- Schools
Information Officer Level 1	Technician Science Laboratory- Schools
Information Officer Level 2	Technical Grade 1
Instructional Officer 1	Telephonist
Instructor	Tow Truck Driver
Labour Inspector	Traffic Warden
Library and Resources Assistant	Typist
Maintenance Supervisor	Upper Rock Shift Leader
Marine Fleet Manager/Mechanic	Upper Rock Site Officer
Marine Surveyor	Vehicle Tester
Mechanic/Handyperson	Welfare Officer
Messenger	Youth and Community Worker

All other administrative and executive posts/grades or equivalent of equal or higher ranking not listed above.

PART 4 - STATUTORY AND OTHER AUDITS**APPENDIX 6C TO GENERAL ORDER 6.5.4****Intermediate Group (Cont'd)****PUBLIC SERVICE**

Gibraltar Development Corporation
 Conservation Officer
 Grade 1 (Pay Band E2)
 Grade 2 (Pay Band E1)
 Grade 3 (Pay Band D)
 Grade 4 (Pay Band C2)
 Instructional Officer
 Litter Enforcement Officer
 Nature Reserve Supervisor
 Senior Litter Enforcement Officer
 Transport Inspector

Borders & Coastguard Agency

Borders and Coastguard Officer
 Immigration Clearance Officer

Gibraltar Electricity Authority

D5 Officer
 Deputy Chief Executive
 Engine Room Operative
 Engineer
 Financial and Administration Officer
 Installation Inspector
 Operator / Maintenance Worker
 Senior Engineer
 Skilled Grade (DB)
 Supervisor (D6)
 Systems Engineer
 Technical Grade (D7)

Housing Works Agency

Administration and Finance Executive Officer
 Administration and Finance Higher Executive Officer
 Administration and Finance Officer
 Chief Operating Officer
 Grade 4 (CSSO)
 Grade 6 (Technical Grade 1)
 Grade 7 (Professional Technical Officer)
 Grade 7 A (Environmental Officer)
 Grade 8 (Higher Professional Technical Officer)
 Refurbishment & OT Manager / Health & Safety
 Training Manager
 Stores Officer
 Support Operative
 Transport, Equipment and Stores Manager
 Transport, Plant and Equipment Officer
 Zone Manager
 Zone Support Officer
 Zone / Refurbishment Works Supervisor

Gibraltar Health Authority

Accident and Emergency Clerk
 Administrative Assistant
 Administrative Officer
 Administrative Officer Timekeeper
 Ambulance Call Taker / Dispatcher

Ambulance Care Assistant
 Approved Mental Health Practitioner
 Assistant Electrical Health Technician
 Associate Specialist
 Basic Grade Pharmacist
 Biomedical Assistant
 Biomedical Scientist
 Blood Bank Manager
 Breast Nurse Specialist
 Cancer Services Co-Ordinator
 Cardiac Rehab Nurse Specialist
 Charge Nurse
 Chief Speech / Language Therapist
 Clinical Fellow / Reg in Anaesthesia & ITU
 Clinical Informatic Officer
 Clinical Nurse Manager
 Clinical Pharmacist
 Clinical Psychologist
 Consultant
 Consultant Clinical Psychologist
 Counsellor
 Cytology Screener
 Dental Nurse
 Dental Officer
 Dental Officer (Discretionary)
 Deputy Public Analyst
 Dermatology Nurse Specialist
 Diabetes Nurse Practitioner
 Diabetes Nurse Specialist
 Dietitian Senior I
 EHT Officer
 Emergency Medical Technician
 Endoscopy Nurse
 Endoscopy Technician
 Enrolled Nurse
 Executive Officer
 General Practitioner
 GHA Clerk
 GHA Junior Clerk
 Health Promotion Office
 Higher Executive Office
 Higher Professional and Technology Office
 Hospital Attendant
 Hospital Optometrist
 ICT Manager
 IS Manage
 Junior Occupational Therapist
 Materials Management Supervisor
 Matron
 Medical Librarian
 Medical Secretary
 Messenger Driver
 Non Consultant Hospital Doctor
 Nurse Lecturer
 Nurse Practitioner
 Nursing Assistant
 Nursing Auxiliary
 Occupational Therapist Senior I

PART 4 - STATUTORY AND OTHER AUDITS**APPENDIX 6C TO GENERAL ORDER 6.5.4****Intermediate Group (Cont'd)**

Occupational Therapist Senior II
 Operating Department Practitioner
 Palliative Care Nurse Specialist
 Pals Manager
 Pals Officer
 Paramedic
 Pathology Production Assistant
 Pathology Services Manager
 Personal Secretary
 P&G S 'C'
 Physiologist
 Physiotherapy Helper
 Physiotherapy Services Manager
 Pre-Assessment Nurse
 Principal Nurse Lecturer
 Professional and Technology Officer
 Provider of Clinical Governance and Ultrasonography
 Public Analyst
 Public Health Information Analyst
 Quality Manager
 Radiography Assistant
 Radiology Services Manager
 Receptionist
 Resident Medical Officer
 Resuscitation Officer
 Senior Biomedical Scientist
 Senior Clinical Pharmacist/ Dispensary Manager
 Senior Dental Officer
 Senior Dental Officer (Discretionary)
 Senior Donor Carer
 Senior EHT Officer/ Info Systems Programmer
 Senior Nurse Lecturer
 Senior Officer
 Senior Physiotherapist I
 Senior Physiotherapist II
 Senior Professional and Technology Officer
 Senior Radiographer I
 Senior Radiographer II
 Specialist Dietitian
 Speech & Language Therapist
 Speech & Language Therapist (Paediatrics)
 Speech & Language Therapist Junior
 Staff Midwife
 Staff Nurse
 Station Manager
 Station Officer
 Stoma Care Nurse Specialist
 Stores Supervisory Grade D
 Technical Instructor Ii
 TSSU / CSSD Manager
 TSSU / CSSD Technician (Ex Com Projects)
 TSSU / CSSD Technician (Ex Nursing Asst)
 TSSU / CSSD Technician (Ex Staff Nurse)
 Typist
 UGM Hospital Services
 UGM Mental Health
 Ward Clerk

Gibraltar Health Authority ERS Section

Administrative Assistant
 Administrative Officer
 Care Manager with Nursing Responsibilities
 Elderly Residential Services Doctor
 Enrolled Nurse
 Executive Officer
 General Practitioner
 Nursing Assistant
 Nursing Co-Ordinator
 Personal Secretary
 Physiotherapist (Senior I)
 Physiotherapist (Senior II)
 Physiotherapist Helper
 Practice Development Sister
 Professional Technology Officer
 Registered General Nurse
 Sister/ Charge Nurse
 Speech and Language Therapist

Care Agency

Administrative Assistant
 Administrative Officer
 Administrative Social Work and Information Manager
 Assistant Social Worker
 Behavioural Support Officer
 Care Leader
 Care Worker
 Counselling Psychologist
 Counsellor
 Day Centre Assistant
 Day Care Centre Co-Ordinator
 Domestic Worker
 Enrolled Nurse
 Executive Officer
 Handyman/ Driver
 Higher Executive Officer
 Newly Qualified Social Worker
 Occupational Therapist
 Personal Secretary
 Professional Technical Officer
 Registered General Nurse
 Senior Care Worker
 Senior Social Worker
 Social Care Worker
 Teacher

Gibraltar Port Authority

Administrative and Finance Officer
 Administrative and Finance Executive
 Administrative and Finance Higher Executive
 Bunkering Superintendent
 Coxswain
 Deputy VTS Manager
 Environmental Health & Safety Advisor
 Handyman/ Labourer
 Marine Officer

PART 4 - STATUTORY AND OTHER AUDITS

APPENDIX 6C TO GENERAL ORDER 6.5.4**Intermediate Group (Cont'd)**

Personal Assistant
 Port Maintenance Co-Ordinator
 Port Officer
 Port Operative
 Seamen / Mechanic
 Senior Port Officer
 Sweeper
 VTS Manager

Gibraltar Sports and Leisure Authority

Grade 3
 Grade 4
 Grade 5
 Grade 6
 Grade 8
 Grade 9
 Grade 11 (37 Hr)
 Grade 11 (40 Hr)
 Grade 13 (37 Hr)
 Grade 13 (40 Hr)
 Play and Leisure Assistant
 Play and Leisure Attendant
 Play and Leisure Officer

Airport Fire and Rescue Service

Deputy Fire Officer
 Station Officer
 Sub Officer
 Leading Firefighter
 Firefighter

Gibraltar Air Terminal Limited

Facilities Manager
 Service Engineer
 Quality Control Manager
 Maintenance Manager
 Office Manager
 Utilities Manager
 Pass / Administrative Officer
 Administrative Officer
 Senior Maintenance Officer

Industrial Employees

Industrial Employees (Skill Zones 1,2,3 and 4)

(Revised February 2020)

PART 5 - VALUE FOR MONEY AUDITS AND SPECIAL AUDIT REVIEWS

5.1 General

5.1.1 Value for Money ("VFM") is about obtaining the maximum benefit with the resources available. VFM is a key principle in the management arrangements regarding the overall quality and the level of service provided to users by the organisation. In particular, it is vital that appropriate policies are developed and that the correct processes are in place to achieve the right quality and level of service. Achieving VFM underpins responsible financial management. Therefore, achieving an appropriate quality and level of service is a fundamental part of demonstrating a public body's responsibility to deliver VFM.

5.1.2 Since the completion of the report on the public accounts of Gibraltar for the financial year 2016-17 and 2017-18, a total of 6 Value for Money (VFM) reviews have been conducted, in addition to an update on 2 VFMs previously carried out. These consisted of:

- Review on Vacant Posts in the Public Service
- Review on Overtime Earned in the Public Service
- Review of Gibraltar Industrial Cleaners Limited
- Review of Ex-Gratia Payments made in the Public Service
- Review on Attendance and Punctuality in the Public Service
- Review of the Government's Procurement Procedures in respect of Goods, Services and Works
- Update on Costing of Government Early Exit Schemes
- Update on the Review of the Contingency Plans for Business Continuity in Government Departments and Statutory Authorities and Agencies

5.1.3 The background to the VFM reviews, the findings and the recommendations of the studies are detailed hereunder.

5.2 Review on Vacant Posts in the Public Service

5.2.1 An audit review was undertaken to establish the number of staff vacancies across the public service in the last 4 financial years ending in March 2024.

5.2.2 Introduction - It is unavoidable that there is a continuous turnover of staff, to a larger or smaller degree, in the public service. This happens in any organisation and is no different in the private sector. The reasons for the movement of personnel can be caused by retirements, resignations, promotions or the transfer of staff for operational reasons. Additionally, there are also temporary absences, some of them for very extended periods of time, arising from maternity, paternity, career breaks or long-term sickness.

5.2.3 In the public service, other than areas such as education, health and care services, where absences can largely be covered by supply staff, most departments do not receive any relief cover during the absence of their staff. Consequently, Heads of department and Chief Executives of statutory entities have to mitigate the effects of such absences by the internal redeployment of resources to meet the service that they are responsible for, but at the same time juggling resources as best possible in order not to stop, or delay any other work or service that the department has to meet. However, if at the same time, the services of the department or agency are expanded over time, and additional work and responsibilities have been added to the established services without the corresponding increase in human resources, then Departmental Heads are pressed to find ways to address the work and services that they are responsible for delivering. The lack of additional human resources inevitably means that staff are required to undertake extra hours to their conditioned hours of work, i.e. overtime. In some areas, Heads of department faced with the impossibility of meeting work deadlines and delivering the appropriate level of service have prepared business cases to Government. In some of these cases, temporary resources are provided to departments by the Government by way of the deployment of Gibraltar Development Corporation (GDC) staff, or supernumerary staff. However, in these cases, departments are

informed that any GDC staff or supernumerary staff deployed to their department is on a temporary basis and do not form part of the department's approved establishment of staff.

5.2.4 Nevertheless, even though it is inevitable that there is a constant loss of human resources in the public service in Gibraltar, the problem is compounded by a consistently high number of job vacancies that take a long time to be filled over multiple years. The delay in filling these vacant posts and the general impact in departments of not having sufficient resources has led to:

- Staff resources being spread too thin and stretched in order to meet departmental objectives;
- Departmental projects being understaffed and as a consequence staff are struggling to meet deadlines or produce work of the expected quality, leading to a decline in productivity and standards;
- Existing employees having to face obstacles and inefficiencies in completing their tasks;
- Staff requiring to work additional hours to meet departmental goals and deadlines;
- Staff burn out due to consistently working long hours, without seeing a solution to the problem;
- A heightened risk of work quality and delivery suffering given the high volume of work in departments; and
- A general demoralising effect on the workforce.

5.2.5 Extent of Staff Vacancies in the Public Service - Figure 82 shows the number of vacancies in each public sector department, including statutory agencies and authorities, during the last 4 financial years, at the time of each year's budget submission, with the exception of the financial year 2024-25, which shows the number of existing vacancies as at January/February 2025, which is the time I requested this information from each individual Head of department.

Figure 82

Department/Authority/Agency/Company	2021-22 Number of Vacancies	2022-23 Number of Vacancies	2023-24 Number of Vacancies	2024-25 Number of Vacancies
Treasury Department	7	12	22	12
No.6 Convent Place	8	6	5	6
Office of the Chief Technical Officer	1	1	-	2
HM Customs	2	12	12	15
Parliament	2	1	1	-
Department of Personnel and Development	12	6	6	2
Immigration and Civil Status Department	-	-	-	2
Government Law Offices	2	3	4	4
Office of the Financial Secretary	4	3	3	4
Department of Social Security	4	6	5	3
Digital Services	2	5	2	1
Information Technology and Logistics Department	-	-	1	4
Office of the Deputy Chief Minister	-	-	-	2
Civil Aviation	-	-	-	-
Department of the Environment	1	11	1	5
Collection & Disposal of Refuse - Gib. Industrial Cleaners Ltd	3	3	3	5
Upper Rock Tourist Sites and Beaches	-	7	4	12
Education Department	172	78	205	65
Driver and Vehicle Licensing Department	3	3	2	-
Technical Services Department	12	10	11	20
Economic Development Department	-	1	1	5
Statistics Office	3	1	2	1

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Maritime Services	3	2	3	2
Ministry of Health, Care and Business	-	-	-	1
Office of Fair Trading	-	-	1	1
Town Planning and Building Control	2	3	7	1
Procurement Office	-	-	4	5
Justice	3	-	5	2
Gibraltar Courts Service	5	4	6	4
Royal Gibraltar Police	10	6	9	46
HM Prison	18	3	2	4
Income Tax Office	7	13	12	12
Financial Services	-	1	1	-
Gambling Division	-	-	-	1
Postal Services Department	5	1	5	3
Department of Equality	4	2	1	1
Department of Employment	3	6	5	4
Department of Culture	-	-	-	-
Gibraltar Tourist Board	-	1	1	-
Youth	-	1	-	-
Drug & Alcohol Awareness & Rehabilitation Services	10	10	4	3
Housing Department	3	1	-	4
Gibraltar Fire and Rescue Service	-	2	2	2
Civil Contingency	-	-	-	-
Ministry of Industrial Relations, Civil Contingencies and Sport	-	1	1	-
Gibraltar Audit Office	1	1	2	3
Gibraltar Health Authority *	115	128	126	128
Gibraltar Health Authority - Elderly Residential Services Section *	No reply from the GHA			
Care Agency *	59	40	32	38
Gibraltar Electricity Authority *	17	22	30	20
Gibraltar Port Authority *	-	1	3	4
Housing Works Agency *	-	11	18	4
Borders & Coastguard Agency *	8	4	7	6
Gibraltar Sports and Leisure Authority *	-	1	7	12
Total Number of Vacancies in the Civil Service	511	434	584	481

5.2.6 Figure 82 does not include the number of vacancies in the Gibraltar Health Authority – Elderly Residential Services Section, as despite numerous reminders over 4 months to the GHA Director General and the GHA Director of Workforce (who is also the Director of Personnel & Development) my requests were neither acknowledged nor actioned. This is particularly concerning given that the GHA Director of Workforce, under his role as Director of Personnel & Development, did provide me with the equivalent information for his civil service department.

5.2.7 It is disappointing that these senior public servants have shown a disregard to an official request from the Principal Auditor and the consequent indifference to the auditing function that this represents. These officers are aware of my statutory powers under section 56(1)(b) of the Public Finance (Control and Audit) Act to call upon any public officer for any explanations and information which I require in order to enable me to discharge my constitutional duties. In this case I also copied-in the Chief Secretary in my correspondence, who had recently issued a circular (at my request) on 2 December 2024 reminding Heads of Department, Agencies and Authorities on the essential need to provide the Principal Auditor with any information I may require, however to no avail.

5.2.8 Aside from requesting each Head of Department and CEO of statutory authorities and agencies to provide me with the number of vacancies in their organisation, I also requested the Director of Personnel & Development to provide me with the equivalent information that they hold for each government department. This was provided to me and is reproduced in Figure 83. I should point out that the Department of Personnel & Development does not hold

information on staff and vacancies in respect of the statutory authorities and agencies, so the figures below exclude these.

Figure 83

	2021-22 Number of Vacancies	2022-23 Number of Vacancies	2023-24 Number of Vacancies	2024-25 Number of Vacancies
Total Number of Vacancies in government departments, according to the Department of Personnel & Development (excluding Statutory Authorities and Agencies marked with an asterisk * in the table above)	348	295	279	212

Even allowing for the non-inclusion of vacancies pertaining to statutory authorities and agencies, it can be seen that there are differences between the vacancy figures provided by the Department of Personnel & Development and the information supplied to me by the individual government departments. I am not aware of the differences between both sets of data, but the high number of vacancies is nonetheless evident.

5.2.9 Supernumerary Staff - As previously explained in paragraph 5.2.3, there are officers working in some departments that have been posted there on a supernumerary basis, and which do not form part of the official approved establishment of the department concerned. The aggregate number of these supernumerary officers is shown in Figure 84, as provided to me by each of the Heads of Department and CEOs and should be taken into account when analysing the number of vacancies in the public service reflected in Figure 82. However, as already explained, these officers are not considered a permanent part of a department's staff complement and can therefore be removed at any given time.

Figure 84

	2021-22	2022-23	2023-24	2024-25
Total number of Supernumerary Staff in the Public Service	45	40	50	62

5.2.10 Gibraltar Development Corporation Staff - Additionally, and as mentioned in paragraph 5.2.3, there are many government departments which are provided with temporary resources by way of the deployment of GDC staff to assist these departments in their service delivery. Figure 85 shows the total number of GDC officers deployed to government departments/statutory authorities and agencies, as provided to me by each of the Heads of Department and CEOs. It should be noted that there are 4 departments in particular, namely the Department of Employment, the Gibraltar Tourist Office and to a smaller extent Upper Rock, Tourist Sites & Beaches and the Housing Department, where the greater part of the staff complement is made up of GDC officers, as distinct from the rest of the public service.

Figure 85

	2021-22	2022-23	2023-24	2024-25
Total Number of GDC Staff deployed to Government Departments and Statutory Authorities and Agencies	194	197	188	225

When asked if the GDC, as an entity, had any vacancies in each of the last 4 financial years, the GDC Secretary informed me that the GDC functions primarily as a provider of labour for the public service. Consequently, they do not maintain vacancies within the Corporation as roles are continuously filled on a case-by-case basis according to the current needs of the Public Service. The GDC Secretary added that as such, for the financial years 2021-22, 2022-23, 2023-24 and 2024-25 there were no vacancies to report within the GDC. Each position needed during these periods was filled as required by the operational demands and as approved during the Appropriation Bill, which is then reflected in the Approved Estimates of Expenditure.

5.2.11 Conclusion - Even though acknowledging to a certain degree that there are bound to be ongoing vacancies in the public service at any given time, due to the process of advertising, interviewing and selecting the appropriate applicants to the vacant posts, the consistently

high number of vacancies in the public service, as shown in Figure 82, is a reflection of what has been the situation in government departments and statutory agencies and authorities for many years which has had, and continues having, a detrimental effect in the productivity and service delivery of these public sector organisations. Even allowing and taking into account that there are a number of supernumerary officers in certain departments that are additional to the complement, and also bearing in mind that some departments have GDC officers deployed in their organisations, it must also be borne in mind that there are further staff shortages for continuous long periods of time due to maternity (usually for one year), paternity, career breaks (usually for over a year) or long-term staff sickness. This still leaves an inordinate amount of vacancies across the public service, which I can personally vouch that many Heads of Department, when I report to them anomalies and discrepancies following an external audit carried out in their departments, explain to me that one of the primary reasons for the decline in efficiency and productivity in their department is as a result of their organisation being under-resourced primarily due to the non-filling of vacancies.

5.2.12 Over the period of three years prior to summer-autumn 2023, the Government was only filling a limited number of vacant posts. For example, the recruitment of the basic administrative grade of Administrative Assistant took place in July 2023, with the previous recruitment for this grade having been in September 2019. Delays in filling vacancies also has the consequence of increasing levels of overtime (although not all departments with high overtime spend have vacancies) which at times incurs a greater cost to the taxpayer than filling those vacancies in a timely manner. The high number of vacancies also fosters the additional cost of reduced productivity from low staff morale and burnout.

5.2.13 Although it is accepted that with new initiatives, improved efficiencies and the introduction of IT Systems in the public service, there may be a need to reduce staff levels, this cannot be done randomly and indiscriminately without undertaking a proper cost analysis and management review to ensure that departments are adequately manned in order to deliver an optimum service to the public.

5.3 Review on Overtime Earned in the Public Service

5.3.1 An audit review was undertaken to analyse the extent and cost of overtime earned by public officers in the public service (includes statutory authorities, agencies and one government-owned company), which form part of the payroll expenditure under each government departments' Head of Expenditure in the Government Estimates of Revenue and Expenditure.

5.3.2 Introduction - When staff need to work additional hours beyond the conditioned hours of their grade this is usually recompensed by the payment of overtime, although at times officers can opt to take time-off in lieu (TOIL) for the extra hours worked.

5.3.3 The payment of overtime is classified for budgetary purposes, in the annual Approved Estimates of Expenditure, under 4 categories, namely:

- (i) Conditioned Overtime.
- (ii) Emergency Overtime.
- (iii) Manning Level Maintenance Overtime.
- (iv) Discretionary Overtime.

- Conditioned Overtime - This is overtime that is required to be worked as part of the approved conditions of employment of the job. For example, a firefighter has a fixed element of overtime payable to him due to the conditions of service applicable to firefighters. The main departments, or statutory entities, that work conditioned overtime are HM Customs, Fire and Rescue Service, Royal Gibraltar Police, Postal Services, Gibraltar Electricity Authority and Gibraltar Health Authority.
- Emergency Overtime - As the name implies, this is overtime that is not pre-planned and is payable when an emergency occurs and there is a need for staff to work extra hours

to meet an objective. Prior to 2019, overtime classified as 'emergency overtime' was virtually only payable on those instances where emergency situations warranted working additional hours. However, with the advent of the Covid-19 pandemic, the Chief Secretary informed all Heads of Department that overtime was stopped, and only 'emergency overtime' would be payable in the event of emergency situations, but would require his approval. Subsequent to the Covid-19 pandemic, the policy is that all overtime (other than conditioned overtime and manning level maintenance overtime) is charged to 'Emergency Overtime'; and discretionary overtime, which was previously the most common form of overtime working, is no longer classified as such. As a consequence, most government departments and statutory entities undertake 'emergency overtime' which is really a misnomer as it is in effect 'discretionary overtime' payable when the need arises to undertake additional hours of work.

- **Manning Level Maintenance Overtime** - This is overtime that is necessary to maintain the Government's approved minimum manning levels required by Essential Services departments and uniformed grades. The main departments, or statutory entities, that work manning level maintenance overtime are Fire and Rescue Service, Royal Gibraltar Police and Gibraltar Health Authority.
- **Discretionary Overtime** – This is overtime other than overtime requirements not covered by the other 3 overtime categories above. As the name implies, this is overtime that is payable for additional hours worked on an ad-hoc basis, due to the operational needs of the relevant department. This has been historically the most usual form of overtime working in the public service. However, as previously explained above under 'emergency overtime', with effect from the financial year 2021-22 routine overtime that is worked for operational needs is no longer charged to discretionary overtime, but is instead charged to emergency overtime.

5.3.4 Also with effect from the financial year 2021-22, budgeting other than for conditioned overtime and manning level maintenance overtime ceased, and the Estimates of Expenditure solely provides a token sum of £1k under emergency overtime for each department that previously undertook discretionary overtime. I understand that even though departments submit a budgetary estimate of the overtime that will be worked during the upcoming year, the Office of the Financial Secretary reduces this to the token sum, even though it is well understood that overtime will invariably be required and worked during the year ahead. In my view, this undermines the budgetary process, given that departments such as the Treasury, the Income Tax Office, No.6 Convent Place and even the Office of the Financial Secretary invariably require to work additional hours throughout the year. It is therefore difficult to see what the benefit of allocating a token sum of overtime for the majority of departments when at the close of the financial year the Financial Secretary will have no option but to provide supplementary funding to meet overtime expenditure, which will of course have been justified by the Controlling Officer.

5.3.5 Cost of Overtime in the Public Service - Figure 86 shows the total overtime expenditure incurred by individual departments and statutory entities in the last 6 financial years. In the 6-year period covered, aside from the 2019 pay review increase, there has been no other general pay increase which could explain the increased level in overtime expenditure. So although in the financial years 2020-21 and 2021-22 there was a slight decrease in the level of overtime worked due to restrictions imposed as a result of Covid-19, there has since 2022-23 been a gradual increase in overtime spending, despite Government's assertion, after my last report, that overtime had been limited and controlled. The reality is that expenditure incurred in overtime has increased in approximately 20 departments and statutory entities. The figures show that the total overtime bill per annum over the last 6 financial years, with the exception of the year 2021-22 where it amounted to £18.31m, has been in excess of £19.00m per annum. The public organisation with the highest overtime expenditure is consistently the Gibraltar Health Authority, which makes up, on average, over 25% of overtime spending across the public service every year. The second highest overtime spending department is HM Customs, accounting for an average of 10% of the overtime pay

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bill. This is followed by the Royal Gibraltar Police and the Gibraltar Electricity Authority making up an average of 7% each of the total overtime expenditure in the public service.

Figure 86

Department	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Business	Previously under Commerce & Town Planning subhead			£0	£742	£4,756
Civil Contingency	£328	£0	£0	£16,620	£19,944	£19,944
Collection and Disposal of Refuse	£834,380	£853,386	£822,719	£1,047,484	£1,054,701	£1,203,300
Commerce	£20,045	£53,950	£48,379	£0	£0	£0
Commercial Aviation	£18,449	£29,646	£50,801	£0	£0	£0
Culture	£39,970	£38,481	£2,586	£156	£235	£988
Customs	£2,063,460	£2,249,073	£1,975,415	£1,803,873	£1,866,882	£1,831,424
Digital Services	Subhead created 2021/22			£33,833	£82,438	£45,796
Driver and Vehicle Licensing	£54,425	£46,415	£76,554	£43,520	£50,513	£34,669
Drug & Alcol. Aware. & Rehab. Serv.	£555	£0	£0	£0	£0	£0
Economic Development	£16,879	£17,176	£15,019	£489	£0	£0
- Gib. General Support Services Ltd	£220,590	£207,654	£203,634	£200,016	£184,895	£156,113
- Gib. Cleansing Services Ltd	£55,118	£54,523	£24,318	£0	£0	£0
Education	£199,466	£196,361	£157,706	£200,298	£172,051	£199,832
Employment	£41,942	£68,564	£117,344	£70,493	£64,082	£63,840
Environment	£531,842	£602,195	£608,368	£351,360	£425,945	£463,278
Equality	£16,404	£26,434	£19,577	£0	£1,342	£3,703
Financial Secretary's Office	£72,084	£77,352	£58,016	£78,928	£73,722	£71,576
Financial Services	£1,420	£4,173	£0	£2,371	£629	£6,367
Fire and Rescue Service	£1,015,391	£1,065,745	£1,072,596	£1,099,994	£1,225,500	£1,245,418
Gambling Division	£3,723	£1,741	£2,021	£984	£0	£963
Gibraltar Audit Office	£4,009	£6,474	£3,425	£0	£1,564	£2,078
Gibraltar Financial Intelligence Unit	Subhead created 2021/22			£0	£2,236	£12,082
Gibraltar Law Courts	£25,419	£24,130	£23,123	£2,671	£3,873	£3,006
Government Law Offices	£25,602	£18,384	£21,984	£5,535	£8,405	£7,856
Heritage	£709	£2,521	£0	£0	£0	£0
Housing - Administration	£1,725	£13,129	£5,335	£725	£20,869	£2,541
Immigration and Civil Status	£55,722	£67,426	£82,381	£28,393	£96,005	£74,914
Income Tax	£134,424	£145,095	£95,918	£97,274	£104,450	£112,691
ITLD	£87,496	£134,742	£182,303	£78,447	£81,003	£234,187
Justice	£8,176	£3,892	£656	£0	£5,309	£1,830
Maritime Services	£146,352	£133,181	£24,626	£15,808	£83,207	£89,032
No. 6 Convent Place	£257,032	£279,888	£225,323	£159,772	£245,035	£287,851
Office of Fair Trading	£381	£2,875	£6,026	£0	£437	£723
Office of the Chief Technical Officer	£11,477	£20,338	£14,444	£0	£0	£7,454
Office of the Deputy Chief Minister	£72,426	£59,978	£46,920	£20,793	£21,935	£23,194
Parliament	£11,940	£13,930	£17,090	£10,649	£29,074	£24,393
Personnel and Development	£56,570	£67,565	£59,965	£15,439	£23,858	£55,548
Royal Gibraltar Police	£1,314,868	£1,757,749	£1,390,719	£865,992	£1,066,159	£1,414,947
Postal Services	£491,140	£522,601	£526,234	£504,141	£505,142	£529,392

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Prison	£231,884	£171,766	£175,019	£216,505	£197,871	£176,844
Procurement Office	£7,493	£9,516	£5,775	£0	£1,884	£211
Public Service Ombudsman	£3,771	£3,551	£4,029	£0	£0	£0
Public Service Support Unit	£37,182	£40,426	£83,198	£13,948	£0	£0
Social Security	£27,737	£52,521	£73,023	£1,306	£4,975	£2,690
Sport and Leisure - Ministry	£0	£0	£0	£11,383	£8,969	£0
Statistics Office	£10,758	£11,839	£10,083	£5,751	£3,596	£7,062
Technical Services	£271,123	£286,214	£209,052	£125,210	£156,870	£196,922
Technical Services - GMES	£231,557	£232,931	£183,106	£159,293	£153,707	£163,951
Tourism	£45,705	£27,727	£9,318	£5,887	£16,017	£14,692
Town Planning and Building Control	£76,243	£64,833	£36,716	£2,176	£7,145	£2,482
Treasury	£250,765	£270,380	£187,815	£140,091	£168,316	£207,631
Upper Rock Tourist Sites and Beaches	£346,061	£368,506	£297,129	£336,556	£445,766	£459,736
Youth	£738	£1,256	£63	£0	£0	£146
Total Overtime in Govt. Departments	£9,452,958	£10,408,232	£9,255,851	£7,774,165	£8,687,298	£9,468,053

Agency/Authority	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Borders & Coastguard Agency	£120,334	£116,980	£59,163	£10,508	£65,325	£78,064
Care Agency	£298,625	£279,996	£421,981	£164,741	£307,502	£358,223
Gibraltar Development Corporation	£415,358	£753,126	£683,928	£592,770	£856,013	£1,007,195
Gibraltar Electricity Authority	£1,354,207	£1,435,436	£1,091,041	£1,232,194	£1,437,322	£1,523,972
Gibraltar Health Authority	£4,871,753	£3,931,862	£4,798,805	£5,965,608	£5,115,799	£5,484,820
Gibraltar Health Authority - ERS	£998,438	£1,135,563	£1,246,591	£1,151,760	£863,048	£893,053
Gibraltar Port Authority	£776,567	£872,452	£747,345	£780,116	£1,002,404	£844,956
Gibraltar Sports & Leisure Authority	£612,511	£720,115	£544,921	£483,943	£525,342	£640,330
Housing Works Agency	£292,989	£100,268	£173,139	£157,081	£164,054	£171,750
Total Overtime in Agencies & Authorities	£9,740,781	£9,345,798	£9,766,913	£10,538,720	£10,336,809	£11,002,362
Grand Total of Overtime in the Public Service	£19,193,738	£19,754,030	£19,022,764	£18,312,886	£19,024,107	£20,470,416

5.3.6 Figure 87 shows the top 30 highest overtime earners in the Public Service in the tax year 2023-24. The table shows the basic pay, the overtime earned plus allowances received by each of the individual officers.

Figure 87

Department/Authority	Grade of Officer	Basic Pay	Overtime	Allowances	Total Earnings
Gibraltar Industrial Cleaners Ltd	Assistant Managing Director	£64,297	£114,860	£1,154	£180,311
Gibraltar Health Authority	Professional Technology Off.	£40,655	£62,271	£6,191	£109,117
Royal Gibraltar Police	Police Constable	£50,763	£60,107	£3,189	£114,059
Royal Gibraltar Police	Police Constable	£50,763	£50,975	£5,355	£107,093
Royal Gibraltar Police	Police Constable	£50,763	£48,968	£4,327	£104,058
Environment Department	GDC Grade 3 (ex-Police Constable)	£51,520	£47,874	£2,380	£101,774
Royal Gibraltar Police	Police Constable	£44,900	£47,634	£4,364	£96,898
Gibraltar Electricity Authority	Grade D5	£50,587	£41,518	£3,424	£95,529
Upper Rock Sites & Beaches	GDC Grade 4 (HEO)	£46,710	£41,055	£3,675	£91,440

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Environment Department	Environmental Protection Officer (ex- Instructional Officer)	£46,518	£49,618	£10,973	£107,109
Gibraltar Industrial Cleaners Ltd	Supervisor	£62,388	£39,413	£1,154	£102,955
Gibraltar Electricity Authority	Grade D5	£52,670	£39,156	£3,063	£94,889
Gibraltar Electricity Authority	Grade S2	£36,785	£37,260	£27,915	£101,960
Gibraltar Health Authority	Industrial Skill Zone 3	£27,824	£36,627	£6,813	£71,264
Environment Department	GDC Environmental Protection Officer	£45,649	£42,542	£8,442	£96,633
Royal Gibraltar Police	Police Sergeant	£55,354	£35,994	£3,026	£94,374
Office of the Chief Minister	Senior Officer	£79,237	£35,882	-	£115,119
Gibraltar Electricity Authority	Grade S2	£36,785	£35,616	£27,586	£99,987
Gibraltar Electricity Authority	Grade D7	£36,785	£35,418	£1,432	£73,635
Gibraltar Electricity Authority	Grade S2	£36,069	£35,230	£26,856	£98,155
Gibraltar Electricity Authority	Grade D7	£36,785	£34,358	£27,456	£98,599
Upper Rock Sites & Beaches	GDC Grade 3 (Executive Officer)	£38,699	£33,986	£8,196	£80,881
Gibraltar Industrial Cleaners Ltd	Supervisor	£62,388	£33,926	£1,154	£97,468
Environment Department	GDC Grade 3 (Executive Officer)	£38,909	£33,913	-	£72,822
Office of the Financial Secretary	Senior Officer	£79,237	£33,768	-	£113,005
Environment Department	Environmental Protection Officer	£45,647	£38,231	£8,898	£92,776
Gibraltar Electricity Authority	GDC Grade 3 (Executive Officer)	£36,785	£33,360	£7,102	£77,247
Gibraltar Electricity Authority	Grade S2	£36,069	£33,262	£26,209	£95,540
Environment Department	Higher Professional & Technology Officer	£45,890	£33,152	-	£79,042
Gibraltar Electricity Authority	Grade D5	£50,048	£32,918	£3,050	£86,016

5.3.7 Figure 88 shows the top 30 individual officers in the Public Service who work regular overtime, reflecting the overtime earned as a percentage of basic pay in the tax year 2023-24. The majority of the top 30 individuals more than duplicated their basic pay in overtime in the year. The review also revealed that there were 110 employees who earned more than 75% of their basic pay in overtime, this expenditure alone amounting to over £3.00m in total.

Figure 88

Department/Authority	Grade of Officer	Basic Pay	Overtime	Overtime as a % of Basic Pay	Total Earnings
Gibraltar Industrial Cleaners Ltd	Assistant Managing Director	£64,297	£114,860	179%	£179,157
Gibraltar Health Authority	Professional & Technology Officer	£40,655	£62,271	153%	£102,926
Gibraltar Health Authority	Industrial Grade Skill Zone 3	£22,623	£31,866	141%	£54,489
Gibraltar Health Authority	Industrial Grade Skill Zone 3	£21,824	£30,288	139%	£52,112
Gibraltar Health Authority	Industrial Grade Skill Zone 3	£27,824	£36,627	132%	£64,451
Gibraltar Health Authority	Industrial Grade Skill Zone 2	£21,824	£26,739	123%	£48,563
Royal Gibraltar Police	Police Constable	£50,763	£60,107	118%	£110,870
Gibraltar Health Authority	Industrial Grade Skill Zone 2	£21,974	£25,814	117%	£47,788
Gibraltar Health Authority	Industrial Grade Skill Zone 3	£27,824	£31,941	115%	£59,765
Upper Rock Sites & Beaches	Industrial Grade Skill Zone 2	£22,207	£24,341	110%	£46,548
Upper Rock Sites & Beaches	Industrial Grade Skill Zone 2	£22,206	£24,337	110%	£46,543
Gibraltar Health Authority	Industrial Grade Skill Zone 3	£27,824	£29,881	107%	£57,705
Environment Department	Snr. Environmental Protection Off.	£46,519	£49,618	107%	£96,137
Royal Gibraltar Police	Police Constable	£44,900	£47,634	106%	£92,534
Gibraltar Health Authority	Industrial Grade Skill Zone 3	£27,824	£29,389	106%	£57,213
Gibraltar Health Authority	Industrial Grade Skill Zone 3	£27,824	£29,364	106%	£57,188
Environment Department	Industrial Grade Skill Zone 3	£24,721	£25,542	103%	£50,263
Gibraltar Health Authority	Industrial Grade Skill Zone 2	£21,974	£22,608	103%	£44,582

Upper Rock Sites & Beaches	Industrial Grade Skill Zone 3	£27,574	£28,243	102%	£55,817
Upper Rock Sites & Beaches	Industrial Grade Skill Zone 3	£27,574	£28,243	102%	£55,817
Gibraltar Electricity Authority	Grade S2	£36,785	£37,260	101%	£74,045
Royal Gibraltar Police	Police Constable	£50,763	£50,975	100%	£101,738
Gibraltar Health Authority	Accident & Emergency Clerk	£29,759	£29,450	99%	£59,209
Gibraltar Health Authority	Industrial Grade Skill Zone 2	£21,974	£21,641	98%	£43,615
Gibraltar Electricity Authority	Grade S2	£36,069	£35,230	98%	£71,299
Gibraltar Health Authority	Industrial Grade Skill Zone 2	£22,623	£22,083	98%	£44,706
Upper Rock Sites & Beaches	Industrial Grade Skill Zone 3	£24,721	£24,079	97%	£48,800
Gibraltar Electricity Authority	Grade S2	£36,785	£35,616	97%	£72,401
Royal Gibraltar Police	Police Constable	£50,763	£48,968	96%	£99,731
Gibraltar Electricity Authority	Grade D7	£36,785	£35,418	96%	£72,203

5.3.8 Figure 89 shows the number of employees that worked overtime during the tax year 2023-24, analysed by overtime expenditure brackets. A total of 2,801 employees, constituting the majority, received overtime payments up to £10k in the year. Whilst 472 employees earned in excess of £10k but under £20k in overtime during the year. A total of 50 employees earned over £30k in overtime payments, amounting in aggregate to around £2 million pounds in the year, with 11 individuals earning more than £40k in overtime.

Figure 89

Level of Overtime	Number of Employees	Total Overtime
Overtime payments of less than £10k per year	2,801	£7,613,990
Overtime payments of more than £10k but less than £20k per year	472	£6,716,081
Overtime payments of more than £20k but less than £30k per year	142	£3,449,682
Overtime payments of more than £30k but less than £40k per year	39	£1,309,019
Overtime payments of more than £40k but less than £50k per year	7	£319,209
Overtime payments of more than £50k but less than £60k per year	1	£50,975
Overtime payments of more than £60k but less than £70k per year	2	£122,378
Overtime payments of more than £70k but less than £100k per year	-	-
Overtime payments of more than £100k per year	1	£114,860
Total	3,465	£19,696,192

5.3.9 Departments, Authorities and Agencies with the Highest Overtime - On 17 April 2025, I wrote to the departmental Heads of the underlisted public service organisations that had the highest overtime expenditure, enquiring to learn the justification(s) for the elevated level of overtime spending in their department in the last 6 financial years, and if there had been any changes or circumstances that might have occurred during the years in question that might have had an impact on this type of expenditure.

- Gibraltar Health Authority (including the Elderly Residential Services Section)
- HM Customs
- Gibraltar Electricity Authority
- Royal Gibraltar Police
- Gibraltar Fire and Rescue Service
- Gibraltar Development Corporation
- Gibraltar Port Authority
- Gibraltar Sports and Leisure Authority
- Postal Services Department

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- Department of the Environment (including Upper Rock & Beaches and Collection & Disposal of Refuse)

5.3.10 I hereunder provide the replies received from Heads of Department and Chief Executive Officers which explain to varying degrees of detail the justifications for the high level of overtime working in their departments.

5.3.11 Gibraltar Health Authority (including the Elderly Residential Services Section) - The overtime expenditure incurred by the Gibraltar Health Authority and the Elderly Residential Services Section in the last 6 financial years is summarised in the tables below:

Gibraltar Health Authority	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Overtime - Conditioned	1,700,986	1,866,429	2,178,222	2,101,306	1,978,069	2,127,755
Overtime - Emergency	497,172	481,370	643,422	877,549	708,508	746,814
Overtime - Manning Level Maintenance	542,511	656,945	779,973	1,319,132	1,003,490	1,049,044
Overtime - Discretionary	471,932	603,320	841,206	-	-	-
Total	3,212,602	3,608,064	4,442,823	4,297,987	3,690,067	3,923,613
<u>Ambulance Service</u>						
Overtime - Conditioned	126,947	138,448	152,005	Included within above subheads		
Overtime - Emergency	48,819	40,331	49,870			
Overtime - Manning Level Maintenance	75,821	90,017	89,076			
Overtime - Discretionary	27,611	55,002	65,031			
Total	279,198	323,798	355,982	-	-	-
<u>Industrial Wages</u>						
Overtime - Conditioned	458,940	457,839	784,539	894,830	773,145	869,428
Overtime - Emergency	108,053	111,400	197,980	309,640	281,621	360,569
Overtime - Manning Level Maintenance	188,559	221,252	257,302	463,151	370,967	331,210
Overtime - Discretionary	624,402	758,183	700,930	-	-	-
Total	1,379,953	1,548,674	1,940,751	1,667,621	1,425,732	1,561,207
Total Overtime	4,871,753	5,480,536	6,739,556	5,965,608	5,115,799	5,484,820

Gibraltar Health Authority - ERS	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Overtime - Conditioned	498,866	540,473	609,591	598,630	506,602	491,408
Overtime - Emergency	4,069	11,239	4,081	12,635	1,227	97
Overtime - Manning Level Maintenance	85,517	116,533	108,602	80,711	18,528	36,020
Overtime - Discretionary	32,189	13,654	29,928	-	-	-
Total	620,640	681,899	752,202	691,977	526,357	527,524
<u>Industrial Wages</u>						
Overtime - Conditioned	-	-	-	413,918	305,285	321,344
Overtime - Emergency	-	-	-	30,962	31,406	44,184
Overtime - Manning Level Maintenance	-	-	-	14,903	-	-
Overtime - Discretionary	377,798	453,664	494,389	-	-	-
Total	377,798	453,664	494,389	459,783	336,691	365,528
Total Overtime	998,438	1,135,563	1,246,591	1,151,760	863,048	893,053

5.3.12 The acting Executive Director of Finance of the Gibraltar Health Authority replied to me on 24 April 2025, informing me that the marked increase in overtime expenditure coincides with the Covid-19 pandemic during financial years 2019-20 to 2021-22. During this time, service delivery models were significantly impacted by evolving public health demands, infection control measures, and prolonged staffing challenges.

5.3.13 The acting Executive Director of Finance explained that in terms of subhead categorisation:

- Conditioned Overtime is contractual and reflects essential additional hours required to be worked under contractual obligations, particularly within shift based services.
- Emergency Overtime relates primarily to emergency departments and on-call requirements. These are demand-led services, unique to the nature of the Gibraltar Health Authority's operations, and driven by urgent clinical needs, making these costs unavoidable and difficult to predict.
- Discretionary Overtime is the only area where charges can be considered partially within the Authority's control. However, as from the financial year 2020-21 onwards, discretionary overtime has been subsumed under Emergency Overtime following instructions from the Financial Secretary.
- Manning Levels Overtime has increased in more recent years due to persistent staff shortages, increased workload, changes in rostering practices, and the need to maintain minimum staffing levels for safe service delivery. It is also the overtime subhead now used for recording all additional hours worked by clinicians (Consultants and Associate specialists) in accordance with the Additional Clinical Work Policy.

The acting Executive Director of Finance added that further upward pressure on overtime costs can also be attributed to the structural impact of ongoing vacancies in critical service areas which has necessitated the use of existing staff to cover gaps through overtime arrangements.

5.3.14 The acting Executive Director of Finance further explained that overtime can be a critical component of hospital operations, allowing the Gibraltar Health Authority to maintain adequate staffing levels and provide quality patient care; and whilst management strives to minimise overtime, it remains a necessary tool in responding to dynamic operational demands. Nevertheless, oversight mechanisms are in place to manage overtime effectively, mitigating staff burnout, ensuring patient safety, and controlling overall costs. The acting Executive Director of Finance pointed out that it might be helpful to note that the Gibraltar Health Authority and the Elderly Residential Services Section collectively employ around 1,639 staff members. When viewed in the context of total headcount and the scope of the Authority's 24/7 operations, the overtime figures may not be considered high overall, particularly when benchmarked against similar healthcare systems.

5.3.15 **HM Customs** - The overtime expenditure incurred by HM Customs in the last 6 financial years is summarised in the table below:

Customs	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Overtime - Conditioned	1,681,012	1,772,976	1,777,862	1,714,482	1,716,547	1,628,022
Overtime - Emergency	137,216	180,727	96,759	89,392	150,334	203,402
Overtime - Manning Level Maintenance	-	-	-	-	-	-
Overtime - Discretionary	245,232	295,370	100,794	-	-	-
Total Overtime	2,063,460	2,249,073	1,975,415	1,803,873	1,866,882	1,831,424

5.3.16 The Collector of Customs replied to me on 20 May 2025, explaining that Conditioned Overtime represented payment of all extra hours worked as part of a shift roster, this being Sundays, Public Holidays, etc. It directly relates to the customs officers on shift at the Controls Unit, who are required to work beyond their conditioned hours of work, to man the Commercial Entry/Exit Point from 15:30 to 21:00, and subsequent Saturday, Sunday, and Public Holidays worked. This is fixed as a 60-hour conditioned overtime payment per 4-week cycle to all enforcement shift officers, applicable both to land and marine officers. The current shift roster, introduced in 2015, requires customs officers to work 60 hours conditioned overtime every 4 weeks to cover official absences (e.g. annual leave, training courses, etc)

and maintain minimum manning levels. Conditioned Overtime had remained largely at the same level throughout the period 2018 to 2024.

- 5.3.17** As regards Emergency Overtime, the Collector of Customs explained that this has progressively increased since 2022, the reason for this being that the department has experienced retirements, promotions, and transfers of officers to other departments, and as a consequence is now carrying between 12 to 15 vacancies in the Enforcement Division. Emergency overtime is therefore being paid to maintain minimum manning levels to cover both vacant positions and official absences. The Collector of Customs pointed out that Enforcement Officers (Land) cover the land frontier, airport and port and there is a requirement to maintain a minimum manning level. At sea, HM Customs Marine Section also has a minimum manning level to guarantee operational capability. The Marine Section not only supports customs-related operational deployments but also responds to distress calls from the maritime community, given that, more often than not, the department's patrol vessels are the only Government marine assets available 24/7 to respond to such emergencies.
- 5.3.18** The Collector of Customs further explained that Manning Level Maintenance Overtime should have been used but was never implemented, so any shift complement that fell short had officers re-called to reach the minimum manning levels required. In these circumstances, the additional hours worked were charged to the Conditioned Overtime vote.
- 5.3.19** Discretionary Overtime, which was removed with effect from 2021, catered largely for office work requirements but was not necessarily limited to emergency scenarios. This meant the only overtime vote available for office workers was under the Emergency Overtime vote and only then if previously requested, justified and authorised by senior management.
- 5.3.20** **Gibraltar Development Corporation** - The overtime expenditure incurred by the Gibraltar Development ("GDC") in the last 6 financial years is summarised in the table below:

Gibraltar Development Corporation	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Various Departments - Overtime	415,358	753,126	683,928	-	-	-
Overtime - Conditioned	-	-	-	289,651	486,049	570,052
Overtime - Emergency	-	-	-	186,415	232,838	270,529
Overtime - Manning Level Maintenance	-	-	-	-	-	-
Overtime - Discretionary	-	-	-	-	-	-
Total	415,358	753,126	683,928	476,066	718,887	840,581
<u>Industrial Wages</u>						
Overtime - Conditioned	-	-	-	46,666	53,597	141,043
Overtime - Emergency	-	-	-	70,038	83,528	25,571
Overtime - Manning Level Maintenance	-	-	-	-	-	-
Overtime - Discretionary	-	-	-	-	-	-
Total	-	-	-	116,704	137,126	166,614
Total Overtime	415,358	753,126	683,928	592,770	856,013	1,007,195

- 5.3.21** The Gibraltar Development Corporation Secretary replied to me on 18 May 2025, explaining to me that the Gibraltar Development Corporation functions primarily as a provider of labour. Consequently, she said, matters relating to overtime are not managed directly by her in her capacity as GDC Secretary, nor is there a centralised vote for such expenditure. She explained that overtime requests are approved at departmental level by the respective Controlling Officer or Head of Department, based on operational demands, workforce capacity and the urgency of the projects at hand. Each department would therefore have its own specific justifications for requiring officers to work beyond their normal working hours.

5.3.22 The Gibraltar Development Corporation Secretary further informed me that the overtime expenditure reflected in the table provided could have been a necessary response to a number of evolving and often unforeseeable circumstances, including but not limited to:

- Operational demands and staff shortages, particularly in operational roles across the Public Service.
- Increased demand for services during critical periods, including the Covid-19 pandemic and its aftermath, which placed exceptional strain on all public service departments.

5.3.23 Gibraltar Electricity Authority - The overtime expenditure incurred by the Gibraltar Electricity Authority in the last 6 financial years is summarised in the table below:

Gibraltar Electricity Authority	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Overtime - Conditioned	1,000,289	896,974	820,142	959,124	1,154,333	1,202,050
Overtime - Emergency	310,976	452,653	216,546	273,070	282,989	321,922
Overtime - Manning Level Maintenance	-	-	-	-	-	-
Overtime - Discretionary	42,942	85,809	54,354	-	-	-
Total Overtime	1,354,207	1,435,436	1,091,041	1,232,194	1,437,322	1,523,972

5.3.24 The Chief Executive Officer of the Gibraltar Electricity replied to me on 7 May 2025, explaining to me that taking each item individually, conditioned overtime has mainly been driven by two factors, firstly, the fluctuations in vacancies within the Shift Maintenance Mechanical Workers complement, whereby they have been covering for what they term as the 'missing man'. The number of vacancies over the period covered has fluctuated between 3 and 6 vacancies, with the latest position being that of 5 vacant posts. Secondly, the commencement of generating engine maintenances at the North Mole Power Station, in accordance with the recommended running hours provided by the manufacturer. Given the fact that there are now six generating engines instead of the three at the old Waterport Power Station, has automatically resulted in more maintenance periods and increased costs.

5.3.25 The Chief Executive Officer further explained that emergency overtime is demand-led and difficult to predict. This is driven primarily by the number of faults attended by the Authority's engineers and electricians covering all the services provided by the organisation, i.e. High Voltage and Low Voltage faults, loss of supply to government buildings and rental accommodation, etc.

5.3.26 Regarding discretionary overtime, this entails works carried out at the discretion of the Chief Executive Officer or his representative and which are not deemed to be classified as emergency. Such works included the installation and dismantling of Christmas illuminations, the periodical review of street lighting and replacement of fused bulbs, etc. Upon the Government's decision not to provide funding under this particular overtime account, the works mentioned have since then been charged under the 'emergency overtime' classification.

5.3.27 Royal Gibraltar Police - The overtime expenditure incurred by the Royal Gibraltar Police in the last 6 financial years is summarised in the table below:

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Policing	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Overtime - Conditioned	325,466	352,708	360,525	269,260	316,075	307,752
Overtime - Emergency	18,364	17,977	48,487	272,138	331,219	388,713
Overtime - Manning Level Maintenance	395,954	631,270	402,032	320,530	413,808	714,262
Overtime - Discretionary	568,705	747,326	572,019	-	-	-
Total	1,308,489	1,749,282	1,383,063	861,927	1,061,101	1,410,726
<u>Industrial Wages</u>						
Overtime - Conditioned	-	-	-	-	-	-
Overtime - Emergency	-	-	-	4,065	5,058	4,221
Overtime - Manning Level Maintenance	-	-	-	-	-	-
Overtime - Discretionary	6,379	8,467	7,656	-	-	-
Total	6,379	8,467	7,656	4,065	5,058	4,221
Total Overtime	1,314,868	1,757,749	1,390,719	865,992	1,066,159	1,414,947

5.3.28 The acting Commissioner of Police wrote to me on 22 April 2025, and explained that a significant factor in the overtime expenditure has been the number of vacancies carried and long-term sickness. This is backed up with the figures showing that manning level maintenance overtime is the highest component within the Overtime budget in each financial year. He explained that there were at least 14 vacancies in any given year and that had risen to 36 vacancies in the financial year 2023-24 along with numerous cases of long term sickness.

5.3.29 The acting Commissioner of Police further explained that some of the reasons for the high level of discretionary overtime up to financial year 2020-21 and for emergency overtime as from the financial 2021-12 include high profile robberies and murders with limited resources, policing of events such as football matches and the 2019 Island Games, the arrest of an oil tanker, the frontier queues and emergency response to safeguarding and drug incidents.

5.3.30 **Gibraltar Fire and Rescue Service** - The overtime expenditure incurred by the Gibraltar Fire and Rescue Service in the last 6 financial years is summarised in the table below:

Fire and Rescue Service	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Overtime - Conditioned	622,512	651,243	659,624	660,473	667,588	678,342
Overtime - Emergency	-	-	-	11,289	23,055	23,957
Overtime - Manning Level Maintenance	365,993	379,857	384,151	428,233	534,857	543,119
Overtime - Discretionary	22,219	34,645	28,820	-	-	-
Total	1,010,725	1,065,745	1,072,596	1,099,994	1,225,500	1,245,418
<u>Industrial Wages</u>						
Overtime - Conditioned	-	-	-	-	-	-
Overtime - Emergency	-	-	-	-	-	-
Overtime - Manning Level Maintenance	-	-	-	-	-	-
Overtime - Discretionary	4,667	-	-	-	-	-
Total	4,667	-	-	-	-	-
Total Overtime	1,015,391	1,065,745	1,072,596	1,099,994	1,225,500	1,245,418

5.3.31 The Chief Fire Officer wrote to me on 23 April 2025, and explained that conditioned overtime is what is known as 'fixed overtime' which is a type of pensionable 'allowance' for the hours worked over and above the normal contractual hours of a fire officer. Whilst manning level maintenance overtime is overtime that is required to maintain the department's minimum response capability. The Chief Fire Officer explained that the department has to maintain an operational minimum manning level of 12 fire officers to ensure that 3 frontline emergency vehicles are fully manned; and any drop from the minimum stipulated 12 fire officers will automatically instigate the requirement for manning level maintenance overtime. The Chief

Fire Officer said that examples of scenarios which commonly caused deficiencies in the department's frontline capabilities were: local and overseas courses; training events and exercises; special leave; internal redeployments and sickness cover. In addition to any need that the Gibraltar Fire & Rescue Service had to augment their emergency response such as when required to recall personnel to deal directly with emergency incidents; or to ensure business continuity; or when required to prolong attendances beyond end of shift; on fire fighter recruit selection weekend (20-30 fire officers required).

5.3.32 In regard to emergency/discretionary overtime, the Chief Fire Officer explained that this overtime is mostly paid to officers in the Mechanics Section for attendance outside normal working hours to carry out repairs and/or maintenance to frontline equipment. He said that this equipment includes anything from emergency response vehicles, rescue equipment, Dive Section vessel, breathing apparatus compressor, generator, etc. All of these, he explained, were essential works that require urgent attention. To a lesser degree, he said, this also includes overtime required within the Administration and Fire Safety Sections to carry out any urgent tasks or deal with backlog of work.

5.3.33 Gibraltar Port Authority - The overtime expenditure incurred by the Gibraltar Port Authority in the last 6 financial years is summarised in the table below:

Gibraltar Port Authority	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Overtime - Conditioned	432,656	462,099	471,713	446,987	499,164	434,441
Overtime - Emergency	-	-	-	87,049	200,500	104,482
Overtime - Manning Level Maintenance	174,320	186,362	131,993	246,080	302,741	306,033
Overtime - Discretionary	169,591	223,991	143,639	-	-	-
Total Overtime	776,567	872,452	747,345	780,116	1,002,404	844,956

5.3.34 The Captain of the Port wrote to me on 12 May 2025, explaining that in regard to the table entries listed for discretionary overtime and emergency overtime, note should be taken that discretionary overtime had been replaced by emergency overtime. The Gibraltar Port Authority's move to new offices at Windmill Hill as from 2018 effectively meant that the Authority's complement was now spread over 3 distinct locations namely, North Mole, Waterport Wharf and Windmill Hill, leading to a consequent change in operations. He said that this was particularly relevant to the role of supervising berthing operations for vessels calling at the port. Whereas previously, after office hours berthing supervision had been undertaken by Vessel Tracking System Supervisor officers based at the North Mole, their change in location to Windmill Hill made this operational evolution impossible. As a result, supervision of berthing operations was being undertaken by the Authority's complement domiciled at the North Mole; these officers work normal office hours, whereas port activity and the arrival of vessels is a 24/7 operation, thus requiring the need to work additional hours.

5.3.35 In regard to the increase in the level of manning level maintenance overtime, the Captain of the Port explained that this was a result of a change in the roster pattern for shift workers, changing from an 8-hour shift to a 12-hour shift pattern. This was carried out initially with the Vessel Tracking System Operative complement (10 staff) and then followed by the Vessel Tracking System Supervisor complement (5 staff).

5.3.36 Gibraltar Sports and Leisure Authority - The overtime expenditure incurred by the Gibraltar Sports and Leisure Authority in the last 6 financial years is summarised in the table below:

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Gibraltar Sports & Leisure Authority	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Overtime - Conditioned	321,848	342,547	352,011	348,947	357,613	356,783
Overtime - Emergency	644	81	85	49,551	67,613	60,184
Overtime - Manning Level Maintenance	225,406	224,296	159,285	85,445	100,116	223,363
Overtime - Discretionary	64,613	153,191	33,540	-		
Total Overtime	612,511	720,115	544,921	483,943	525,342	640,330

5.3.37 The Chief Executive Officer of the Gibraltar Sports and Leisure Authority wrote to me on 9 May 2025 explaining that conditioned overtime has to be paid, as it is part of the contractual conditions of the staff to meet the operational services of the Authority, and there is consequently no option than to manage these payments. In the financial year 2018-19, extra shift staff was employed as a result of the Gibraltar Sports and Leisure Authority taking over the Europort pool complex and staff moving to shift rotations which included weekends. In the financial year 2021-22, there was an expansion to manage the Lathbury sports complex and new staff was employed for the swimming pool.

5.3.38 In regard to manning level maintenance overtime, the Chief Executive Officer explained that in the financial year 2018-19, extra staff cover was required in preparation for the Island Games hosted locally in July 2019. He added that in the financial year 2021-22, an agreement was signed with Unite the Union to cover minimum manning levels and Government instructions are to respect the agreement.

5.3.39 Postal Services Department - The overtime expenditure incurred by the Postal Services Department in the last 6 financial years is summarised in the table below:

Postal Services	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments</u>						
Overtime - Conditioned	481,541	518,511	525,331	504,141	505,142	529,392
Overtime - Emergency	-	-	-	-	-	-
Overtime - Manning Level Maintenance	-	-	-	-	-	-
Overtime - Discretionary	313	2,228	903	-	-	-
Total	481,854	520,738	526,234	504,141	505,142	529,392
<u>Industrial Wages</u>						
Overtime - Conditioned	9,286	1,863	-	-	-	-
Overtime - Emergency	-	-	-	-	-	-
Overtime - Manning Level Maintenance	-	-	-	-	-	-
Overtime - Discretionary	-	-	-	-	-	-
Total	9,286	1,863	-	-	-	-
Total Overtime	491,140	522,601	526,234	504,141	505,142	529,392

5.3.40 The Postal Services Manager replied to me on 25 April 2025, informing me that the overtime expenditure in the Royal Gibraltar Post Office relates in the main to conditioned overtime attracted by the Postal Grades, with no discretionary or emergency overtime undertaken since March 2021. The Postal Services Manager explained that conditioned overtime is part of the contractual conditions of the staff to meet the operational services of the department. A collective agreement, between the Government and Unite the Union, effective on 1 April 2019, addressed a number of longstanding issues, including overtime. As a consequence of this agreement, overtime conditions changed, including the conditioned hours of staff from 41½ hours per week to 37 hours per week, which increased the hourly rate of pay of all postal grades and consequently had an impact in the level of overtime expenditure.

5.3.41 Department of the Environment - The overtime expenditure incurred by the Department of the Environment, broken down by the Environment, Upper Rock and Beaches, and

Collection and Disposal of Refuse in the last 6 financial years is summarised in the tables below:

Environment	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Non-Industrial - Overtime Emergency	-	-	-	-	-	269,822
Environment - OT Emergency	-	-	-	40,598	76,541	-
Environment - OT Discretionary	42,014	75,224	67,497	-	-	-
Industrial - Overtime Emergency	-	-	-	-	-	146,020
Industrial - Overtime Discretionary	-	-	-	-	-	47,435
Ministry - OT Discretionary	12,046	11,313	7,729	6,318	-	-
Cemeteries - OT Discretionary	195,299	203,499	180,752	-	-	-
Cemeteries - OT Emergency	-	-	-	88,529	89,251	-
Industrial - Cemeteries - OT Discretionary	146,410	146,936	185,158	-	-	-
Industrial - Cemeteries - Emergency	-	-	-	139,401	120,136	-
Cleansing - OT Discretionary	25,558	53,567	52,856	-	-	-
Cleansing - OT Emergency	-	-	-	806	6,076	-
Industrial - Cleansing - OT Discretionary	1,036	1,748	-	-	-	-
Enforcement - OT Conditioned	-	-	-	34,776	-	-
Enforcement - OT Discretionary	68,647	69,449	73,465	-	-	-
Enforcement - OT Emergency	-	-	-	-	94,990	-
Enforcement - Manning Level Maintenance	-	-	-	2,443	-	-
Industrial - Apes Management - OT Discretionary	40,831	40,460	40,911	38,489	38,951	-
Total Overtime	531,842	602,195	608,368	351,360	425,945	463,278

Note: The overtime expenditure shown in the financial year 2023-24 under Non-Industrial Overtime Emergency, i.e. £269,822 is made up of the following:

- Environment (Main Office) - £78,068
- Environment (Ministry) - £949
- Cemeteries (Non-Industrial) - £56,483
- Cleansing - £34,192
- Enforcement - £100,130

5.3.42 The acting Chief Executive Officer, who is responsible for the 3 aforementioned divisions replied to me on 1 May 2025. In regard to the **Cemeteries**, he informed me that the Cemetery opens 7 days a week from 7am to 6pm in Winter, and up to 7pm in Summer. Industrial Staff are conditioned to a 48 hour week with additional hours paid as overtime from Monday to Sunday. Non-industrial staff also have these working hours, thus accounting for the high level of overtime that has historically been incurred within this Division. More recently in 2024, Unite the Union has been pushing for a change in the conditioned hours of Gravediggers with the aim of extending the 2 hours overtime paid on weekdays to include Saturdays. The acting Chief Executive said that this, however, had not been agreed to date and a compromise understanding had been achieved to avoid industrial action whereby the additional 2 hours are only paid in the event of a burial taking place.

5.3.43 In regard to the **Cleansing Division**, the acting Chief Executive Officer said that this Division is chiefly responsible for the monitoring and supervision of the Britannia Limited contract as well as some aspects of Gibraltar Industrial Cleaners Limited contract amongst a variety of other duties. More recently, the Cleansing Unit also forms part of the Department of the Environment's Oil Spill/Accident Response Team and is therefore involved in attending to pollution incidents requiring remedial action. The team also responds to any and all cleansing related callouts throughout Gibraltar when necessary. As a result, this section works 7 days a week accounting for the level of overtime incurred.

5.3.44 Regarding the **Enforcement Division**, the acting Chief Executive Officer explained that this Division, made up of Environmental Protection Officers, is responsible for the monitoring and enforcement of all environment-related legislation especially in relation to marine protection and fishing. The team is conditioned to a shift rota of 42 hours per week and are on-call 365 days a year. Aside from responding to any and all environment-related callouts

on land and at sea, the team is also frequently required to patrol British Gibraltar Territorial Waters outside of their standard shift working hours (07:30-19:30hrs) especially during the peak fishing season in summer. Assisting with major and minor environmental accidents outside of standard shift working hours also forms part of the Enforcement Division's duties, e.g. OS35 ship collision, Gas Venus bunkering oil spill, etc. In addition, enforcement officers will cover for any annual/sick leave on overtime to ensure minimum manning levels are available for both marine and land deployments, thus accounting overall for the high amount of overtime in this Division during the period in question. The Department is presently reviewing the existing shift patterns and manning levels of the Enforcement Division as part of a wider strategic review of its enforcement and environmental monitoring obligations.

5.3.45 The overtime expenditure incurred by the Upper Rock and Beaches Division in the last 6 financial years is summarised in the table below:

Upper Rock and Beaches	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Personal Emoluments - Sites/ Upper Rock & Beaches Department</u>						
Overtime - Conditioned	-	-	-	180,707	361,756	359,675
Overtime - Emergency	-	-	-	1,959	12,623	21,930
Overtime - Manning Level Maintenance	-	-	-	95,759	-	-
Overtime - Discretionary	277,773	301,905	248,187	-	-	-
Total	277,773	301,905	248,187	278,425	374,379	381,604
<u>Industrial Wages - Sites</u>						
Overtime - Conditioned	-	-	-	58,131	71,387	78,132
Overtime - Emergency	-	-	-	-	-	-
Overtime - Manning Level Maintenance	-	-	-	-	-	-
Overtime - Discretionary	68,288	66,600	48,942	-	-	-
Total	68,288	66,600	48,942	58,131	71,387	78,132
Total Overtime	346,061	368,506	297,129	336,556	445,766	459,736

5.3.46 The acting Chief Executive Officer informed me that this Division is subdivided into different sections namely:

- (a) The Upper Rock Site Officers Section; and
- (b) The Operations Section (Upper Rock and Beaches Maintenance)

(a) Upper Rock Site Officers Section

The high amount of overtime incurred for the 6-year period spanning 2018 to 2024 is primarily as a result of site officers having to cover for vacant posts as well as annual and sick leave. This overtime was necessary to ensure that all our tourist sites remained open (i.e. St. Michael's Cave, Great Siege Tunnels, 100 Ton Gun, etc.). In addition, site officers need to cover any, and all, special events in the various tourist sites, as well as provide early openings for the cruise liner industry in particular when required. Numerous site officers have very recently been employed/transferred to this section, and according to the acting Chief Executive Officer, this should result in a reduction in overtime expenditure.

(b) Operations Section (Upper Rock and Beaches Maintenance)

In this section, overtime is principally incurred given the need to have all of Gibraltar's beaches and upper rock visitor sites maintained in good order. There is typically an increase in the amount of overtime incurred in the run up to the beach season commencing in June since a large part of the maintenance works cannot be carried out earlier due to the impact of the winter storms. In addition, office staff are responsible for the administration of lifeguards and beach attendants which adds a further operational requirement afterhours. Since at least 2017, the beaches need to be ready and manned by Easter which has further exacerbated the need for overtime spending.

5.3.47 The overtime expenditure incurred by the government-owned company, Gibraltar Industrial Cleaners Limited, under the Collection and Disposal of Refuse Expenditure Vote, in the last 6 financial years is summarised in the table below:

Collection and Disposal of Refuse	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<u>Other Charges</u>						
Other Charges - Overtime	834,380	853,386	822,719	-	-	-
Overtime - Conditioned	-	-	-	-	-	-
Overtime - Emergency	-	-	-	-	-	-
Overtime - Manning Level Maintenance	-	-	-	1,047,484	1,054,701	1,203,300
Overtime - Discretionary	-	-	-	-	-	-
Total Overtime	834,380	853,386	822,719	1,047,484	1,054,701	1,203,300

5.3.48 The acting Chief Executive Officer informed me that overtime expenditure in Gibraltar Industrial Cleaners Ltd has increased for numerous reasons for the 6-year period spanning 2018 to 2024 and can principally be explained as follows:

- Introduction of extra refuse collections outside of the standard collection routes/times. These extra refuse collections include special events (e.g. the Gibraltar Music Festival and the Gibraltar Fair); cardboard run, the Ministry of Defence (MOD) run; and mid-afternoon run in hotspot locations. It must be noted that all costs relating to the MOD run are reimbursed by the MOD;
- Increased manning cover to fill existing vacant posts in the company;

Notwithstanding the above, a new Gibraltar Industrial Cleaners Ltd Collective Agreement has been agreed as part of a wider waste management review which is expected to reduce overtime costs significantly.

5.3.49 It is relevant to point out that on 29 April 2025, just 2 weeks after I had written to the aforementioned ten Heads of Department requesting to learn the reasons for the high level of overtime spending in their departments, the Chief Secretary issued a Circular to all public sector Heads of Department, advising that a revised procedure for the approval and management of overtime was being implemented with immediate effect. The circular stated that as from 29 April 2025, no overtime may be undertaken unless it has been explicitly approved in advance. The Chief Secretary informed that staff were expected to perform their duties within their standard working hours, and overtime should only be requested when it is absolutely essential for the continuation of critical operations beyond conditioned hours. The Circular however highlighted that that current arrangements relating to conditioned overtime or manning level agreements would remain in place. The Circular informed departmental Heads that they now required to obtain prior approval, 5 working days in advance, with relevant details and a clear justification for the additional hours being requested. Once submitted, the request would be reviewed, and a formal response would be issued. The Circular added that in cases of emergency, overtime may be exceptionally authorised by the Controlling Officer or Head of Department, with the condition that in such instances, an explanatory email must be sent within 48 hours of the overtime being worked. The Chief Secretary further informed that except in cases of emergencies, any requests for overtime submitted retrospectively would not be considered for approval or payment under any circumstances. He reminded Departmental Heads and CEOs that it remained the responsibility of all Controlling Officers to manage resources efficiently and to ensure that any requests for overtime must be made with due diligence and supported by a clear operational justification. The Chief Secretary concluded by requesting everyone's cooperation in implementing this revised procedure, as it supported greater consistency, accountability, and sound financial management across all Departments.

5.3.50 Conclusion - While some departments have provided evidenced operational, structural, and/or cyclical justifications for heightened overtime spending, there are other departments where the reasons and evidence provided is insufficient to justify the high level of overtime

expenditure. For example, in the Enforcement Section of the Department of the Environment, where emergency overtime has increased by 94% over the last 3 years (this excludes the overtime earned by the GDC Assistant Environmental Protection Officer who joined the team in 2023-24), with 4 of the 10 Environmental Protection Officers in the section being in the top 30 highest overtime earners in the public service (see Figure 87). This is despite:

- the Enforcement Section having additional GDC deployed staff (one of which is the 6th highest overtime earner in the public service), which has increased the staff complement to 10, meaning the Enforcement Section is operating above the manning level.
- no evidenced year-on-year increase in call-outs or emergencies.

Figure 90 shows the overtime earned by the 10 Environmental Protection Officers, who form part of the Enforcement Section of the Department of the Environment, in the last three tax years 2021-22, 2022-23 and 2023-24.

Figure 90

	Tax Year 2021-22				
	Basic	Overtime	Allowances	Total	Overtime as a % of Basic Pay
GDC Grade 3 (Ex-Police Constable)	£50,763	£6,896	-	£57,659	14%
Ex-Instructional Officer	£40,981	£8,550	£20,789	£70,320	21%
GDC Environmental Protection	£30,982	£25,076	£7,195	£63,253	81%
GDC Environmental Protection	£30,982	£20,958	£7,358	£59,297	68%
Environmental Protection Officer	£42,682	£24,996	£6,971	£74,650	59%
GDC Environmental Protection	£29,070	£15,809	£5,888	£50,766	54%
Asst. Environmental Protection	£24,023	£15,075	£5,381	£44,478	63%
GDC Grade 2 (Ex-Police Constable)	£36,732	£11,085	£1,483	£49,301	30%
GDC Asst. Environmental Protection	£26,498	£14,642	£4,791	£45,931	55%
GDC Asst. Environmental Protection	-	-	-	-	-
	£312,713	£143,087	£59,856	£515,655	46%

	Tax Year 2022-23				
	Basic	Overtime	Allowances	Total	Overtime as a % of Basic Pay
GDC Grade 3 (Ex-Police Constable)	£49,662	£32,007	£2,728	£84,398	64%
Ex-Instructional Officer	£43,288	£51,282	£9,864	£104,434	118%
GDC Environmental Protection Officer	£36,900	£37,836	£17,122	£91,859	103%
GDC Environmental Protection Officer	£36,900	£35,570	£13,675	£86,145	96%
Environmental Protection Officer	£41,803	£36,216	£7,190	£85,209	87%
GDC Environmental Protection Officer	£33,254	£27,363	£6,049	£66,665	82%
Asst. Environmental Protection Officer	£25,054	£19,876	£4,423	£49,353	79%
GDC Grade 2 (Ex-Police Constable)	£57,046	£26,541	£2,517	£86,104	47%
GDC Asst. Environmental Protection	£30,007	£15,652	£4,313	£49,971	52%
GDC Asst. Environmental Protection	-	-	-	-	-
	£353,915	£282,343	£67,881	£704,139	80%

	Tax Year 2023-24				
	Basic	Overtime	Allowances	Total	Overtime as a % of Basic Pay
GDC Grade 3 (Ex-Police Constable)	£51,520	£47,874	£2,380	£101,775	93%
Ex-Instructional Officer	£46,518	£49,618	£10,973	£107,109	107%
GDC Environmental Protection Officer	£45,649	£42,542	£8,442	£96,633	93%
GDC Environmental Protection Officer	£45,647	£38,231	£8,898	£92,776	84%
Environmental Protection Officer	£46,149	£32,672	£11,139	£89,960	71%
GDC Environmental Protection Officer	£39,391	£29,765	£8,759	£77,915	76%
Asst. Environmental Protection Officer	£31,449	£19,818	£5,265	£56,532	63%
GDC Grade 2 (Ex-Police Constable)	£57,046	£15,690	£1,500	£74,236	28%
GDC Asst. Environmental Protection	£34,183	£12,770	£5,968	£52,921	37%
GDC Asst. Environmental Protection	£26,122	£21,973	£5,016	£53,111	84%
	£407,886	£299,552	£95,528	£802,966	73%

As can be observed, the level of emergency overtime earned by the 10 officers in this section is unjustifiably high, particularly bearing in mind that the section is fully manned. Coupled with the 51% increase in allowances (which includes shift-disturbance allowance) over the same period, I find the cost of the environmental protection service to be a matter of concern, especially in terms of whether value for money is being obtained for the taxpayer.

5.3.51 Although the most recently introduced policy of greater control by implementing a prior approval notice introduced by the Chief Secretary (see paragraph 5.3.49) suggests a renewed effort to curtail profligate overtime spending, it does not, in my view go far enough. Similar, policies have been previously introduced (e.g. the Chief Minister's announced overtime controls last year, outlined in paragraph 5.3.4), but with little effect. From the list of the highest overtime spending departments detailed in paragraph 5.3.8, it is evident that the reason for the elevated expenditure is because of the conditioned and manning level maintenance overtime spending. Yet, interestingly enough in the Chief Secretary's circular to all Heads of Department of 29 April 2025, instructing that:

- no overtime can be undertaken by public servants unless it has been approved in advance; and that
- staff are expected to perform their duties within their standard working hours; and
- requests for overtime should only be when absolutely essential for the continuation of critical operations beyond conditioned hours;

the Chief Secretary highlights that, "Current arrangements relating to conditioned overtime or manning level agreements will remain in place".

5.3.52 In my opinion, the introduction of better controls and a change in conditions could provide instant and considerable savings to the taxpayer, particularly in those areas where the need to have heightened manning levels is not justified. Additionally, a concerted effort by Government not to prolong the filling of vacancies in departments which are under staffed across the public service would help contain overtime spending (see section 5.2 of this report).

5.4 Review of Gibraltar Industrial Cleaners Limited

5.4.1 On 22 May 2025, I wrote to the acting Chief Executive of the Department of the Environment, informing him of the audit findings raised following a review of Gibraltar Industrial Cleaners Limited ("Gibraltar Industrial Cleaners"), the contracted company for the collection and disposal of refuse in Gibraltar. I hereunder draw attention to the audit observations noted.

5.4.2 Overtime - Figure 91 shows the total earnings of the 38 staff employed by Gibraltar Industrial Cleaners in the tax year 2023-24. As can be seen the level of overtime is exceedingly high, amounting to £1.11m (39%) of the total personal emoluments (£2.85m) of the company. Approximately three quarters (29 employees) of the company workforce earned more than £20k per annum in overtime during the year. The top earner being the Refuse Collection Manager who earned a staggering £172,458 in total emoluments in the tax year 2023-24, of which £107,006 was in overtime payments.

5.4.3 I told the acting Chief Executive that the high level of overtime expenditure by Gibraltar Industrial Cleaners staff was not limited to the tax year 2023-24. As can be seen from the figures in Figure 92, the levels of overtime spending in the company have been consistently high across the last 6 financial years from 2018-19 to 2023-24. By way of comparison, Gibraltar Industrial Cleaners, with a staff complement of 38, has had a substantially higher overtime spend in these 6 financial years than the combined overtime expenditure of the Income Tax Office (62 employees) and the Treasury Department (81 employees), two departments that consistently work overtime. In some years, the Gibraltar Industrial Cleaners' overtime has been more than 2 times, and on occasions up to 3 or 4 times the combined overtime expenditure of the Income Tax Office and the Treasury Department.

5.4.4 Additionally, the level of overtime appears to be inconsistent with the 'Finish and Go' work arrangement in place, which our audit review has found sees employees working an average of 2 hours a day, after completing their refuse collection run, and on occasions, 2 additional hours if they carry out an extra collection run (working hours are covered in more detail in paragraphs 5.5.6 and 5.5.7). In these latter scenarios, employees are being remunerated with 21 hours a day but only work 4 hours.

5.4.5 I therefore asked the acting Chief Executive what were the justification(s) for the high level of overtime paid to the staff of Gibraltar Industrial Cleaners.

Figure 91 - Overtime and Other Earnings Received by Employees of Gibraltar Industrial Cleaners in the Tax Year 2023-24

Grade	Basic Pay	Overtime	Allowances	Total Earnings	Overtime as a % of Basic Pay
Manager	£64,297	£107,006	£1,154	£172,458	166.4%
Supervisor	£62,388	£34,636	£866	£97,890	55.5%
Supervisor	£62,388	£29,289	£1,154	£92,831	46.9%
Refuse Driver	£45,359	£42,292	£1,154	£88,805	93.2%
Refuse Driver	£45,359	£41,128	£1,154	£87,641	90.7%
Refuse Driver	£45,359	£40,613	£1,620	£87,592	89.5%
Refuse Collector	£42,365	£40,435	£1,617	£84,417	95.4%
Refuse Collector	£42,365	£40,834	£1,164	£84,364	96.4%
Refuse Collector	£42,365	£39,636	£1,154	£83,156	93.6%
Refuse Collector	£42,365	£39,620	£1,154	£83,140	93.5%
Refuse Collector	£42,365	£39,271	£1,154	£82,790	92.7%
Refuse Driver	£45,359	£36,135	£1,154	£82,649	79.7%
Refuse Collector	£42,365	£37,990	£1,154	£81,510	89.7%
Refuse Collector	£42,365	£37,525	£1,577	£81,467	88.6%
Refuse Driver	£45,359	£34,703	£1,400	£81,466	76.5%
Refuse Collector	£42,365	£32,054	£1,154	£75,574	75.7%
Refuse Driver	£45,359	£27,465	£1,569	£74,392	60.6%
Refuse Collector	£42,365	£29,959	£1,154	£73,479	70.7%
Refuse Collector	£42,365	£28,218	£1,154	£71,738	66.6%

Refuse Collector	£42,365	£28,214	£1,154	£71,738	66.6%
Refuse Collector	£42,365	£27,517	£1,154	£71,037	65.0%
Refuse Collector	£42,365	£27,465	£1,154	£70,985	64.8%
Refuse Collector	£42,365	£26,122	£1,585	£70,072	61.7%
Refuse Collector	£42,365	£25,354	£1,617	£69,337	59.8%
Refuse Collector	£42,365	£25,771	£985	£69,121	60.8%
Refuse Collector	£42,365	£24,772	£866	£68,003	58.5%
Refuse Collector	£42,365	£22,434	£1,323	£66,122	53.0%
Refuse Collector	£42,365	£20,678	£1,154	£64,197	48.8%
Refuse Collector	£42,365	£20,534	£1,154	£64,054	48.5%
Refuse Collector	£42,365	£18,022	£577	£60,964	42.5%
Refuse Driver	£45,359	£13,687	£1,522	£60,568	30.2%
Refuse Collector	£41,903	£16,748	-	£58,651	40.0%
Refuse Collector	£42,365	£14,415	£657	£57,438	34.0%
Refuse Collector	£42,365	£13,151	£992	£56,508	31.0%
Refuse Collector	£42,365	£9,193	£990	£52,548	21.7%
Refuse Collector	£42,365	£8,713	£1,009	£52,088	20.6%
Refuse Collector	£42,365	£6,732	£1,154	£50,252	15.9%
Refuse Collector	£42,365	£2,891	£1,154	£46,411	6.8%
Total	£1,692,357	£1,111,223	£43,868	£2,847,448	

Figure 92 - Overtime Earned by Employees of Gibraltar Industrial Cleaners Compared to Overtime Earned by Income Tax Office and Treasury Department Staff During the 6 Financial Years 2018-2024

	2018-19 Overtime	2019-20 Overtime	2020-21 Overtime	2021-22 Overtime	2022-23 Overtime	2023-24 Overtime
Gibraltar Industrial Cleaners Ltd (38 staff)	£834,380	£853,386	£822,719	£1,047,484	£1,054,701	£1,203,300
Income Tax Office (62 staff)	£134,424	£145,095	£95,918	£97,274	£104,450	£112,691
Treasury Department (81 staff)	£250,765	£270,380	£187,815	£140,091	£168,316	£207,631

5.4.6 Hours of Work - Gibraltar Industrial Cleaners employees are conditioned to 74 hours a week, except for the Manager who is conditioned to 37 hours a week. Refuse Collectors and Drivers have their remuneration based on 10½ hours of work for each daily refuse collection run (this works out to be £119.67 per collection run for Refuse Collectors and £127.90 per collection run for Refuse Drivers, August 2024 rates). Nevertheless, refuse collection runs are carried out on a 'Finish and Go' basis, meaning that Gibraltar Industrial Cleaners employees only work for the duration of the collection run. The audit assessment found that refuse collection runs take around 2 hours to complete per day, even though Refuse Drivers and Refuse Collectors are paid 10½ hours of work per day.

5.4.7 The fact that refuse collection runs take on average 2 hours per day to complete, implies that the actual basic weekly hours worked by Gibraltar Industrial Cleaners employees' is closer to 12 hours per week instead of their official conditioned hours of 74 hours per week, thereby making a Refuse Collectors hourly rate to be around £75 per hour, instead of the official hourly rate of £12.14 per hour based on a 74 hour conditioned week, thus reflecting a considerably higher rate of pay per actual hours worked. This shows that the basis of conditioning these workers to 74 hours per week is flawed and erroneous, and offers poor value for money for the taxpayer.

5.4.8 Basic Wages - The basic wages of Refuse Collectors and Refuse Drivers is £42,365 and £45,359 per annum respectively. In comparison, the average annual wages of Refuse Collectors in the United Kingdom (UK) is £21,567, which is approximately half the equivalent wages that Gibraltar Industrial Cleaners receive; and even though Refuse Collectors wages might vary by region in the UK, the highest wages are paid in London at £21,705 per annum. The reason for the very high wages paid to Refuse Collectors and Refuse Drivers in Gibraltar Industrial Cleaners is because of the aforementioned level of hours that these two posts are conditioned to, i.e. 74 hours per week, which is exactly double what public sector workers are conditioned to work, i.e. 37 hours per week.

5.4.9 Working Arrangement - Although the approved establishment of Gibraltar Industrial Cleaners is 48 members of staff, made up of 1 Manager, 2 Supervisors, 9 Refuse Drivers and 36 Refuse Collectors (see Figure 93), during the financial year 2023-24 (and still at present) there were 10 vacancies overall, specifically 2 Refuse Drivers and 8 Refuse Collectors.

Figure 93

Employees	Approved Establishment	Current Staff	Vacant Posts
Manager	1	1	-
Supervisors	2	2	-
Refuse Drivers	9	7	2
Refuse Collectors	36	28	8
Total	48	38	10

5.4.10 Aside from the senior management team of Managing Director and two Supervisors, the company operates 9 refuse collection teams, each team consisting of the following:

Refuse Collection Team

- 1 Refuse Driver
 - 4 Refuse Collectors
- 5 Employees in Total**

Nevertheless, it is my understanding that in practice the following is the usual arrangement for the collection of refuse:

Refuse Collection Team

- 1 Refuse Driver
- 1 Refuse Collector (tasked with bringing out and preparing the refuse bins prior to their collection)
- 2 Refuse Collectors (who carry out the actual collection of the refuse, both travelling at the rear of the refuse lorry)

4 Employees in Total

As can be observed, even though refuse collection teams are made up of 5 employees in principle, the numbers forming each team is actually 4 employees as there are overall 10 vacancies in the company. In the circumstances, the vacant posts are covered by way of staff covers so that each refuse collection team continues having 5 employees. However, the audit review found that despite refuse collection teams having the existing vacancies covered by staff covers, in practice each refuse collection run is composed of 3 employees, i.e. one Refuse Driver and two Refuse Collectors, with an additional Refuse Collector bringing out and preparing the refuse bins prior to their collection. This means that there are solely 4 employees involved in the refuse collection run. It was established in audit that the

other Refuse Collector in the team, does not attend work (he stays at home). This is a recurring practice throughout the year with numerous staff members staying at home, probably on a rotational basis despite being remunerated throughout. In my opinion, this situation is scandalous and unacceptable, as it is not only bad enough for employees to be paid for not working, but additionally other staff members are being additionally remunerated 10½ hours for covering the vacant posts when there is no need for this, as there are employees available to do the work, albeit they are at home and not working. In other words, there are sufficient human resources in the company to do all the daily work, irrespective of the existing vacancies, without the need for the company to pay additional remuneration for cover in the refuse collection runs.

5.4.11 Staff Cover (Additional Refuse Collection Runs) - In the event of staff shortages, cover is selected firstly from within Gibraltar Industrial Cleaners' own staff complement. The duty Supervisor usually contacts staff (Refuse Collectors and Refuse Drivers) for this purpose, thus resolving the issue internally. If cover is not available from within the existing staff complement, the Supervisor has to contact individuals from Government departments, authorities/agencies or government-owned companies that are registered on the official cover/supply list. Whenever staff perform additional collection runs as cover, they receive an added 10½ hours of remuneration per refuse collection run, even though, as outlined in paragraph 6 above, they take only 2 hours to complete each cover.

5.4.12 As mentioned, each extra collection run that a Refuse Collector undertakes, is paid as 10½ hours of work, and is additional to the employee's already conditioned 10½ working hours a day. Even for undertaking the Ministry of Defence (MOD) refuse collection run (this work is performed by Gibraltar Industrial Cleaners for a fee, see paragraphs 20 to 22), which the audit review determined takes 1½ hours to complete per day, the employee is remunerated for undertaking this work as an additional 10½ hours of work per day.

5.4.13 It was further noted that as a result of the high regularity of staff covers taking place (further detailed in paragraph 5.5.15), plus the additional performance of the MOD refuse collection (further detailed in paragraphs 5.5.22 to 5.5.24), and additional collection runs, Gibraltar Industrial Cleaners employees receive remuneration for a disproportionate number of hours per day. Hereunder are detailed four examples of working hours for Normal work days with cover and Public Holiday work days:

- **Normal Day (plus staff cover):** A normal day's work (10½ hours) + staff cover (10½ hours) = 21 hours remunerated, yet only 4 hours of work undertaken by the employee in total.
- **Normal Day (plus staff cover and MOD Run):** A normal day's work (10½ hours) + staff cover (10½ hours) + MOD Run (10½ hours) = 31½ hours remunerated, yet only 5½ hours of work undertaken by the employee in total.
- **Public Holiday:** A day's work (10½ hours) + 21 hours for it being a public holiday = 31½ hours remunerated, yet only 2 hours of work undertaken by the employee in total.
- **Public Holiday (plus staff cover):** A day's work (10½ hours) + 21 hours for it being a public holiday + staff cover (21 hours) = 52½ hours remunerated, yet only 4 hours of work undertaken by the employee in total.

In essence, Refuse Collectors and Refuse Drivers are remunerated 10½ hours of work for each refuse collection run that in effect takes 2 hours to complete.

5.4.14 It was established from the list of refuse collection routes you provided, that there are 9 main refuse collection runs performed on a daily basis, 6 days a week, representing 54 collections (9 routes x 6 days) each week. This equates to a total of 54 collection runs undertaken by the 9 Refuse Drivers, and an aggregate of 216 collection runs by Refuse Collectors (54 collections x 4 Refuse Collectors) per week (as each refuse collection team is made up of 1 Refuse Driver and 4 Refuse Collectors). There is also the 'Extra Collection run' and the

‘MOD Cover collection run’ which is additionally carried out daily by two of refuse collection teams.

- 5.4.15** A review of 4 weekly timesheets submitted by Gibraltar Industrial Cleaners to Treasury in respect of week-endings 16 February 2024, 25 October 2024, 31 January 2025 and 11 April 2025 (shown in Figure 94) revealed that a total of 176 covers was paid to staff (Refuse Drivers and Refuse Collectors) for week-ending 16 February 2024; 145 covers was paid for week-ending 25 October 2024; 141 covers was paid for week-ending 31 January 2025; and 112 covers was paid for week-ending 11 April 2025.

Figure 94

<u>Number of Covers Paid</u>							
<u>w/e 16 Feb 2024</u>				<u>w/e 25 Oct 2024</u>			
	9 Main Routes	2 Extra Routes	Total		9 Main Routes	2 Extra Routes	Total
Refuse Driver	34	10	44	Refuse Driver	22	11	33
Refuse Collector	112	20	132	Refuse Collector	90	22	112
Total	146	30	176	Total	112	33	145

<u>w/e 31 Jan 2025</u>				<u>w/e 11 Apr 2025</u>			
	9 Main Routes	2 Extra Routes	Total		9 Main Routes	2 Extra Routes	Total
Refuse Driver	24	10	34	Refuse Driver	18	9	27
Refuse Collector	87	20	107	Refuse Collector	67	18	85
Total	111	30	141	Total	85	27	112

It should be noted that the analysis does not include the refuse collection covers provided by supply staff from outside Gibraltar Industrial Cleaners, who also receive payments equal to 10½ hours of work at the Refuse Collector or Refuse Driver rate for each occasion they provide cover for a refuse collection run. It should be further observed that the week ending on 16 February 2024 contained a public holiday, which results in a higher number of covers paid.

- 5.4.16** I informed the acting Chief Executive that I considered the number of covers paid in the sample of 4 weeks shown in Figure 94 to be excessive when compared to the number of collection runs the company is required to carry out each week of 216 collection runs by Refuse Collectors and 54 collection runs by Refuse Drivers for the 9 main routes. It shows that numerous Refuse Collectors and Refuse Drivers are carrying out more than one refuse collection run per day, for which they are remunerated 10½ hours per collection run. However, as already highlighted in paragraphs 5.5.6 and 5.5.7, the total time actually worked by the employees falls well-short of the 10½ hours that they are conditioned to work each day.
- 5.4.17** In light of the above, I need to express my concern at the excessive amount of cover work earned as overtime by the staff of Gibraltar Industrial Cleaners, considering that this work can easily be undertaken by the employees within their conditioned 10½ hours per day, particularly taking into account that each refuse collection run takes an employee 2 hours to complete. Which means that an employee can undertake the equivalent of 3 or 4 refuse collection runs within a day’s work (10½ hours) without the need to be remunerated for added cover work.
- 5.4.18** **Lack of controls over timesheets and covers** - Additionally, it was found that the timesheets submitted by Gibraltar Industrial Cleaners to the Treasury claiming these extra hours did not state on which dates the staff covers had taken place, instead only the total number of covers for that week are provided. This makes verification and control very difficult and cannot ensure the correct and accurate payment of additional hours.

5.4.19 Refuse Lorry Equipment - Refuse lorries come equipped with two main sensors which are installed as safety features to protect both the refuse collectors and the truck itself. The first of these sensors recognises if the Refuse Collector is standing on the rear footboard of the truck. If the sensor detects the operative, this limits the maximum speed of the truck to 30km/hr. The second sensor is located in the compactor unit of the refuse truck. When bins are loaded into the truck the refuse is compacted by the use of hydraulic rams in order to maximise the load capacity of the truck. The compactor detects the hydraulic pressure of the ram to ensure that this is not overloaded thus protecting damage being caused.

5.4.20 However, I told the acting Chief Executive that it had come to my attention that the sensors installed in the refuse lorries were frequently found broken in the refuse lorries. Not only does this situation endanger the safe operation of these vehicles, for both employees and the general public, but it also raises cost questions for vehicle maintenance. I pointed out that in my view this merited a departmental investigation into these incidents, as the recurring breakdown of sensors could be motivated by the 'Finish and Go' work arrangement (covered in paragraphs 5.5.6 and 5.5.7).

5.4.21 Nevertheless, on contacting the Chief Executive, Technical Services, who is responsible for the maintenance and repairs of the refuse lorries, on 5 May 2025, he explained that the principle cause for damage to the sensors in the refuse lorries was mainly wear and tear particularly on the older refuse trucks. He explained that the compactor sensor is also occasionally damaged by the improper use of the refuse collection points. Members of the public occasionally throw away items which are not deemed household refuse; this includes paint, rubble, bathroom features, tables, etc. These 'hard' items cannot be compacted and invariably put a strain on the compactor unit which leads to faults on the sensor. The Chief Executive, Technical Services, added that damage to sensors is normal in this type of vehicle given that the sensors work continuously for hours on end on a daily basis in all types of weather conditions. I therefore requested the views of the acting Chief Executive of the Environment Department on this matter.

5.4.22 Refuse Collection and Disposal for the MOD - Gibraltar Industrial Cleaners has been undertaking the service of collecting and disposing of refuse for the Ministry of Defence since October 2022. However, it was noted that there is no contractual service agreement in place to formalise the contractual arrangement between both parties. I recommended to the acting Chief Executive that this should be addressed as a matter of priority.

5.4.23 Invoicing carried out for the service provided by Gibraltar Industrial Cleaners to the MOD is based on a 'like-for-like' costing of the actual services provided by 2 Refuse Collectors and 1 Refuse Driver as cover (overtime). It should be noted that these services are carried out daily, except for weekends and public holidays. The costing for the services provided to the MOD is based on the following daily rates of pay:

- £239.34 (Refuse Collectors x 2 @ £119.67 per collection run)
- £127.90 (Refuse Driver)
£367.24 per day

It was noted, however, that there is no provision made in the costing for the running costs of the refuse lorries, e.g. petrol costs, maintenance, and wear and tear costs. Additionally, no provision is added for the cost of overheads. I pointed out to the acting Chief Executive that Government Accounting Instructions stipulates that 33.3% requires to be added to all jobs undertaken for external entities in order to account for overheads.

5.4.24 The audit review found that a major part of the income received by the company for this service to the MOD for the period October 2022 to March 2025, amounting to £226,275, had been erroneously credited to Expenditure Head 18 Collection and Disposal of Refuse, Subhead 2(2) Overtime, whilst the remainder, totalling £36,122, has been correctly charged to Revenue Head 6 Other Fees and Receipts, Subhead 5 Other Reimbursements. Please note that revenue received cannot be netted against expenditure. I therefore requested the acting Chief Executive if he could make the necessary adjustments, which affect three

separate financial years, namely 2022-23, 2023-24 and 2024-25, by debiting Head 18 Collection and Disposal of Refuse, Subhead 2(2) Overtime, and crediting Revenue Head 6 Other Fees and Receipts, Subhead 5 Other Reimbursements at the earliest opportunity.

5.4.25 Gibraltar Industrial Cleaners Early Exit Scheme - On 11 March 2015, the Government of Gibraltar together with Gibraltar Industrial Cleaners and Unite the Union entered into an agreement to make available an early exit scheme for eligible employees of Gibraltar Industrial Cleaners. Those employees wishing to apply for early exit from the company, if approved, would receive payments as follows:

- Employees aged over 61 years - Lump sum payment of one year's basic pay if under age 64. If over 64 years, lump sum is basic pay for number of weeks left to 65th birthday.
- Employees aged 55 to 61 years - Lump sum payment equivalent to basic pay for weeks remaining to 61st birthday, subject to a maximum of 3 years and a minimum of 1.5 years.
- Employees aged 52 to 55 years - Lump sum payment of 3 years basic pay.

Any employee benefitting from the early exit scheme would not be eligible for future employment in the Government, nor any government company, agency or authority, nor would they be eligible to register as unemployed, for unemployment benefit or for income support. However, they would be eligible to obtain any other employment that they could find or were offered.

5.4.26 One of the conditions of the Gibraltar Industrial Cleaners early exit scheme agreement is that the Government is committed to maintain the current established manning levels within the Gibraltar Industrial Cleaners, although it would not replace any supernumerary posts. All vacant established posts within the company made available as a consequence of employees taking up the early exit scheme would be filled from within the public sector and government-owned companies, and where possible, those posts would not be back-filled. The early exit scheme agreement was put forward on the basis that there would be some reduction in posts from within the Civil Service, Gibraltar Development Corporation, government-owned companies, agencies or authorities.

5.4.27 At our request, the acting Chief Executive provided information in relation to the payouts, in aggregate amounting to £2.12m as at May 2025, which were made to Gibraltar Industrial Cleaners employees under the early exit scheme. Figure 95 shows a list of the 22 employees who left the company under the early exit scheme showing the lump-sum payment each employee received:

Figure 95

Date of Payment	Grade	Age	Lump-Sum Payment
Apr-15	Refuse Collector	62	£37,495
Apr-15	Refuse Collector	60	£56,243
Apr-15	Refuse Driver	57	£114,207
Apr-15	Refuse Collector	57	£112,485
Apr-15	Refuse Driver	60	£63,474
Apr-15	Refuse Collector	54	£112,485
Apr-15	Refuse Collector	57	£112,485
Apr-15	Refuse Collector	64	£37,495
Mar-17	Refuse Collector	59	£59,301
Apr-17	Refuse Collector	57	£118,602
Apr-17	Manager	60	£70,331
Aug-18	Refuse Collector	57	£124,917
Oct-18	Refuse Collector	63	£41,639
Sep-19	Office Clerk	57	£42,264
Sep-19	Assistant Manager	54	£193,554

Feb-21	Refuse Collector	57	£127,533
Apr-21	Refuse Driver	57	£136,545
Jul-21	Refuse Collector	62	£42,511
Jan-22	Refuse Collector	56	£127,533
Jan-22	Refuse Collector	57	£127,533
Jul-22	Refuse Collector	55	£127,533
Oct-24	Refuse Collector	57	£131,133
Total			£2,117,298

- 5.4.28** I told the acting Chief Executive that when he submitted the above information, he explained that the vacant posts that the company has had in recent years had not been filled but instead covered by existing Gibraltar Industrial Cleaners staff and supply workers on an overtime basis to ensure minimum manning levels were adhered to. I therefore enquired to learn the reason(s) for this, bearing in mind that an important condition of the early exit scheme is that all vacant posts within the company that have come about as a consequence of employees taking up the early exit scheme would be filled either from within the public sector or government-owned companies, and where possible the posts of the new recruits in the public sector or public company would not be filled. In other words, I asked the acting Chief Executive what had been the savings to Government as a consequence of paying-out the lump-sum payments under the company's early exit scheme?
- 5.4.29** I also drew attention to the acting Chief Executive's remarks where he had said that more recently, as a consequence of a new Collective Agreement to be implemented as from 1 June 2025, the existing vacant posts in Gibraltar Industrial Cleaners would now be abolished and the minimum complement reduced. I asked the acting Chief Executive if he could confirm if the company's early exit scheme will still be applicable, and if so, will any posts left vacant be filled in accordance with the provisions of the scheme.
- 5.4.30** **Recent Developments** - On 29 April 2025, the Government of Gibraltar issued a press statement informing the public that they had reached a positive agreement with Unite the Union and with the Refuse Collectors from Gibraltar Industrial Cleaners on new terms for the public sector refuse collection services. In the public statement the Government informed that this agreement ensured the continuation of vital services to the public while introducing a more modern and efficient approach to waste management. According to the Government, the new terms of the agreement mark a significant step forward in reconceptualising and streamlining refuse collection and updating outdated processes. In the press statement, the Chief Minister stated that the agreement not only safeguarded refuse collection services and the wellbeing of Gibraltar Industrial Cleaners workers but also generated substantial savings for the taxpayer.
- 5.4.31** According to the Chief Minister, the agreement was the result of a detailed consultation process, mutual goodwill, and a shared commitment to creating a system that works for both the workers from Gibraltar Industrial Cleaners and the public. The Chief Minister said that he was proud of the work done by the Government and the Union in delivering this agreement which will provide for benefits across the board, and has enabled the Government and the workers to take matters forward generationally in the context of the collection of refuse in Gibraltar. The Chief Minister concluded by saying that the Union and the refuse collectors have been sensitive to the challenges of maintaining a high-quality public service and working collaboratively with the Government to adopt a revised model that addresses current needs. The Branch Coordinating Official for Unite the Union was quoted in the press statement as saying that their aim throughout the negotiation had been to protect and preserve quality public sector employment, not just for today's workforce, but for future generations. He recognised the significant challenges the Gibraltar Industrial Cleaners workforce faced, particularly in light of the potential privatisation of the service. He expressed his gratitude to the company's shop stewards, the working group, and all

members for their trust and support in following his lead. He said that together they had worked constructively to achieve a win-win outcome for all parties involved.

5.4.32 The information that came out in the local press stated that the Gibraltar Government had estimated there would be annual savings of between £700,000 and £900,000 depending on any cover required, largely as a result of a reduction in staff headcount. The Government said that at present each lorry carries 4 refuse collectors and 1 driver, while under the new model, this will be reduced to 3 refuse collectors and 1 driver. The established complement at Gibraltar Industrial Cleaners will fall from 45 to 35 employees, with earnings unaffected [emphasis added] and a drop in long-weekend shifts from 11 to 6. The revised model also included a change in collection times, with one refuse collection at 8pm and the other at 11pm instead of 5am, and in this way will address noise complaints about early-morning collections. The routes will be changed from 5 to 4, increasing the number of collections per refuse truck on every route, and there will also be a 'hotspot collection' after 1am to dispose of refuse from restaurants. A government spokesperson said that the routes and timings had been agreed after consultation with the workers and the Union, with whom the Government had held numerous meetings in the past few months, ironing out all of the staff concerns and finding compromises that secure their jobs, and the service provided to the community. According to the spokesperson, the changes would become effective from 1 June 2025.

5.4.33 In my letter to the acting Chief Executive, I highlighted that although, efficiencies and savings were clearly welcome, it was a matter of concern to me that the exorbitant costs historically incurred in the collection and disposal of refuse by Gibraltar Industrial Cleaners had been allowed to continue unchecked by the Government for many years with no action taken to curb this inordinate expenditure for the taxpayer.

5.4.34 I further told the acting Chief Executive that given the findings of the audit review, I could not understand how the savings earmarked by the Government will be achieved, to the extent of annual savings of between £700k and £900k, particularly if the earnings of the workforce will remain unaffected as declared by the Government. It must be borne in mind that the annual budgeted wages of Gibraltar Industrial Cleaners, as per 2024-25 Estimates book is £1.70m per annum, and overtime expenditure has on average been £1.10m in the last 3 financial years. I therefore enquired to learn how the Government envisaged obtaining annual savings of between £700k and £900k if the earnings of the workforce will remain unaffected, as declared by the Government, and the workforce will not change from the existing 35 employees (excluding the Managing Director and the 2 Supervisors).

5.5 Review of Ex-Gratia Payments made in the Public Service

5.5.1 A review was undertaken of the ex-gratia payments made by the Government and statutory Agencies and Authorities in the 6-year period from 1 April 2018 to 31 March 2024. Figure 96 summarises the total ex-gratia payments made during the 6-year period.

Figure 96 - Ex-Gratia Payments: 1 April 2018 to 31 March 2024

Department/Authority/Agency/Corporation	Settlements, Compensation & Damages								Reimbursements							Charity Donation	Other	Total Ex-Gratia
	Capital Infrastructure	Employment	Loss of Interest	Medical	Pension	Personal Settlement	Property	Vehicles & Vessels	Accomm. Fees	House Rent	Legal Fees	Medical Equipment	Private Medical Fees	Travel Costs	Water Bills			
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Care Agency	-	109,352	-	-	-	55,000	-	-	-	-	-	-	-	-	-	-	28,683	193,035
Culture	-	-	-	-	-	-	-	1,208	-	-	-	-	-	-	-	-	-	1,208
Customs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	103	103
Education	-	339,273	-	-	-	-	-	-	-	-	-	100	-	-	-	-	27,191	366,564
Employment	-	10,000	-	-	-	15,700	-	-	-	-	-	-	-	-	-	-	-	25,700
Environment	-	-	-	-	-	-	5,190	-	-	-	-	-	-	-	-	-	-	5,190
Fire & Rescue Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	800	800
Gibraltar Development Corporation	-	52,057	-	-	208,345	171,733	-	-	-	-	-	-	-	-	-	-	-	432,134
Gibraltar Electricity Authority	-	-	-	-	-	174,996	-	-	-	-	-	-	-	-	-	-	-	174,996
Gibraltar Health Authority	-	181,506	463	150,370	15,650	128,048	-	-	-	-	150,000	93	150,847	-	-	3,000	39,653	819,629
Gibraltar Sports & Leisure Authority	-	-	-	-	-	104,576	-	-	-	-	-	-	-	-	-	-	-	104,576
Housing	-	-	-	-	-	-	4,106	-	-	732	-	-	-	-	-	-	720	5,558
Housing Works Agency	-	-	-	-	-	-	-	-	-	457	-	-	-	-	9,291	-	2,803	12,551
Justice, Trade & Industry	-	537,961	-	-	-	-	-	-	-	-	2,400	-	-	-	-	-	-	540,361
No.6 Convent Place	490,625	157,470	5,791	38,978	4,207,765	771,099	92,821	-	8,696	-	100,000	-	53,955	24,735	-	-	332,974	6,284,909
Personnel & Development	-	266,985	20,923	155,925	1,067,195	525,400	-	-	-	-	-	-	-	-	-	-	29,482	2,065,910
Policing	-	-	-	-	-	-	130	19,063	-	-	2,500	-	238	-	-	-	-	24,648
Social Security	-	-	-	-	9,426	-	-	-	-	-	-	-	-	-	-	-	3,000	12,426
Technical Services	-	-	-	-	-	-	-	-	-	-	-	82	-	-	-	-	-	82
Treasury	-	-	-	-	9,335	-	-	-	-	-	-	-	-	-	-	-	-	9,335
Totals	490,625	1,654,604	27,177	345,273	5,517,717	1,946,550	102,247	20,271	8,696	1,189	254,900	275	205,040	24,735	9,291	3,000	468,125	11,079,716

5.5.2 A total of £11.08m in ex-gratia payments were made during the 6-year period 2018 to 2024. Of these payments, 91.2% were in relation to settlements, compensation and damages, of which pension related payments were £5.52m (representing 49.8% of all ex-gratia payments made), followed by employment related payments of £1.65m (14.9%) and personal settlements of £1.95m (17.6%).

5.5.3 Figure 97 shows the ex-gratia payments made by the different departments and statutory entities analysed comparatively by financial year.

Figure 97 - Ex-Gratia Payments: 1 April 2018 to 31 March 2024 (per financial year)

Department/Authority/Agency/Corporation	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2018-24 £	2018-24 %	Average £
Care Agency	-	-	-	-	109,352	83,683	193,035	1.7%	32,173
Culture	1,208	-	-	-	-	-	1,208	0.0%	201
Customs	-	-	74	28	-	-	103	0.0%	17
Education	25	400	27,916	-	100	338,123	366,564	3.3%	61,094
Employment	-	-	-	-	10,000	15,700	25,700	0.2%	4,283
Environment	-	-	5,190	-	-	-	5,190	0.0%	865
Fire & Rescue Service	-	-	-	-	-	800	800	0.0%	133
Gibraltar Development Corporation	-	-	21,584	-	410,551	-	432,134	3.9%	72,022
Gibraltar Electricity Authority	-	-	-	-	-	174,996	174,996	1.6%	29,166
Gibraltar Health Authority	286,728	354,750	463	30,142	147,547	-	819,629	7.4%	136,605
Gibraltar Sports & Leisure Authority	-	-	-	-	49,770	54,806	104,576	0.9%	17,429
Housing	4,106	732	-	-	-	720	5,558	0.1%	926
Housing Works Agency	1,348	1,083	3,494	963	2,151	3,512	12,551	0.1%	2,092
Justice, Trade & Industry	-	-	-	-	-	540,361	540,361	4.9%	90,060
No.6 Convent Place	565,099	4,396,614	622,846	105,208	361,550	233,592	6,284,909	56.7%	1,047,485
Personnel & Development	8,880	98,518	37,684	157,035	344,828	1,418,965	2,065,910	18.6%	344,318
Policing	-	2,530	2,925	19,063	-	130	24,648	0.2%	4,108
Social Security	-	9,426	3,000	-	-	-	12,426	0.1%	2,071
Technical Services	-	-	-	-	82	-	82	0.0%	14
Treasury	4,172	-	5,164	-	-	-	9,335	0.1%	1,556
Totals	871,565	4,864,054	730,339	312,439	1,435,930	2,865,388	11,079,716		
% Differences		- 458%	-85%	-57%	360%	100%			

5.5.4 Historically, ex-gratia payments were approved and charged to the No.6 Convent Place ('No.6') Head of Expenditure, with a very small number of ex-gratia payments expended by certain departments. During the 6-year period 2018-2024, 56.7% of ex-gratia payments were made by No.6, with the Department of Personnel & Development accounting for 18.6% of ex-gratia payments made. Up to 31 March 2021, No.6 accounted for 86.4% of all ex-gratia payments made during the 3-year period 2018-19 to 2020-21. Since 2021-22, the Department of Personnel & Development have approved and paid a greater proportion of ex-gratia payments than No.6. However, since 2022-23, No.6 and the Department of Personnel & Development have accounted for 54.8% of ex-gratia payments, with more ex-gratia payments being charged to individual departments/authorities.

PART 5 - VALUE FOR MONEY AUDITS

5.5.5 A breakdown of ex-gratia payments analysed per financial year during the 6-year period 2018-2024 is summarised in paragraphs 5.5.6 to 5.5.26.

5.5.6 Ex-gratia payments made during 2018-19 - Figure 98 shows the total payments made during the financial year 2018-19.

Figure 98 - Ex-Gratia Payments made during 2018-19

Department/Authority /Agency	Settlements, Compensation & Damages							Reimbursement		Charity Donation	Other	Total Ex-Gratia
	Capital Infrastructure	Employment	Loss of Interest	Medical	Pension	Property	Vehicles & Vessels	Private Medical Fees	Water Bills			
	£	£	£	£	£	£	£	£	£	£	£	£
Culture	-	-	-	-	-	-	1,208	-	-	-	-	1,208
Education	-	-	-	-	-	-	-	-	-	-	25	25
Gibraltar Health Authority	-	71,000	-	75,489	15,650	-	-	121,537	-	500	2,552	286,728
Housing	-	-	-	-	-	4,106	-	-	-	-	-	4,106
Housing Works Agency	-	-	-	-	-	-	-	-	1,348	-	-	1,348
No.6 Convent Place	489,875	29,893	5,791	995	-	14,012	-	-	-	-	24,533	565,099
Personnel & Development	-	-	8,568	-	311	-	-	-	-	-	-	8,880
Treasury	-	-	-	-	4,172	-	-	-	-	-	-	4,172
Totals	489,875	100,893	14,360	76,484	20,133	18,118	1,208	121,537	1,348	500	27,109	871,565

5.5.7 The following ex-gratia payments are the more significant ones made during the financial year 2018-19:

- Included in the figure of £489,875 and classified under 'Capital Infrastructure' for No.6 Convent Place are five payments made to Sharrock Shand Ltd totalling £473,125. The payments relate to the construction of a concrete platform on top of the revetment of both of Gibraltar's rowing clubs' promenades to form a sunbathing platform that commenced during March 2018, and includes the three largest ex-gratia payments made during the 2018-19. All the invoices from the constructor were addressed to the Technical Services Department. Therefore, these payments were neither a settlement for compensation or damages, nor a reimbursement. This expense would be more accurately classified as a grant and not as an ex-gratia payment. However, the Office of the Financial Secretary issued an instruction to charge these payments to an ex-gratia account after discussing this with the Chief Minister.
- Also included under 'Capital Infrastructure' for No.6 Convent Place is a payment made to Orfila Architects of £16,750 in relation to a building extension at the Hindu Temple. The invoice is addressed to the Chief Technical Officer. It therefore appears that this payment was neither a settlement for compensation or damages, nor a reimbursement. This expense would have been more accurately classified as a grant and not as an ex-gratia payment.
- An ex-gratia payment under 'Employment' for the GHA amounting to £71,000 is in relation to a compromise agreement between the GHA and a former Emergency Medical Technician to settle an employment claim.
- Also included under 'Employment' for No.6 is an ex-gratia payment of £29,893 to the law firm Isolais LLP in relation to legal fees incurred in representing the inaugural Vice-Chancellor of the University of Gibraltar on the legal issues arising from her employment at the University. The Financial Secretary approved this payment and the charge to the ex-gratia subhead. I consider it would have been more appropriate to have charged this payment to the University of Gibraltar.

5.5.8 Ex-gratia payments made during 2019-20 - Figure 99 shows the total payments made during the financial period April 2019 to March 2020.

Figure 99 - Ex-Gratia Payments made during 2019-20

Department/Authority /Agency	Settlements, Compensation & Damages						Reimbursements				Charity Donation	Other	Total Ex-Gratia
	Capital Infrastructure	Loss of Interest	Medical	Pension	Personal Settlement	Property	Accomm. Fees	House Rent	Legal Fees	Private Medical Fees			
	£	£	£	£	£	£	£	£	£	£	£	£	£
Education	-	-	-	-	-	-	-	-	-	-	-	400	400
Gibraltar Health Authority	-	-	25,221	-	128,048	-	-	-	150,000	28,981	2,500	20,000	354,750
Housing	-	-	-	-	-	-	-	732	-	-	-	-	732
Housing Works Agency	-	-	-	-	-	-	-	457	-	-	-	626	1,083
No.6 Convent Place	750	-	35,592	3,768,724	451,000	68,809	3,346	-	-	-	-	68,394	4,396,614
Personnel & Development	-	3,933	-	94,585	-	-	-	-	-	-	-	-	98,518
Policing	-	-	-	-	-	-	-	-	-	238	-	2,292	2,530
Social Security	-	-	-	9,426	-	-	-	-	-	-	-	-	9,426
Totals	750	3,933	60,813	3,872,735	579,048	68,809	3,346	1,189	150,000	29,219	2,500	91,713	4,864,054

5.5.9 The largest ex-gratia payment during the financial period 2019-20 is that shown under 'Pension' in respect of No.6 Convent Place in Figure 99. This consists of a collective payment amounting to £3.61m, made in October 2019, to ex-government employees who resigned from the Civil Service to join Gibraltar Nynex Ltd (thereafter Gibtelecom) and AquaGib Ltd after the privatisation of the Telephone Department and the Water Section of the Public Works Department respectively, under a pension settlement agreement. The payments made to the ex-government employees follows a claim whereby these employees had been guaranteed, when they left the public service, that they would enjoy the same, or better pension terms and conditions than they enjoyed when they were employed in the Government Service. It appears that through no fault of either the Government of Gibraltar or the ex-employees, and due to the less favourable annuity rates that were available in 1990 –at the time of the move– the pension values on retirement of the employees had been insufficient to provide the equal benefits envisaged at the time. The collective payment is based on the principle of what would have been the ex-employees pension benefits on retirement under the Civil Servants, less the pension benefit accrued under the respective utility company.

5.5.10 Aside from the collective payment described in paragraph 5.5.9, the following ex-gratia payments are the more significant ones made during the financial period 2019-20:

- There were two personal settlements amounting to £201,000 and £250,000 paid to a GDC Grade 4 officer (who was previously a Police Officer) and the Administrative Social Work and Information Manager at the Care Agency respectively, shown under 'Personal Settlement' in respect of No.6 Convent Place in Figure 99. Despite numerous email requests to No. 6 Convent Place, requesting to learn the underlying reasons for these payouts, I have to report that at the close of this Report I have not been provided with the information I requested nor presented with the related Settlement Agreements.
- There was an ex-gratia (interim) payment of £150,000 shown under 'Legal Fees' in respect of the GHA in Figure 99. The payment was made to Kenneth Navas Barristers & Solicitors in respect of legal costs in connection with a Supreme Court claim of a personal injury action against the GHA by a GHA Consultant.
- There was an ex-gratia payment of £128,048 shown under 'Personal Settlement' in respect of the GHA in Figure 99. The payment was made to the Head Pharmacist of the GHA on retirement, representing 18 months' salary under a voluntary separation agreement. This severance package was approved by the Minister for Economic Development.
- An ex-gratia payment of £94,585 in the form of a gratuity, shown under 'Pension' in respect of the Department of Personnel & Development in Figure 99, was exceptionally awarded to a retiring prison officer, as the officer had accrued approximately seven years of supply service which had not been recognised for pension purposes. Despite numerous email requests to No. 6 Convent Place, I have to report that at the close of this Report, I have not been provided with the settlement agreement relating to this payment.
- A payment £48,000, shown under 'Other' in respect of No.6 Convent Place in Figure 99, was paid to Hassans Lawyers in respect of a settlement claim by an individual. This

payment had apparently been approved by the Chief Minister. At the close of this Report, despite numerous email requests to No. 6 Convent Place I had not been informed of the nature of this payment, nor provided with the related settlement agreement.

- A settlement claim of £38,719 shown under 'Pension' in respect of No.6 Convent Place in Figure 99, was made to a retired employee of AquaGib Ltd. However, despite numerous email requests to No. 6 Convent Place, at the close of this Report, I have not been informed of the nature of this payment, nor provided with the corresponding settlement agreement.
- A one-off payment of £20,712 (equivalent to €22,990), shown under 'Medical' in respect of No.6 Convent Place in Figure 99, was paid to an individual, the settlement of which apparently was approved by the Chief Minister. At the close of this Report, I have not been informed of the nature of this payment nor received the related settlement agreement.

5.5.11 Ex-gratia payments made during 2020-21 - Figure 100 shows the total payments made during the financial period April 2020 to March 2021.

Figure 100 - Ex-Gratia Payments made during 2020-21

Department/Authority/Agency /Corporation	Settlements, Compensation & Damages					Reimbursements			Other	Total Ex-Gratia
	Employment	Loss of Interest	Pension	Personal Settlement	Property	Accomm. Fees	Legal Fees	Water Bills		
	£	£	£	£	£	£	£	£	£	£
Customs	-	-	-	-	-	-	-	-	74	74
Education	5,500	-	-	-	-	-	-	-	22,416	27,916
Environment	-	-	-	-	5,190	-	-	-	-	5,190
Gibraltar Development Corporation	21,584	-	-	-	-	-	-	-	-	21,584
Gibraltar Health Authority	-	463	-	-	-	-	-	-	-	463
Housing Works Agency	-	-	-	-	-	-	-	2,861	633	3,494
No.6 Convent Place	47,577	-	434,704	60,099	-	5,350	100,000	-	-24,883	622,846
Personnel & Development	-	920	-	36,763	-	-	-	-	-	37,684
Policing	-	-	-	-	-	-	2,500	-	425	2,925
Social Security	-	-	-	-	-	-	-	-	3,000	3,000
Treasury	-	-	5,164	-	-	-	-	-	-	5,164
Totals	74,661	1,383	439,867	96,862	5,190	5,350	102,500	2,861	1,664	730,339

5.5.12 The two largest ex-gratia payments made during the financial period 2020-21 amount to £242,930 and £174,416 respectively and are included in the figure of £434,704 shown under 'Pension' in respect of No.6 Convent Place in Figure 100. These two payments were made in December 2020 and relate to the pension settlement agreements of two retired Gibraltar Development Corporation (GDC) officers who in the late 1980s resigned from the Civil Service to join a government-owned company (namely, Gibraltar Tourism Agency Ltd) which at the time took over the functions of the Tourist Office, before returning to Government in 1994 and being offered GDC employment. The basis of these officers' claim was that when they severed their service as government employees they had been assured that their pension benefits on retirement would be equal or better than that in the Government Service. However, on reaching retirement age, the pension values on retirement did not amount to the equal benefits envisaged at the time.

5.5.13 Aside from the payments described in paragraph 5.5.12, the following ex-gratia payments are the more significant ones made during the financial year 2020-21:

- A payment of £100,000 shown in Figure 100 under 'Legal Fees' in respect of No.6 Convent Place, was paid to the Gibraltar General and Clerical Association (GGCA) in respect of a compromise agreement between the Government and the GGCA for the reimbursement of this Union's legal fees in respect of one of its members.
- A settlement payment of £47,577, shown in Figure 100 under 'Employment' in respect of No.6 Convent Place, was made to Triay & Triay Lawyers in relation to an employment tribunal claim.

- One year's salary amounting to £45,099, shown in Figure 100 under 'Personal Settlement' in respect of No.6 Convent Place, relates to an ex-gratia personal settlement agreement, that was paid to a retired employee of AquaGib Ltd under the terms of an early exit package offered by AquaGib Ltd in 2004, that were less favourable than those offered to other AquaGib Ltd employees. The ex-gratia agreement states that there was no contractual obligation by the Government to make the payment.
- A further personal settlement of £36,763, shown in Figure 100 under 'Personal Settlement' in respect of the Department of Personnel & Development, was paid to a Crown Counsel after retirement. Despite numerous email requests to No.6 Convent Place, at the close of this report, I have not been informed of the nature of this ex-gratia payment nor provided with the related settlement agreement.

5.5.14 In Figure 100, the negative net balance shown under 'Other' in respect of No.6 Convent Place is a net balance that includes a £30,000 credit journal adjustment in connection with overpayments recovered during December 2020.

5.5.15 Ex-gratia payments made during 2021-22 - Figure 101 shows the total ex-gratia payments made during the financial year 2021-22.

Figure 101 - Ex-Gratia Payments made during 2021-22

Department/Authority /Agency	Settlements, Compensation & Damages					Reimbursements			Other	Total Ex-Gratia
	Employment	Loss of Interest	Medical	Property	Vehicles & Vessels	Medical Equipment	Private Medical Fees	Travel Costs		
	£	£	£	£	£	£	£	£	£	£
Customs	-	-	-	-	-	-	-	-	28	28
Gibraltar Health Authority	-	-	21,619	-	-	93	329	-	8,101	30,142
Housing Works Agency	-	-	-	-	-	-	-	-	963	963
No.6 Convent Place	80,000	-	-	10,000	-	-	-	6,555	8,653	105,208
Personnel & Development	156,667	368	-	-	-	-	-	-	-	157,035
Policing	-	-	-	-	19,063	-	-	-	-	19,063
Totals	236,667	368	21,619	10,000	19,063	93	329	6,555	17,745	312,439

5.5.16 The largest ex-gratia payment made during the financial year 2021-22 is included in Figure 101 under 'Employment' in respect of the Department of Personnel & Development, consisting of a payment of £156,667, made in July 2021, to the Director of Strategic Planning, Projects and Business Development, at the Ministry for Education, Telecommunications and Justice in relation to a verbal settlement agreement with the Government of Gibraltar to terminate his contract of employment. The reason for termination was by mutual agreement and the ex-gratia payment was approved by the Chief Minister.

5.5.17 There is an ex-gratia payment of £80,000, shown in Figure 101 under 'Employment' and charged to No.6 Convent Place, to settle an invoice from the Gibraltar Broadcasting Corporation (GBC) in relation to a mediation settlement of an employment tribunal claim by a GBC employee. According to the invoice, the £80,000 settlement was reached upon instructions from the Chief Minister, who provided guidance on the amount to be offered. In my view, this expense should have been more appropriately charged to Head 49 Broadcasting, Subhead 2(1) Contribution to Gibraltar Broadcasting Corporation, as a further contribution to GBC, instead of as an ex-gratia payment charged to the Ex-gratia Vote under No.6 Convent Place.

5.5.18 Ex-gratia payments made during 2022-23 - Figure 102 shows the total ex-gratia payments made during the financial year 2022-23.

Figure 102 - Ex-Gratia Payments made during 2022-23

Department/Authority/Agency /Corporation	Settlements, Compensation & Damages				Reimbursements				Other	Total Ex-Gratia
	Employment	Medical	Pension	Personal Settlement	Medical Equipment	Private Medical Fees	Travel Costs	Water Bills		
	£	£	£	£	£	£	£	£	£	£
Care Agency	109,352	-	-	-	-	-	-	-	-	109,352
Education	-	-	-	-	100	-	-	-	-	100
Employment	10,000	-	-	-	-	-	-	-	-	10,000
Gibraltar Development Corporation	30,473	-	208,345	171,733	-	-	-	-	-	410,551
Gibraltar Health Authority	110,506	28,041	-	-	-	-	-	-	9,000	147,547
Gibraltar Sports & Leisure Authority	-	-	-	49,770	-	-	-	-	-	49,770
Housing Works Agency	-	-	-	-	-	-	-	2,151	-	2,151
No.6 Convent Place	-	-	4,338	260,000	-	14,965	9,360	-	72,887	361,550
Personnel & Development	81,569	-	188,541	74,718	-	-	-	-	-	344,828
Technical Services	-	-	-	-	82	-	-	-	-	82
Totals	341,900	28,041	401,224	556,221	182	14,965	9,360	2,151	81,887	1,435,930

5.5.19 The largest ex-gratia payment made during the financial year 2022-23 is included in Figure 102 under 'Personal Settlement' in respect of No.6 Convent Place. This payment of £260,000, made in June 2022, relates to a settlement agreement following a claim filed in the Supreme Court of Gibraltar by an employee of the Gibraltar Development Corporation (GDC) against the GDC. For more details on the background and settlement of this claim see paragraphs 4.3.15 to 4.3.26 of this report. The correct expenditure allocation of this settlement payment is to the GDC instead of as an ex-gratia payment charged to the Ex-gratia Vote under No.6 Convent Place.

5.5.20 Aside from the payment described in paragraph 5.5.19, the following ex-gratia payments are the more significant ones made during the financial year 2022-23:

- A payment of £208,345, shown in Figure 102 under 'Pension' and charged to the Gibraltar Development Corporation, relates to the pension settlement agreement on retirement of a GDC Grade 5 officer who in the late 1980s resigned from Government Service to join a government-owned company (namely, Gibraltar Tourism Agency Ltd) which took over the functions of the Gibraltar Tourist Office before returning to Government in 1994 and being offered GDC employment. The basis of this officer's claim is the same as two other GDC officers mentioned in 5.5.12, in that when she severed her service as a government employee she had been assured that her pension benefits on retirement would be equal or better than that in the Government Service. However, on reaching retirement age, the pension value on retirement had been insufficient to provide the equal benefits envisaged at the time. This GDC officer additionally received a termination payment of £57,921 in respect of 1-year's salary when she left on retirement.
- A payment of £149,428, shown in Figure 102 under 'Pension' and charged to the Department of Personnel & Development, was paid to a retired police constable. The payment, which was approved by the Chief Minister, was a 100% gratuity top-up based on additional service as if the police constable had qualified for full reckonable service on retirement (representing an enhancement of 11 years and 6 months). There were similar payments made to 4 other retired police officers in the following financial year 2023-24, see paragraph 5.5.23. I wrote to the Department of Personnel & Development and to No.6 Convent Place, requesting to learn the underlying reasons for these payouts and asking for copies of the related settlement/severance agreements. However, despite numerous email requests, at the close of this Report, I had not received a reply from these departments.
- Several ex-gratia payments totalling £109,352, made by the Care Agency and shown in Figure 102 under 'Employment', relate to employment tribunal settlements paid to 8 supply locums.
- Included in the figure of £110,506, shown in Figure 102 under 'Employment' in respect of the Gibraltar Health Authority, is a settlement payment of £104,506 paid to a previous Medical Director of the GHA. The payment relates to arrears of pay arising as a

consequence of the GHA withholding payment of elements of the previous Medical Director's contractual salary in connection with third party Employment Tribunal proceedings against the GHA that involved this employee.

- An ex-gratia payment of £60,000, shown in Figure 102 under 'Other' in respect of No.6 Convent Place, was made to a former Government Minister. Despite requesting No.6 Convent Place to provide me with information on the nature of this payment, at the close of this Report I had not been informed of the reason(s) of this ex-gratia payment.
- Included in the figure of £81,569, shown in Figure 102 under 'Employment' in respect of the Department of Personnel & Development, is a redundancy payment of £53,925 paid to the Commissioner for Sustainable Development (i.e. the inaugural Vice-Chancellor of the University of Gibraltar) representing six months' salary.
- There are several recurring ex-gratia monthly payments made during the financial years 2019-21, 2021-22 and 2022-23 totalling £74,718 (see Figure 103), initially charged to an advance account titled 'Chief Secretary - Payment Adjustment' and subsequently recharged to the Department of Personnel & Development Ex-gratia vote in the financial year 2022-23 (shown under 'Personal Settlement' in respect of the Department of Personnel & Development in Figure 102). In the subsequent financial years 2023-24 and 2024-25, similar payments were made amounting in total to £23,795 and £7,142 respectively. All these collective payments appear to be in connection with confidential payments made to 12 former police officers before they were either transferred to the wider public service or retired. Additionally, the basis for these payments seem to be adjustment differences in the monthly net salaries earned by the former police officers. Despite numerous emails to No. 6 Convent Place requesting to learn the reasons for these payments spanning a period of 5 financial years, I have received no reply nor any agreements in support of these payments.

Figure 103

Police Officer	Financial Year					Total per Officer
	2019-21	2021-22	2022-23	2023-24	2024-25	
Police Sergeant 1	£4,944	£21,442	-	-	-	£26,387
Police Sergeant 2	-	-	£1,713	-	-	£1,713
Police Sergeant 3	-	-	£288	-	-	£287
Police Sergeant 4	-	-	-	£7,655	-	£7,655
Police Sergeant 5	-	-	-	£5,719	£1,743	£7,462
Police Sergeant 6	-	-	-	£3,600	£1,401	£5,001
Police Constable 1	£2,262	-	-	-	-	£2,262
Police Constable 2	£2,288	£32,901	(£219)	-	-	£34,969
Police Constable 3	-	-	£9,099	-	-	£9,099
Police Constable 4	-	-	-	£2,688	£1,166	£3,854
Police Constable 5	-	-	-	£2,735	£1,434	£4,169
Police Constable 6	-	-	-	£1,398	£1,398	£2,797
	£9,494	£54,343	£10,881	£23,795	£7,142	£105,655

£74,718

- A settlement payment of £52,743, shown in Figure 102 under 'Personal Settlement' in respect of the Gibraltar Development Corporation, was paid to the Head of Public Service Human Resources on 9 September 2022. I requested the GDC Secretary to provide me with information relating to this payment and also a copy of the related settlement/severance agreement. However, at the close of this report, I had not been provided with any information or explanations. The Head of Public Service Human Resources was also paid a redundancy payment of £30,743 on 17 August 2022.

- A termination payment on retirement amounting to £49,770 representing 1-year's salary plus a 12.5% shift disturbance allowance, shown in Figure 102 under 'Personal Settlement' in respect of the Gibraltar Sports and Leisure Authority, was paid to a Centre Manager (Grade 5) in the Gibraltar Sports and Leisure Authority.
- A termination payment of £35,003 representing 1-year's basic salary, and shown in Figure 102 under 'Personal Settlement' in respect of the Gibraltar Development Corporation, was paid to a GDC Grade 3 officer on resignation.
- A settlement payment of £28,041, shown in Figure 102 under 'Medical' in respect of the GHA, was paid in respect of a medical negligence claim.
- Payments totalling £27,644, shown in Figure 102 under 'Employment' in respect of the Department of Personnel & Development, relates to the payment of annual leave and/or Time-off in Lieu (TOIL) to 4 former police officers before they were either transferred to the wider public service or retired. I consider the payments in respect of annual leave/TOIL to have been erroneously charged to an ex-gratia vote, as payments of annual leave and TOIL, which constitute Personal Emoluments, require to be charged to Payroll, with the consequent deduction of income tax, which these payments have not been subjected to.
- A termination payment of £26,066 representing 1-year's basic salary, and shown in Figure 102 under 'Personal Settlement' in respect of the Gibraltar Development Corporation, was paid to a GDC Grade 1 Officer on retirement. Yet, despite my request to the GDC Secretary for information regarding this payment, no response was provided.

5.5.21 Ex-gratia payments made during 2023-24 - Figure 104 shows the total ex-gratia payments made during the financial year 2023-24.

Figure 104 - Ex-Gratia Payments made during 2023-24

Department/Authority/Agency	Settlements, Compensation & Damages						Reimbursements				Other	Total Ex-Gratia
	Employment	Loss of Interest	Medical	Pension	Personal Settlement	Property	Legal Fees	Private Medical Fees	Travel Costs	Water Bills		
	£	£	£	£	£	£	£	£	£	£	£	£
Care Agency	-	-	-	-	55,000	-	-	-	-	-	28,683	83,683
Education	333,773	-	-	-	-	-	-	-	-	-	4,350	338,123
Employment	-	-	-	-	15,700	-	-	-	-	-	-	15,700
Fire & Rescue Service	-	-	-	-	-	-	-	-	-	-	800	800
Gibraltar Electricity Authority	-	-	-	-	174,996	-	-	-	-	-	-	174,996
Gibraltar Sports & Leisure Authority	-	-	-	-	54,806	-	-	-	-	-	-	54,806
Housing	-	-	-	-	-	-	-	-	-	-	720	720
Housing Works Agency	-	-	-	-	-	-	-	-	-	2,931	581	3,512
Justice, Trade & Industry	537,961	-	-	-	-	-	2,400	-	-	-	-	540,361
No.6 Convent Place	-	-	2,391	-	-	-	-	38,990	8,820	-	183,391	233,592
Personnel & Development	28,750	7,132	155,925	783,758	413,918	-	-	-	-	-	29,482	1,418,965
Policing	-	-	-	-	-	130	-	-	-	-	-	130
Totals	900,484	7,132	158,316	783,758	714,420	130	2,400	38,990	8,820	2,931	248,006	2,865,388

5.5.22 The largest single ex-gratia payment made during the financial year 2023-24 is included in the sum of £333,773, shown in Figure 104 under 'Employment' in respect of the Department of Education, being a payment of £240,000 made to Hassans Lawyers in settlement of a deputy headteacher's claim for damages and costs against the Government.

5.5.23 Ex-gratia payments totalling £1.42m, made during the period May 2023 to July 2023 in the financial year 2023-24, and shown in Figure 104 under the Department of Personnel & Development, include payments amounting to £799,714 as follows:

£101,526 under 'Personal Settlement'.
£513,513 under 'Pension'.
£155,925 under 'Medical'.
£28,750 under 'Employment'.
£799,714 in total.

These ex-gratia payments relating to the early retirement of 4 Royal Gibraltar Police officers were approved by the Chief Minister. The payments consist of the following:

- Payment of £265,717, relating to the early retirement of a police constable on medical grounds. The payment comprises: a personal settlement payment of £155,925 amounting to 3 years of annual basic salary and threshold payment; a payment of £95,288 in respect of a 100% gratuity top-up based on additional service as if the police constable had qualified for full reckonable service on retirement (representing an enhancement of 7 years and 4 months); and a payment of £14,504 in respect of annual leave and TOIL. I consider the payment in respect of annual leave/TOIL to have been erroneously charged to an ex-gratia vote, as payments of annual leave and TOIL, which constitute Personal Emoluments, require to be charged to Payroll, with the consequent deduction of income tax, which these payments have not been subjected to. The gratuity top-up would take the police constable beyond compulsory retirement age.
- Payment of £263,948, relating to the early retirement of a police constable. The payment is comprised of: a personal settlement payment of £101,526 amounting to 2 years of annual basic salary; and a payment of £162,422 in respect of a 100% gratuity top-up based on additional service as if the police constable had qualified for full reckonable service on retirement (representing an enhancement of 12 years and 6 months). The gratuity top-up would take the police constable beyond compulsory retirement age.
- Payment of £158,996, relating to the early retirement of a police sergeant. The payment consists of a 100% gratuity top-up based on additional service as if the police sergeant had qualified for full reckonable service on retirement (representing an enhancement of 10 years and 11 months). The gratuity top-up would take the police sergeant beyond compulsory retirement age.
- Payment of £111,053, relating to the early retirement of a police sergeant. The payment comprises: a payment of £96,808 in respect of a 100% gratuity top-up based on additional service as if the police constable had qualified for full reckonable service on retirement (representing an enhancement of 5 years and 2 months); and a payment of £14,245 for annual leave and TOIL. I consider the payment in respect of annual leave/TOIL to have been erroneously charged to an ex-gratia vote, as payments of annual leave and TOIL, which constitute Personal Emoluments, require to be charged to Payroll, with the consequent deduction of income tax, which these payments have not been subjected to. The gratuity top-up would take him beyond compulsory retirement age.

Despite numerous emails to the Department of Personnel & Development and No. 6 Convent Place, requesting information on the reasons for the above-mentioned ex-gratia payments, and for copies of the related settlement/severance agreements to be provided, no replies were received from these two departments, other than information on the medically retired police constable which was readily supplied.

5.5.24 In Figure 104, included under 'Employment' in respect of the [Ministry of] Justice, Trade and Industry are payments made to three contracted professionals totalling £537,961 in respect of:

- Payment of £220,656, relating to the early retirement of the Finance Centre Director. The payment comprises: an ex-gratia payment of £126,089 amounting to 8 months of annual salary and accommodation allowance; and a payment of £94,567 in lieu of the contractual notice period of 6 months. It should be noted that the Finance Centre Director was also paid a gratuity of £36,362 that was charged to the Financial Services - Contribution to GDC - Staff Services subhead of expenditure.
- Payment of £182,305, relating to the early retirement of the Senior Executive (Insurance) in the Finance Centre. The payment comprises: an ex-gratia payment of £91,153 amounting to 6 months of annual salary and accommodation allowance; and a payment of £91,152 in lieu of the contractual notice period of 6 months.

- Payment of £135,000, relating to the redundancy of the Parliamentary Advisor (Financial Services and Gaming). The payment comprises: a statutory redundancy payment of £25,000 representing 13 weeks' of pay; a payment of £25,000 in lieu of the contractual notice period of 3 months; an ex-gratia payment of £50,000 in respect of this officer's annual salary less the two aforementioned sums; and a settlement payment of £35,000 towards his pension.

5.5.25 Included in the figure of £783,758, classified in Figure 104 under 'Pension' in respect of the Department of Personnel & Development, are 27 payments totalling £268,462 made to 8 retired fire officers during the financial year 2023-24, in lieu of the original proposal to revise their pensions and gratuities as a consequence of a subsequent increase to the CPD Allowance to which they were not entitled to as they had retired before the effective date of the CPD Allowance increase. The aggregate sum of £268,462 is made up of £245,176 in respect of arrears of gratuity and pensions, and £23,286 in respect of 10 monthly ex-gratia payments up to the year-end, equating to the hypothetical pension increase. Further details regarding these ex-gratia payments can be found in paragraphs 3.7.7 to 3.7.18.

5.5.26 Aside from the payments described in paragraphs 5.5.22 to 5.5.25, the following ex-gratia payments are the most significant ones made during the financial year 2023-24:

- A payment to a Gibraltar Electricity Authority S3 Grade employee under a voluntary separation agreement, on his retirement at age 55, amounting to £174,996, made up of 3 years' basic annual salary plus pensionable allowances, classified in Figure 104 under 'Personal Settlement' in respect of the Gibraltar Electricity Authority. The ex-gratia payment was approved by the Minister for Economic Development. Despite email requests to the Department of Personnel & Development and the Gibraltar Electricity Authority, I have not been informed of the underlying reason(s) for this payment, nor provided with a copy of the related voluntary separation agreement.
- A settlement payment of £170,669, classified in Figure 104 under 'Personal Settlement' in respect of the Department of Personnel & Development, was made to a police constable who was dismissed from the Royal Gibraltar Police in 2010. Although I requested to be provided with information on the nature of this payment, including supporting documentation, at the close of this report I had not been informed of the reason(s) for this ex-gratia payment, nor supplied with the corresponding documentation. For further details relating to this ex-gratia payment, please see paragraphs 3.6.20 to 3.6.24 of this report.
- A payment of £117,928, classified in Figure 104 under 'Personal Settlement' in respect of the Department of Personnel & Development, under a confidential voluntary separation agreement dated 25 October 2023, was exceptionally approved by the Government of Gibraltar to be paid on retirement to the Principal Health and Safety Officer equivalent to two years' basic salary. The agreement does not specify the reason(s) for the Government offering this voluntary separation agreement to this employee. However, it is relevant to note that the officer was 61 years of age on retirement and therefore he could have retired without the Government offering him the ex-gratia payment as he was above the normal age of retirement.
- A voluntary separation agreement payment of £93,773, classified in Figure 104 under 'Employment' in respect of the Department of Employment, was made to an Assistant Technician (Art & Design) from the Education Department on retirement.
- A settlement payment, classified in Figure 104 under 'Personal Settlement' in respect of the Care Agency, amounting to £55,000 was made to a former social worker of the Care Agency in September 2023 that had resigned on 27 January 2022.
- A voluntary separation agreement payment, classified in Figure 104 under 'Employment' in respect of the Department of Education, amounting to £54,086 was made to a Sports and Leisure Officer (Grade 8) of the Gibraltar Sports & Leisure

Authority on retirement, consisting of a severance payment equivalent to two years' basic salary.

- Three ex-gratia payments consisting of £53,163; £30,500; and £10,747, shown in Figure 104 under 'Other' in respect of No.6 Convent Place, were paid to three government employees. Despite numerous email requests to No. 6 Convent Place, at the close of this Report, I had not been informed of the reasons for these payments.

5.5.27 A cursory review of the ex-gratia payments made during the 14-month period April 2024 to May 2025 revealed the following significant material transaction:

- In April 2025, an ex-gratia payment of £664,383 was paid to the government's Media Director on termination of contract due to his retirement. The Media Director's contract of employment does not stipulate the payment of a gratuity on termination, meaning that the payment of this lump-sum is not related to a gratuity. Additionally, it was noted that the notice period and payment to Government of one month's salary in lieu of notice had been exceptionally waived. Despite numerous emails to No. 6 Convent Place requesting information on the nature and reason(s) relating to this payment to be provided, no reply has been forthcoming.

5.5.28 Conclusion - I consider the level of ex-gratia payments made during the six-year period April 2018 to March 2024, amounting to £11.08m, and £2.17m paid from April 2024 to May 2025 to be excessive and in many cases unwarranted. In the absence of justifiable explanations, it is my opinion that there was no obligation for Government to pay most of the ex-gratia payments highlighted, in particular the voluntary separation agreements and severance/termination payments paid to retiring officers, which can be effectively considered 'golden handshakes'. Without a written government-wide policy on these types of payments, and on ex-gratia payments as a whole, I consider Government's decision to award these payments to have been unrestricted and uncontrolled. I believe this has been facilitated to a certain extent by the departure to allocate an approved budget sum at the beginning of the financial year, with only a token sum of £1,000 as the estimated expenditure in ex-gratia payments for the year. Aside from the financial implications of these payments, they also bring into question fairness and consistency of terms between public servants.

5.5.29 I must also highlight the enormous difficulties, obstacles and delays I have encountered during the course of the review in obtaining information and documentary evidence from the Chief Secretary, from the GDC Secretary and from the Director of Personnel & Development. Although invariably there are at times slight delays in obtaining information necessary for an audit, on this occasion it has been especially noticeable, particularly because in the end much of the information requested has not been provided to me. I have to say that it is totally unacceptable that I have had to wait for many weeks, and sometimes months in some cases for information that was required for this audit study, which in many instances has not been submitted to me. This is particularly the case in regard to information requested from the Office of the Chief Secretary (I never received a response for requests in respect of 11 distinct ex-gratia payments queries) and other requests made to the GDC Secretary as well. It is relevant to note that when ignoring my requests for information or delaying the submission of data, these public officers are acting unconstitutionally and against the law. The following provisions of the Constitution and the law are relevant:

➤ **Section 74 of the Constitution states:**

74. (1) The public accounts of Gibraltar and of all courts of law and all authorities and offices of the Government shall be audited and reported on by the Principal Auditor and for that purpose the Principal Auditor or any person authorised by him in that behalf shall have access to all books, records, reports and other documents relating to those accounts.

➤ **Whilst section 56(1) of the Public Finance (Control and Audit) Act states:**

56. (1) In the performance of his functions under the Constitution and under this Act, the Principal Auditor—

- (a) shall have access to all accounts, books, cash, documents, securities, stamps, stores, vouchers or other Government property under the control or in possession of any public officer;
- (b) may call upon any public officer for any explanations and information which he may require in order to enable him to discharge his duties;

I therefore have to stress the important need for auditees to comply with the law, as otherwise it is extremely difficult for me, as Principal Auditor, to fulfil my role and effectively discharge my duties.

5.6 Review on Attendance and Punctuality in the Public Service

5.6.1 On 30 May 2025, I submitted to the Director of Personnel & Development, the findings of an audit review undertaken to assess attendance and punctuality practices across the public service, in accordance with the requirements of General Order 5.2.8. The provision of this General Order stipulates that Heads of Department must ensure that every department maintains an approved register of attendance, where staff are to record their daily arrival and, at the discretion of the Head of Department, departure times. This register should also include details of overtime and allowances and any failure to observe scheduled times should be suitably dealt with.

5.6.2 The scope of the audit study involved undertaking a survey of all Government departments, offices, agencies and authorities, but excluded offices operating under a 24-hour rota system, where punctuality is effectively self-regulated through shift handovers.

5.6.3 The findings revealed significant discrepancies between reported and observed punctuality issues. Out of 89 public sector offices surveyed, only 3 reported concerns with staff punctuality, whilst 97% of the offices stated that staff usually arrived on time. However, based on accounts from various departments and impressions gathered by the auditors during the exercise, including knowledge obtained from departmental sources, it is evident that this does not accurately reflect the real situation. There is a widespread perception, supported by numerous sources, that punctuality issues are common in the public service which implies that departmental controls are either weak or entirely lacking.

5.6.4 Figure 113 shows all public service offices and departments covered in the survey, indicating whether a clocking-in/out system is in place and whether it is fully compliant with the requirements of General Orders.

Figure 113

Department/Office/Agency/Authority	Attendance Register or Electronic System of Clocking-In/Out	Remarks
No. 6 Convent Place	No	
Office of the Chief Minister	No	
Office of the Chief Technical Officer	No	
Financial Secretary's Office	No	
Office of the Deputy Chief Minister	No	
Civil Contingency Department	No	
Department of Personnel & Development (DPD) - Main Office	No	
Department of Social Security	No	

PART 5 - VALUE FOR MONEY AUDITS

Department/Office/Agency/Authority	Attendance Register or Electronic System of Clocking-In/Out	Remarks
Economic Development Department	No	
Procurement Office	No	
Department of Employment - Main Office	No	
Treasury Department - Main Office	No	
Information Technology and Logistics Department	No	
Parliament	No	
Postal Services - Main Office	No	
Income Tax Office - Main Office	No	
Income Tax Office - Contributions Section	No	
Department of the Environment - Main Office	No	
Upper Rock, Tourist Sites and Beaches	No	
Ministry for the Environment, Sustainability, Climate Change and Education	No	
Ministry for Economic Development, Enterprise, Telecommunications & the Gibraltar Savings Bank	No	
Government Law Offices (GLO) - Attorney General's Office	No	
Gibraltar Law Courts	Yes	The system, however, is not fully adequate. *
Treasury Department - Accounting Standards	No	
Treasury Department - Central Arrears Unit	No	
Office of the Deputy Chief Minister - Archives	No	
Immigration and Civil Status Office	No	
Technical Services Dept. - Main Office	No	
GLO - Office of Criminal Prosecutions	No	
Maritime Services	No	
Youth Office	No	
Housing Department & Ministry	No	
Housing Works Agency	No	
Ministry for Industrial Relations, Civil Contingencies and Sports	No	
Postal Services - Parcel Post Section	Yes	Fully Compliant.
Department of Education - Main Office	No	
Town Planning and Building Control	No	
Digital Services Department	No	
Ministry for Justice, Trade and Industry	No	
Financial Services Department	No	
Office of Fair Trading	No	
Financial Services - Gambling	No	
Ministry for Equality, Employment, Culture and Tourism	No	
Gibraltar Financial Intelligence Unit	No	
Tourism Department	No	
Department of Environment - Cemetery	No	

PART 5 - VALUE FOR MONEY AUDITS

Department/Office/Agency/Authority	Attendance Register or Electronic System of Clocking-In/Out	Remarks
Borders & Coastguard Agency (BCA) - Main Office	No	
HM Customs - Main Office	No	
BCA - Port	No	
Gibraltar Electricity Authority (GEA) - Main Office	No	
GEA - Consumer Office	No	
Gibraltar Fire and Rescue Service	No	
Royal Gibraltar Police (RGP) - Admin Staff	No	
RGP - Uniformed Bodies	No	
Gibraltar Port Authority (GPA) - Main Office	No	
Technical Services Department - Highways	No	
Prison Service	No	
Treasury – Payroll Section	No	
Education - Bleak House	No	
HM Customs - Entry Processing Unit	No	
HM Customs - Controls Unit	No	
GPA - Harbour Office	No	
Gibraltar Sports and Leisure Authority (GSLA)	Yes	The GSLA, as a statutory authority, has the autonomy to implement a flexi-time system. The system although adequate is however only used for administrative staff.
Statistics Office	No	
Gibraltar Health Authority (GHA) - Human Resources	No	
GHA - Elderly Residential Services Section (ERS)	No	
Ministry for Health, Care and Business	No	
Care Agency - Main Office	No	
Care Agency - Drug & Alcohol Awareness & Rehabilitation Services	Yes	The system, however, is not fully adequate. *
GEA - GHA Office	No	
DPD – Wellbeing Section	No	
GEA – Electrical Building Services Office	No	
RGP - Traffic Office	No	
GHA - Primary Care Centre (PCC)	Yes	The system, however, is not fully adequate. *
GHA - Domestic Section	Yes	The system, however, is not fully adequate. *
GHA - ERS Mental Health	No	
RGP - GCID	No	
Employment – Office of the GDC Secretary	No	
RGP - Economic Crime	No	
Care Agency - St. Bernadette	No	
Care Agency - Dr. Giraldi Home	No	
Technical Services Dept. - Workshop Garage	Yes	The clocking-in/out system is adequate. However, attendance records are not reviewed by management.
Technical Services Dept. - Sewers Section	No	
Care Agency - Tangier Views	No	

Department/Office/Agency/Authority	Attendance Register or Electronic System of Clocking-In/Out	Remarks
Care Agency - Family Centre	No	
Care Agency - Day Centre	No	
GHA - Finance, Salaries and Procurement	No	

- 5.6.5** For the sake of completeness, I would like to clarify that the Gibraltar Audit Office fully complies with General Order 5.2.8. The Office operates an electronic entry system that records each officer's entry and exit, and this data is reviewed on a daily basis by a supervisory officer and thereafter printed and filed.
- 5.6.6** As shown in Figure 113, out of 89 offices surveyed only one department had a fully compliant punctuality control system in place, as prescribed by General Orders. Six offices (7%) had in place some form of punctuality controls. Among these were 4 offices (shown with an asterisk in the table) that maintained a manual sign-in register that was reviewed daily. However, they did not manually draw a "cut-off" line at the appointed entry time on a daily basis, to indicate the official start time, which would identify late arrivals. In the absence of this control measure, or an equivalent safeguard, there remains a risk that the register can be manipulated, allowing staff to sign-in with incorrect times.
- 5.6.7** The remaining 82 offices (92%) relied solely on general management supervision to monitor punctuality. Such informal oversight is inadequate and insufficient as a control measure, as it does not provide verifiable evidence of timely attendance to work. The absence of a formal clocking-in system in the workplace can lead to a variety of risks and operational inefficiencies.
- 5.6.8** When departments were asked whether staff had ever been cautioned for late arrival, 56% responded that they had issued cautions, and of these, 30% of departments had done so through formal means. This level of enforcement contradicts the earlier claim made by the majority of departments surveyed, where they stated that staff usually arrive on time, thus suggesting that punctuality issues may be more prevalent across the public service than initially acknowledged.
- 5.6.9** In cases where officers arrived late, 78 out of 89 offices (88%) reported that staff are expected to make up the time at the end of the day. However, in the remaining 11 offices, staff are not required to do so. Of these, 6 explained that the premises close at the end of the working day, preventing staff from staying later to make up the time. One department noted that, due to the nature of their work, staff are expected to remain flexible and be available after-hours for paid overtime; as a result, occasional lateness is tolerated. I told the Director of Personnel & Development that in my view, all public officers are expected to report to work on time. In the rare and exceptional instances where lateness can occur, it is imperative that the lost time is made up without exception.
- 5.6.10** Alarming, 4 offices stated that if staff performed paid overtime or claimed time-in-lieu, late arrival would not be taken into account (in other words, overtime would commence after hours without requiring the payback of late arrival time). In 2 of these cases, the departments explained that due to the nature of their work, staff were expected to remain flexible and be available after hours for paid overtime, and therefore, occasional lateness was tolerated. This is a clear infringement of ethical, financial and contractual responsibility and constitutes a loss of public funds.
- 5.6.11** Although 48 offices are equipped with electronic entry/exit systems capable of accurately tracking punctuality, these systems are not being used for that purpose. Instead, they are employed solely as a means of access control. Some offices expressed uncertainty about the legality of using the data for monitoring attendance, citing data protection concerns. It is

important to emphasise that using clocking-in data from an electronic system to monitor punctuality does not contravene data protection legislation in any way and should not be used by departments as justification for not implementing a reliable attendance control measure.

- 5.6.12** Each office equipped with an electronic entry system was asked to provide entry and exit data where applicable, for a randomly selected period. Of the 48 offices equipped with electronic entry system, only 14 (29%) submitted the requested information. Among the remaining 34 offices (71%), 20 reported that they were unable to extract the data, 8 departments did not provide a definitive response to the audit request, 4 indicated that their system's date and time were inaccurate, one department provided data from a manual system and one other office explained that retrieving the data would incur a cost from the system provider. In the latter case, I accepted that incurring the cost was unnecessary at this stage.
- 5.6.13** I informed the Director of Personnel & Development that I was particularly concerned at the defensive attitude displayed by several departments during the audit survey, to the extent of withholding information or being uncooperative. I told the Director that this lack of collaboration and transparency was unacceptable and was a matter of concern to me.
- 5.6.14** For those offices that provided data from their attendance registers, whether manual or electronic, no in-depth audit analysis was performed, as all the electronic systems in operation were not being used as a control for monitoring punctuality but rather as an electronic key to gain access into the office. As a consequence, the data from these systems could not be considered fully reliable and accurate. Nevertheless, I have to report that the overall impression drawn from the records examined, supports the view that there is a general lack of punctuality across the public service.
- 5.6.15** In offices equipped with electronic entry systems, certain practices must be addressed to ensure these systems can function effectively as a control for monitoring punctuality. It was observed that in some of these offices, security personnel allowed staff to enter without requiring them to clock-in using their fobs or access cards. In other cases, when multiple officers arrived at the same time, only the first person would clock-in while the rest entered the office without doing so, or the first person to enter at the beginning of the day would clock-in and leave the door open for later arrivals to enter without registering their entry. While it is understood that these systems are not currently used to manage the punctuality of staff, in my view, they offer an accurate and effortless means of control. Therefore, offices already equipped with electronic entry systems should utilise them for this purpose. However, in order to do so effectively, clear instructions must be issued to all staff, emphasising that each officer is required to clock-in individually at the start of their working day and on exiting the office at the end of the day. Security personnel must also be instructed not to permit entry without individual fob or access card use. These expectations should be clearly communicated by management and reinforced through regular reminders to ensure ongoing compliance.
- 5.6.16** It is relevant to highlight that on 28 September 2018, the Human Resources Department (now named the Department of Personnel & Development) issued a circular to all Heads of Department, drawing their attention to the provisions of General Order 5.2.8 regarding attendance and punctuality. However, on the following working day, the then Chief Secretary sent an email communication to all Heads of Department requesting that implementation of the instructions issued previously by the Human Resources Manager be temporarily put on hold. The reason for this was that the Chief Secretary wanted to rethink how best to tighten up punctuality controls. On 3 October 2018, the Human Resources Manager issued a follow-up circular to the civil service, stating that the matter would be addressed by the Chief Secretary at the next Public Service Forum and advised that in the meantime, all Heads of Department were required to adhere to General Order 5.2.8. This open back-and-forth messaging created confusion and uncertainty, leading many Heads of Department to de-

prioritise punctuality controls. In my view, the hesitancy displayed contributed to a general lack of strict compliance with the requirements of General Order 5.2.8 across the Public Service, as highlighted by several managers during the survey.

5.6.17 During the course of the audit review, one manager mentioned that in a previous department that he had worked in, he attempted to address ongoing staff punctuality issues but received no support from the Department of Personnel & Development to the extent that he was eventually transferred to another department. As a result, he no longer considered punctuality enforcement to be a priority. I therefore emphasised to the Director of Personnel & Development that this example highlighted the urgent need for a cultural shift toward supporting and collaborating with departments and those public officers who enforce managerial policy and uphold accountability.

5.6.18 Although not within the formal scope of this audit study, during the survey undertaken it was repeatedly brought to the audit examiners' attention that in several departments, agencies and authorities, some staff clock-in at the start of their working day and then leave the office premises, either in the early morning or around midday, to take a break at nearby food service establishments. I informed the Director of Personnel & Development that this behaviour, whether occurring in the morning or afternoon and regardless of the officer's grade, is totally unacceptable. As prescribed by Bulletin of Circulars HRD No. 18/2014 dated 29 April 2014, breaks should be taken at the workstation or other designated areas within the department. On no account should government employees be allowed to spend time having a coffee break, breakfast or lunch in outside establishments during office working hours. I consider this conduct to be wholly improper of public servants.

5.6.19 While the scope of the audit review did not extend to quantifying the financial cost of late arrivals to work, it is not difficult to gauge the broad economic impact that arriving late to work has on the public purse, especially when considered throughout the entire public service. Furthermore, such practice contributes to reputationally harm and undermines public confidence in the professionalism of civil servants and public officers.

5.6.20 In my communication to the Director of Personnel & Development I informed him that it was evident from the results of the audit study that a consistent pattern has developed over time across many departments, reflecting a lack of effective management control over punctuality. This stems from having inadequate attendance management systems, poor enforcement of policy, misconceptions about data privacy and insufficient support for those who attempt to implement punctuality standards. I emphasised to the Director that a concerted effort by the Department of Personnel & Development to advocate compliance with the provisions of General Order 5.2.8 was essential to reinstate a culture of punctuality and discipline across the civil service and to ensure that public servants act ethically, professionally and in the public interest. At the close of this report, I had not received any reply from the Director of Personnel & Development, although understandably the audit study had been forwarded to him very near to the completion of this report and therefore, he did not have the necessary time to evaluate the contents of the review and submit his comments in time for inclusion in this report. His reply will therefore be included in my successor's report on the public accounts for the 2-year period of account ending 31 March 2021.

5.7 Review of the Government's Procurement Procedures in respect of Goods, Services and Works

5.7.1 A review was conducted on the procurement procedures in Government departments, agencies and authorities to ensure compliance with Government's Purchasing and Procurement Policy as well adherence to procurement regulations such as the Procurement (Public Sector Contracts) Regulations 2016 and the Procurement (Concession Contracts) Regulations 2016.

5.7.2 The review included determining whether (examining established tender thresholds) contracts signed by the Government with suppliers of goods or services, or for works related contracts, were properly released for tender under the relevant regulations and policies to ensure transparency, competition and ultimately securing Value for Money (VFM). For some cases a sample of the payments made were also cross verified across online government systems to ensure that the amounts involved were correct and duly authorised.

5.7.3 The Head of Procurement and the Procurement Office have authority over the procurement of goods, services and works tenders for Government Departments, and release tenders on their behalf if the goods, services and works requested are above the established tender thresholds. The Head of Procurement and the Procurement Office also provide procurement guidance to Government Departments as is the case with the GHA who even though they have their own Procurement Section, at times seek technical advice if necessary. Therefore, the opinion of the Head of Procurement was also sought in respect of irregularities identified during the course of the audit review. Additionally, the Chief Secretary was contacted in his capacity as the designated Competent Authority for public sector contracts and concession contracts under regulation 5(1) of the Procurement (Public Sector Contracts) Regulations 2016 and the Procurement (Concession Contracts) Regulations 2016.

5.7.4 **Irregularities in Four Contracts** - The review highlighted irregularities in respect of the procurement process followed and the negotiations conducted in respect of the following contracts:

- Northern Defences;
- Digital Health Records;
- Framework Tender for Occupational Health Services for 2023-2025; and
- The project for the Development of a Waste Management Facility for Gibraltar.

5.7.5 The irregularities identified stem from the non-compliance with Procurement Regulations and the provisions of the Government's Purchasing and Procurement Policy. In all the cases where irregularities were identified, the publication of a "Voluntary Ex-Ante Transparency Notice" (VEAT Notice) would have ensured that contract awards and negotiations were kept transparent and in full compliance with the relevant regulations and policies.

5.7.6 **Non-publication of VEAT Notices** - A VEAT Notice is employed with a view to acknowledging and rectifying the fact that a proper tendering process has not been undertaken in respect of a public procurement contract. It details the reasons as to why a formal competitive tender process was not undertaken and it ensures full regulatory compliance and risk mitigation in terms of legal challenges to the contract award. It further ensures that procedural requirements are met before formalising the contract. This procedure was not followed in the cases highlighted in the review, despite the recommendations of the Head of Procurement.

5.7.7 **Non-consultation with the Procurement Office and the Head of Procurement** - Furthermore, in two of the cases highlighted below, the non-involvement of the Head of Procurement and the Procurement Office in the procedures employed and in the contract negotiations undertaken, was also a matter of concern, raising issues of transparency when securing contracted services for the Government.

Northern Defences – Expressions of Interest - Fortress Attractions Limited

5.7.8 A press release issued on 16 October 2024 (No.680/20240) announced that Fortress Attractions Limited was the preferred bidder for the provision and management of leisure activities and ancillary services at the Northern Defences site in Gibraltar. According to the press release, the engagement into a process of further negotiation with Fortress Attractions Limited was the conclusion of an Expression of Interest process which had been published

several times by the Government. According to the press release this occurred in 2013, 2020 and 2022.

5.7.9 As part of the audit review, I sought the views of the Head of Procurement regarding the Expression of Interest and the decision by the Government to negotiate exclusively with Fortress Attractions Limited. The Head of Procurement expressed the following concerns in relation to the negotiations for this contract:

- (a) The Procurement Office was not involved with the negotiations for this Expression of Interest.
- (b) The Head of Procurement learned about the Government's decision to negotiate exclusively with Fortress Attractions Limited when this was published on 16 October 2024 via press release No.680/2024.
- (c) The Head of Procurement wrote to the Office of the Deputy Chief Minister and the Chief Secretary, regarding the decision to designate Fortress Attractions Limited as the preferred bidder, and to negotiate exclusively with them after the conclusion of the Expression of Interest process, citing issues of contravention of the Procurement (Concession Contracts) Regulations 2016.
- (d) The Head of Procurement also mentioned that the procurement threshold for this was £5,372,609 (this would be for the whole term of the contract signed). He noted that Fortress Attractions Limited's investment was approximately £4 million (according to the press release) which led him to believe that, given this level of investment, it was possible and probable that the value of the concession contract would exceed the £5.37m legal tender threshold.
- (e) Given this, the Head of Procurement advised the Chief Secretary in his capacity as the designated Competent Authority for concessions contracts under the Procurement (Concession Contracts) Regulations 2016, that in the interests of transparency and compliance, it was advisable to issue a VEAT Notice for this. This would inform the market (and potentially interested parties) that Government had entered exclusive negotiations with Fortress Attractions Limited for the award of the Northern Defences contract.
- (f) In his opinion, the non-issue of a VEAT Notice for this Expression of Interest was an oversight by the Government, who are bound to publish and notify the market of entering exclusive negotiations with a particular entity or when the award of a contract has been done without consideration of the relevant regulations. Publication of the VEAT Notice must be done in the UK e-notification service.
- (g) As an example, the Head of Procurement quoted that this had been the case in the negotiations for a contract for the collection, recycling and disposal of waste for St Bernard's Hospital, where there had been a failure to issue a proper tender for the services requested. A contract was awarded to a local supplier for this and subsequently a VEAT Notice was published in February 2025 to rectify the error and ensure regulatory compliance.

5.7.10 The Government Conservation Officer, who is involved in the project, was contacted so that he could provide information on the negotiations for the contract. The following is a summary of his communication to me:

- (a) **Discussions Held** - There were numerous discussions held over almost a year with representatives from the Office of the Deputy Chief Minister, Office of the Ministry of the Environment, Land Property Services Ltd and the Government appointed lawyers. Discussions focused on various issues including technical heritage aspects, areas of responsibility, performance, premium to be paid, opening hours, scope of works, designs and specifications.
- (b) **Expressions of Interest received** - Regarding the Expressions of Interest received, the Conservation Officer informed me that 3 expressions of interest were submitted,

namely, from MH Bland, Gib Tours and Fortress Attractions Limited, although the published press release had stated that there were 4 expressions of interest. The Conservation Officer explained that the other expression of interest was related to previous notices that had been published which did not satisfy the Government requirements for the project.

- (c) **Expert panel composition** - According to the Conservation Officer the expert panel which provided advice regarding negotiations with Fortress Attractions Limited as “preferred bidders” for the project was comprised of 8 individuals representing the Department of Town Planning, Land Property Services Ltd, the Ministry for Heritage, the Technical Services Department, the Minister for Lands, the Minister for the Environment and Heritage, the Minister for Tourism and himself as Government’s Projects Director.
- (d) **Expression of Interest requirements** - Regarding the Expression of Interest requirements, the Conservation Officer stated that the Government’s preferred option was to secure an agreement with one operator to co-ordinate and deliver a holistic package integrating a series of activities, with the Government expecting the payment of a premium, a monthly fee, the upgrading of heritage facilities, upgrading and provision of attractions in the Northern Defences, provision of an educational programme and training and employment in relation to the activities to be provided.
- (e) The Conservation Officer further stated that the Government would not consider proposals that sought to transfer ownership of the Northern Defences away from the Government or those that would impact negatively on the monuments, tunnels and natural environment of the site. He went on to confirm that the bids submitted by MH Blands and Gib Tours failed to deliver in the above – hence entering into negotiations solely with Fortress Attractions Limited.

5.7.11 The Conservation Officer’s clarifications were also confirmed by the Chief Secretary in separate correspondence with him.

5.7.12 The Chief Secretary (as Competent Authority under the Procurement (Public Sector Contracts) Regulations 2016) when asked for details in respect of why the project was not released for tender and why the Procurement Office and Head of Procurement were not involved in the project negotiations, commented as detailed hereunder. This included his views in relation to an audit request for details of the final finance arrangements for the project; also, to ascertain whether the Government will receive adequate remuneration for the concession of the Northern Defences site. In summary the Chief Secretary clarified that:

- (a) On why the project was not released for tender, given the level of investment envisaged, the Chief Secretary explained that in respect of the Northern Defences, the Government did not have a specific set of requirements in terms of design proposal or operations beyond a general refurbishment and management in keeping with the heritage and environmental considerations of the site. Believing this was hard to quantify specifically, with a large degree of unknown factors, the Government believed that a tender process was not appropriate given the risks and costs to be absorbed by the prospective contractor.
- (b) In terms of the investment required, the Chief Secretary informed me that the Government did not prescribe any level of investment, hence the Expression of Interest process. The chosen bidder had themselves decided what would be appropriate for such a project. The release of an Expression of Interest allowed the Government to determine whether there was interest in the market for investment in such a project. Furthermore, issuing a tender for this project would also have signified increased costs to the Government by having to hire architects, engineers, surveyors and other specialists to release a specific set of technical designs. A tender process could have been considered had there been more interest from the market, but this would only be done following an extended period of further works and investigations.

- (c) The Chief Secretary said that the Government had no intention of committing any payment of sums nor (at the time of the review) had it done so. The quantification of the contract was only capable of being estimated at the current time so therefore it could arguably not exceed the legal tender thresholds.
- (d) Regarding the non-participation of the Procurement Office and the Head of Procurement in the negotiations, the Chief Secretary reiterated the fact, as stated in (a) to (c) above, that because of the nature of the project itself, the unknown risks facing the contractor and the fact that requirements for the project were not specifically determined (due to potential costs involved and the time scale a tender process would require) the involvement of the Procurement Office was not deemed necessary.
- (e) On the question of the final finance arrangements, to ascertain whether the Government will receive adequate remuneration, the Chief Secretary believed that this was a 'somewhat misguided' question, stating that Fortress Attractions Limited will be remunerated with a share of ticket sales for the Upper Rock Nature Reserve. He followed by commenting that, 'the appropriateness of the remuneration is primarily a policy or commercial judgement, also involving considerations of social value which are difficult to quantify'.
- (f) The Chief Secretary went on to say that he was of the view that this was an excellent deal for the Government. He clarified that it was ultimately the Government's and the Panel's decision on whether this contract was in the commercial and policy interests of the Government with accountability for it resting largely on the elected officials and not civil servants.
- (g) In the Chief Secretary's opinion, the fact that the Government will receive a premium of £100k for the Landport Cottage site; profit participation from fees charged by the supplier in respect of commercial activities offered (food and drink sales, private tours, adventure activities); and the fact that the supplier will be responsible for the sites security (at no cost to the taxpayer) signifies that the Government has negotiated an excellent deal. It has invested nothing, and only needs to pay a proportion of ticket sales, with no additional commitment on costs."
- (h) Finally, the Chief Secretary stated that the contract was awarded after numerous attempts to gauge interest from the market in 2020, 2022 and 2023 (the press release states that Expression of Interest were released in 2013, 2020 and 2022). Therefore, engaging with Fortress Attractions Limited was the only realistic prospect of developing the site in line with the Government's vision for it, as this company were the only ones that expressed an interest in absorbing the risks associated with the project.
- (i) The Chief Secretary confirmed that as Fortress Attractions Limited receives a share of ticket revenue from the Upper Rock Nature Reserve, (following a fee increase) the contract is effectively funded by tourists, rather than by the taxpayer. It is his view, that Gibraltar, in turn, benefits from increased tourism as well as a new leisure area that can also be enjoyed by its residents.

5.7.13 It must be mentioned that the Chief Secretary's views and clarifications were corroborated in a meeting held with an official from Land Property Services Ltd who was involved in the Expression of Interest proposal evaluations. This confirmed the view that Fortress Attractions Limited's submission was in their opinion the one that was most aligned with the overall vision for the development of the Northern Defences site in terms of offering a high quality wholistic package which fully considered all aspects of heritage, environmental and financial considerations.

Observations – Northern Defences – Expressions of Interest

5.7.14 Contract Value - The Chief Secretary's comments point to the belief that a concrete value for the contract could not be determined due to the commercial risks and other unknown factors associated with it for the contractor. The Chief Secretary's belief that its value could

only be estimated at the present time, hence (amongst other contributing factors) the issue of this project as an Expression of Interest and not as a tender, can be understood up to a certain degree – the Government had a site of historical value for which they had a vision for development, and they tested the market to see how it could be developed, taking into account heritage and environmental considerations.

5.7.15 Despite this, the Chief Secretary's opinion that Gibraltar would see an increase in tourism because of the development of the Northern Defences site is very speculative as inward tourism trends are dependent on many external factors and cannot be predicted. Furthermore, the payment to Fortress Attractions Limited of a share of the Upper Rock Nature Reserve ticket sales is, for all intent and purposes, equivalent to the payment of a subsidy by the Government to Fortress Attractions Limited for the services contracted.

5.7.16 However, the Head of Procurement's concerns that the cost of the project could potentially breach the relevant concessions contract threshold of £5,372,609 across its entire term (which is 20 years according to the Government) are justified and based on sound economic judgement. At a £4 million initial investment, plus the provision of catering services and activities, plus a share of Upper Rock Nature Reserve ticket sales, it would make sense for Fortress Attractions Limited that the contract would return more than its initial investment.

5.7.17 **Consequences of not publishing a VEAT Notice** - The non-publication of a VEAT Notice in this case is significant. Regulation 99 of the Procurement (Public Sector Contracts) Regulations 2016 highlights the three grounds whereby entering a contract can be deemed to be seen as ineffective under these regulations. More specifically, regulation 99(3)(a) to (c) state that grounds for the ineffectiveness of a contract do not apply if a contract has been awarded without due process, the contracting authority has published a VEAT Notice in respect of the award and a standstill period of at least 10 days has been observed between the publication of the VEAT Notice and the signing of the contract. This was not done for the Northern Defences contract.

5.7.18 With the failure to publish a VEAT Notice for the provision and management of leisure activities and ancillary services at the Northern Defences site in Gibraltar, the Government runs the risk of the courts finding the contract ineffective in the event of a claim, for example in the cancellation of the contract, or should a contractual dispute arise. This could result in the issuing of substantial penalties to the Contracting Authority (the Government) and awarding to the aggrieved parties' compensation for breach of their duty.

Digital Health records – EMIS Limited

5.7.19 When verifying payments made by the Gibraltar Health Authority (GHA) in the Government online payments systems, a payment to EMIS Health Limited (EMIS Health) to the value of £700,000 was highlighted. Given the value of the payment made, information was requested from the GHA in respect of the reasons as to why this payment was made to EMIS Health.

5.7.20 According to the acting Executive Director of Finance the payment referred to the award of a contract to EMIS Health for the introduction of a new software system plus an added hardware refresh required for its implementation and rollout. This was deemed as an essential upgrade to the GHA's system being considered a 'business critical' project.

5.7.21 Furthermore, the acting Executive Director of Finance confirmed that this procurement was not undertaken in isolation. She stated that there was detailed discussions and documented correspondence with multiple key stakeholders, including amongst others the Head of Procurement, GHA Director General (GHA DG), the Financial Secretary, the Finance and Procurement Advisor to the Minister and external legal counsel.

5.7.22 The acting Executive Director of Finance also confirmed that contractual and procurement policy considerations were thoroughly reviewed, including the application of urgency provisions and the proportionality of procurement methods given the legacy system risks.

These risks included potential failure of unsupported infrastructure, vulnerabilities identified during security assessments, and compliance concerns. According to acting Executive Director of Finance, legal advice was also sought in respect of the award of this contract.

5.7.23 The opinion of the Head of Procurement was sought in respect of the extension of the contract with EMIS Health, given that the acting Executive Director of Finance had mentioned that he had been consulted in the process. In summary, this revealed that:

- (a) The acting Executive Director of Finance had sought the Head of Procurement's guidance in respect of the extension of the original contract. This was signed in 2020, for a further 5 years to October 2029. Correspondence was presented where the GHA mentions that the annual value of the extended contract would be approximately £280,000 per annum for the 5-year term, signifying approximately £1.4m over that period. This also mentioned that EMIS Health had informed the GHA that in proceeding with this contract extension/variation, they would have to undertake a hardware refresh estimated to cost around £700,000. In this correspondence the acting Executive Director of Finance also enquired whether the GHA needed to initiate a new tendering process or whether there were other procedural requirements that they should consider.
- (b) In his reply the Head of Procurement commented that regulations (specifically regulation 72 of the Procurement (Public Sector Contracts) Regulations 2016) allow for a modification of the contract of up to 50% of the original value of the contract or any modification specified within the original tender. However, the Head of Procurement mentioned that due to the change of the nature of the contract (which now included an IT hardware refresh) and hence its value (£700,000), the GHA should have issued a tender as it was above the legal threshold. Regulation 7(1)(d) of the Procurement (Public Sector Contracts) Regulations 2016 stipulates a threshold of £663,540 in respect of this type of public service contract.

5.7.24 As a timeline of events, the Head of Procurement stated that EMIS Health had previously held the contract for digital health services at the GHA, and that the initial contract had terminated in 2014 with a subsequent contract signed in 2020, ending in October 2024. In further correspondence with the GHA, the Head of Procurement informed the acting Executive Director of Finance that:

"The tender was awarded in August 2014 for an initial three-year period and then extending on a rolling yearly basis. It appears from the master agreement provided that subsequent to this, the GHA entered into a further agreement back in 2020 for a period of four years, cancelling out the 2014 agreement. The 2020 agreement is for a period of four years and appears limited to use of the software with no right to extend or vary.

The 2020 agreement seems to be a substantial departure (variation) from the 2014 agreement and as such could have breached the provisions of modifications of contracts during their term as allowed under regulation 72 (where the general 50% rule previously mentioned resides) of the Procurement (Public Sector Contracts) Regulations 2016. This really needs to be checked by your legal advisors".

5.7.25 In further correspondence, the Head of Procurement informed the acting Executive Director of Finance that in examining the documentation he held for the tender, it appeared that EMIS Health was responsible for hardware upgrades including those due to software upgrades.

5.7.26 The Head of Procurement also stated that this incorporated *"a hardware refresh at the five year mark, although the cost of this was not included in the original tender (assume it was the same during the contract given the volatility of the market), if the contract were extended as per the 50% rule, I would assume that this would contractually include another hardware refresh with/through the contractor, although I would prefer if your legal counsel could review and provide their own views"*.

5.7.27 Contract Extension and Modification – Legal Advice - The GHA did indeed seek legal advice on whether the contract extension and modification was indeed permissible under current regulations and policies (mainly the Purchasing and Procurement Policy). This was provided by Hassans. Ultimately, the legal advice given at that time was that it was up to the GHA, in full consultation with the Head of Procurement, as to whether a procurement process was required to be adhered to or not.

5.7.28 Salient points in the legal counsel given were:

- (a) Regulation 72 of the Procurement (Public Sector Contracts) Regulations 2016 (in respect of modifications to existing contracts) did not apply to the current EMIS Health contract (signed in October 2020) as it was not originally the result of a tender process. Consequently, all provisions stated in this regulation (including the 50% proviso for contract modifications) could not apply.
- (b) There was nothing in the current Purchasing and Procurement Policy which set out the procedure to adhere to in respect of the modification or extension of an existing contract. However, the Purchasing and Procurement Policy did outline that Departments are bound by the Procurement Regulations (section 3.3.1 of the Purchasing and Procurement Policy refers).
- (c) The Master Service Agreement signed by the GHA and EMIS Health – referencing regulation 72 of the Procurement (Public Sector Contracts) Regulations 2016 - did not include any specific review/modification clauses would have been permitted for contract modifications under the law.
- (d) However, the legal counsel did take into consideration the Head of Procurement's comments of not to compound the breach of Procurement Regulations with the contract signed in 2020 any further.
- (e) Nevertheless, from a contractual point of view, the extension and variation of the contract with EMIS was permissible given the non-applicability of regulation 72 and the fact that the Purchasing and Procurement Policy stated nothing in the way of preventing this.
- (f) Additionally, the legal counsel advised that the GHA and the Head of Procurement might consider, that whilst there is no contractual impediment to the extension and proposed amendments being agreed, it would be consistent with the spirit if not the letter of the Purchasing and Procurement Policy for a new procurement process to be carried out. He recommended that thought be given, with input from the Head of Procurement, to whether a new procurement process should be conducted in relation to the proposed amendments to the Master Service Agreement with EMIS Health. This would include consideration of the value of the amended Master Service Agreement and whether this exceeds the thresholds set out in the Procurement Regulations and in section 3.3.1 of the Purchasing and Procurement Policy.

5.7.29 At the time of his consultations with the GHA, the Head of Procurement mentioned that he was unsure if the hardware would be purchased through EMIS Health and duly maintained by them as part of the contract or procured from a different source. The Head of Procurement was also unsure of whether the £700,000 purchase of hardware would include related maintenance costs.

5.7.30 Documentation examined suggests that the original contract with EMIS Health (in 2014) was awarded via the conclusion of a tender process. EMIS Health was notified of their successful bid via a Contract Notice issued by the Procurement Office dated 11 August 2014. This was a formal notification of the contract award decision pursuant to regulation 33(1) of the Procurement (Public Contracts) Regulations 2012 – now repealed and superseded by the Procurement (Public Sector Contracts) Regulations 2016. OJEU Contract Reference Number 245-426239-2013 refers.

- 5.7.31** I asked the Head of Procurement whether he was aware that the payment of £700,000 in respect of the contract extension (encompassing the hardware refresh) had been made to EMIS Health in October 2024. The Head of Procurement stated that he was not aware of this transaction.
- 5.7.32** The Head of Procurement stated that the payment appears to have been made after his advice to the GHA that the purchase exceeded the legal tender threshold for this class of contract and that it should have been released to tender.
- 5.7.33** He further stated that he seemed to recall that he had spoken to the acting Executive Director of Finance, in late May 2024, following the legal opinion given, wherein they discussed the difference between what was permissible contractually, versus what the Procurement Regulations require, and how the former cannot overrule obligations incurred within the latter.
- 5.7.34** According to the Head of Procurement, had he been involved in any further discussions on the contract extension and therefore modification, he would have held the view that further breaching the Procurement Regulations, essentially compounding the breach of regulations with the contract entered in October 2020, was not advisable.
- 5.7.35** **Contract Variation Agreement** - in correspondence with the acting Executive Director of Finance and after the request for information, the GHA supplied a signed Contract Variation Agreement which deleted and amended Clause 16.1 of the Master Service Agreement. This extended the original agreement signed on 22 October 2020 (and terminating on 23 October 2024) for a further five years with the possibility of renewing it for an additional year after the extension period has elapsed.

Observations – Digital Health Records – EMIS Health Limited

- 5.7.36** The fact that the contract signed in October 2020, between the GHA and EMIS Health was in breach of tender regulations, in respect that it was not released for tender, is a matter of concern. Regulation 27. (1) of the Procurement (Public Sector Contracts) Regulations 2016 (in respect of the Choice of Procedures for tender) is clear in stating that contracting authorities must apply procurement procedures that adhere to the regulations, as long as a call for competition has been published in accordance with the regulations.
- 5.7.37** The non-issue of the tender has raised the risk of the GHA being placed in a less advantageous position when entering discussions for the extension of the contract, or in the event of a dispute arising as the provisions of the relevant regulations did not and do not apply.
- 5.7.38** The legal advice given recommended that the GHA assess the viability of the contract extension in full consultation with the Head of Procurement and the Procurement Office. It was also recommended that the GHA (together with the Procurement Office) do this in full consideration of the applicable regulations and established policies and reflecting on the spirit behind them. Again, it is concerning to note that despite the GHA's assurance that all relevant stakeholders were consulted in respect of the extension of the EMIS Health contract, which in all fairness did occur in the initial stages of the negotiations, this advice was not followed during the latter stages of the process.

Framework Tender For Occupational Health Services For 2023-25 – Maritime Medical Services Limited

- 5.7.39** Irregularities were identified when, as part of the review, payments made to Maritime Medical Services Limited were examined via the Government online payments system. These involved payments made in respect of invoices submitted and requisitions made for payments. This represented the period 5 November 2021 to 25 April 2025 for requisitions,

and 5 November 2021 to 2 April 2025 for payments made. Authorisation summaries for these payments and requisitions were also verified.

- 5.7.40** The authorisation summary in respect of Payment Order 1138185 for a total of £277,724.97 was examined – this was linked to Requisition Number 1064089 of 3 March 2025. In this authorisation summary a note stated that the payment had been authorised in respect of a 3-year contract signed between the Government and Occupational Health Services on 1 December 2024; OHS being the trading name of Maritime Medical Services Limited.
- 5.7.41** As the Department of Personnel and Development is responsible for managing occupational health services for the Government, a request for information was sent to them to clarify what this payment related to, as on first instance, the authorisation summary suggested that a contract had been signed for the provision of these services with Maritime Medical Services Limited.
- 5.7.42** In their reply the Department of Personnel & Development supplied a copy of the contract between the Government and Maritime Medical Services Limited and stated that the contract award process was managed by the Office of the Chief Secretary. Further information in respect of the award of this contract was requested from No.6 Convent Place, which was acknowledged, but at the close of this report no information was supplied.
- 5.7.43 Head of Procurement Views** - The views of the Head of Procurement were sought in relation to this contract, and he commented as follows:
- (a) A tender for the provision of occupational health services to the Government was released after the Department of Personnel & Development had approached the Procurement Office to do so. This was done under the Open Procedure. The intention of the tender was to obtain a framework agreement whereby the Government could select, from a pool of suppliers, a provider of occupational health services.
 - (b) According to the Head of Procurement, only one supplier had expressed interest in the tender which was Maritime Medical Services Limited. Therefore, the tender was withdrawn as the requirement for a framework arrangement had not been fulfilled.
 - (c) The Procurement Office advised the Department of Personnel & Development that they could proceed with a negotiated procedure under the Procurement (Public Sector Contracts) Regulations 2016. He stated that this would be allowable provided that the tender requirement was not significantly altered. The Head of Procurement stated that he had informed the Department of Personnel & Development to keep him informed on how this procurement evolved.
 - (d) The Head of Procurement also referred to regulation 65(5) of the Procurement (Public Sector Contracts) Regulations 2016 which deals with the reduction of the number of otherwise qualified candidates to be invited to participate in a tender process. This regulation is explicit in stating that in negotiated procedures that the number of candidates invited to participate in a tender process must be sufficient to ensure genuine competition – something which the Head of Procurement believes was not done in respect of this contract.
 - (e) The Head of Procurement also confirmed that he was later informed that Maritime Medical Services Limited had been awarded the contract despite telling the Department of Personnel & Development to keep him abreast of any developments in respect of the negotiations. A subsequent review conducted by the Procurement Office revealed that the contract terms had been changed and that these were significant enough to have required re-tendering for the contract.
- 5.7.44 Source to Contract (S2C) System** – An examination of the S2C system revealed that, as stated by the Head of Procurement, the tender for a framework for occupational health

service providers covering the years 2023 to 2025 had been issued with a closing date of 24 October 2023 at 12:00 pm. Twenty-nine suppliers were invited to tender via the system.

5.7.45 According to the S2C system, Maritime Medical Services Limited were indeed the only supplier to express an interest in the tender, submitting a bid on 23 October 2023. This bid was subsequently rejected as the tender was for a framework agreement as confirmed by the Head of Procurement.

5.7.46 The Government / Maritime Medical Services Limited Contract - The 3-year contract signed between the Government, and Maritime Medical Services Limited is for £370,300 per annum to be paid in 12 fixed equal monthly instalments of £30,858.33. This represents a total of £1,110,900 to be paid to Maritime Medical Services Limited for the duration of the contract.

5.7.47 The payment of the contract fees are dependent on set of key performance indicators that Maritime Medical Services Limited must fulfil and on which their services will be assessed. Maritime Medical Services Limited is required to monitor its performance against each key performance indicator and submit a monthly report on this to the Government.

Observations – Framework Tender For Occupational Health Services for 2023-25 – Maritime Medical Services Limited

5.7.48 As previously stated, regulation 7(1) of the Procurement (Public Sector Contracts) Regulations 2016 stipulates a tender threshold of £663,540 for public service contracts for social and other specific services listed in Annex XIV to the Public Sector Directive. This includes the provision of medical health services.

5.7.49 This is also covered by section 3.3.1 of the Purchasing and Procurement Policy which also stipulates a threshold of £663,540 for what is classified as Light Touch Regime Services. A Light Touch Regime Services signifies a more flexible procurement process allowing for a more relaxed approach to contracting for certain public services, more specifically in social, health and educational sectors. It facilitates the procurement of essential public services while allowing for greater flexibility and efficiency in the contracting process.

5.7.50 Given that the value of the contract awarded to Maritime Medical Services Limited is clearly above the £663,540 regulatory threshold, the Government, following the advice of the Head of Procurement, should have retendered for a contract for the provision of occupational health services.

5.7.51 Procurement of goods and services for the Government are bound by the relevant procurement regulations and the Purchasing and Procurement Policy. The decision of the Government to award the contract to Maritime Medical Services Limited without the regular input and guidance of the Procurement Office is concerning to note given its expertise in procurement and in related regulatory matters.

5.7.52 The Head of Procurement is of the opinion that the Government should have in the very least issued a VEAT Notice for this contract to notify suppliers that they were in negotiations with Maritime Medical Services Limited after the withdrawal of the original framework tender notice for the provision of occupational health services.

5.7.53 Potential Conflict of Interest - Whilst examining the contract signed with Maritime Medical Services Limited, more specifically Schedule 3 of the contract detailing the parties responsible for Contract Management, it was noted that a practising General Practitioner (GP) employed by the GHA, was named as the supplier's Authorised Representative and Key Personnel for the contract.

5.7.54 A search of Companies House records revealed that this GP was named as a Director of Maritime Medical Services Limited. As a consequence, I sought the views of the Department

of Personnel & Development and the Head of Procurement in respect of whether a potential conflict of interest could exist given that the Director of the company providing occupational health services to the Government was a GP employed in the GHA, and bearing in mind the provisions of section 4.4.1 of the Purchasing and Procurement Policy (regarding Conflicts of Interest) and the provisions of General Order 6.4 in respect of Financial Interests, Business Activities, Private Work and Private Trading.

- 5.7.55** In his reply, the Head of Procurement stated that the potential conflict of interest was brought up when the original tender for the framework agreement was being drafted. The Head of Procurement said that at the time he had commented that, as the Department of Personnel & Development was the body responsible for occupational health referrals that they could, under the framework, mitigate a conflict of interest by referring staff to other practitioners or occupational health providers.
- 5.7.56** The Head of Procurement also confirmed that the original draft framework agreement also included a contractual requirement for contracted framework providers to declare such potential conflicts of interest for the Government's review.
- 5.7.57** The Head of Procurement went on to state that he was not aware of what arrangements had been employed to mitigate such conflicts of interest within the current contract.
- 5.7.58** However, the Head of Procurement affirmed that he would consider that mitigation measures may not be possible where the Government is under contract with a sole service provider, and, where that service provider is owned or operated by a public sector employee. Moreso, in a situation where part of their duties within the public sector overlap or allow them to exploit, for their own pecuniary interests, their separate contract for occupational health services.
- 5.7.59** At the close of this Report, the Department of Personnel & Development had not yet provided me with a reply in respect of the potential conflict of interest highlighted, although further enquiries with the GHA did confirm that the GP in question had applied for a 3-year career break at the end of October 2024. Permission for this was granted with effect from 1 December 2024 to 1 December 2027.

Waste Management Facility – Expression of Interest – Recycle.gi

- 5.7.60** Press release 358/2025 of 14 May 2025 publicised that the Government had signed an agreement with Recycle.gi, a subsidiary of Environment and Waste Management Services Limited (EWMS) for a new waste management facility for Gibraltar.
- 5.7.61** This, according to the press release, was a critical part of the Government's contingency planning in the event of a No Negotiated Outcome (NNO) in the EU Treaty negotiations, with the intention of increasing Gibraltar's self-sufficiency in respect of waste management.
- 5.7.62** According to the press release the award of the contract to Recycle.gi was the culmination of an Expression of Interest process which commenced in July 2024 whereby Recycle.gi was selected as the preferred bidder.
- 5.7.63** As in the case of the Northern Defences Expression of Interest process, inquiries were made as to the procedures followed in the award of this contract, the parties involved, and the Expression of Interest received. Furthermore, inquiries were made as to why this project had not been released for tender by the Government.
- 5.7.64** The views of the Chief Secretary, as the designated Competent Authority for public contract procurement under the Procurement (Public Sector Contracts) Regulations 2016, were sought. In summary, the Chief Secretary submitted the following clarifications in respect of the award of the contract to Recycle.gi:
- (a) In regard to the parties involved in the award of the contract, the Chief Secretary informed me that the Department of the Environment and the Ministry for the Environment were involved in the initial evaluation of the Expressions of Interest

received. Selection of the preferred bidder was undertaken separately by the Government as part of its wider and high-level Non-Negotiated Outcome Strategic Planning. Following the selection of the preferred bidder, negotiations with Recycle.gi. were undertaken by the Chief Secretary's Office, the Department of the Environment in consultation with the Ministry for the Environment and the support of legal counsel.

- (b) The Chief Secretary informed that a total of 9 Expression of Interests were received for this project.
- (c) The Chief Secretary explained that an Expression of Interest process was undertaken deliberately and transparently in the public interest, pursuant to the Government's powers in matters of national and strategic importance. The waste management facility is planned to provide Gibraltar with independence, reducing its reliance on other jurisdictions for its waste management. According to the Chief Secretary, this is important for cost reasons as transporting waste abroad involves significant cost to the taxpayer.
- (d) For reasons of civil contingency and resilience, the Government is subsidising this contract in respect of the civil engineering works to construct the waste management plant and incinerator. The plots of land agreed to be granted to Recycle.gi are awarded at no premium. Additionally, the rates agreed to be paid by the Government are calculated so that the plant can handle the entirety of Gibraltar's waste in the event of a NNO, or in the event of a Treaty with the EU. In respect of the Treaty, waste management will be an important part of it. The Government considers it vital that Gibraltar is ready to comply with its obligations.
- (e) The Chief Secretary further explained that subsidised contracts of this nature also fall outside the scope of the Procurement (Public Sector Contracts) Regulations 2016, with reference made to regulation 15(1)(b) of these regulations. According to the Chief Secretary, in view of the above, the Government was not obliged under the Procurement (Public Sector Contracts) Regulations 2016 to advertise for Expressions of Interest, as a Prior Information Notice (PIN), or a Contract Notice under regulations 48 or 49 of the Procurement (Public Sector Contracts) Regulations 2016 respectively, are specifically tied to formal tendering procedures.
- (f) The Chief Secretary informed me that the Procurement Office was not involved with this Expression of Interest.
- (g) The Chief Secretary mentioned that it was important to reiterate that the Expression of Interest was designed to secure a long-term, resilient waste management solution for Gibraltar, specifically due to civil contingency considerations and anticipated treaty obligations with the EU. The nature of the contract means that several aspects fall outside the scope of the Procurement (Public Sector Contracts) Regulations 2016. The procurement of this contract through an Expression of Interest process was consistent with the Government's obligation to act transparently, fairly, and in the public interest, particularly in matters as important as waste management, environmental policy, and resilience.

5.7.65 The Head of Procurement had expressed his concern at the award of this contract to the Chief Executive of the Department of the Environment and to the Chief Secretary. The Head of Procurement mentioned that:

- (a) Because of the potential contract value, the contract should have been advertised in accordance with the provisions of regulations 48 and 49 of the Procurement (Public Sector Contracts) Regulations 2016, i.e. as a Contract Notice or a Prior Information Notice.
- (b) The contents of the Expression of Interest notice did not comply with the requirements of the sub-regulations to regulations 48 and 49 of the Procurement (Public Sector Contracts) Regulations 2016, and it was not published in the UK's e-notification service in compliance with regulations 51 and 52 of the Procurement (Public Sector Contracts) Regulations 2016.

- (c) The award was not published in accordance with regulation 53 of the Procurement (Public Sector Contracts) Regulations 2016, which likewise refers to publication in the UK e-notification service.
- (d) As previously mentioned in this review, the prior publication of a VEAT Notice, together with the observance of the required standstill period before the contract is signed would mitigate actions resulting from a potential challenge or application to the courts by a third party in respect of the contract award.

5.7.66 The provisions of section 1.8.1 of the Purchasing and Procurement Policy would also apply in this instance, as it details the requirement for the Procurement Office to be a part of the procurement of goods and services considered of strategic importance to the Government, yet the Procurement Office was not invited or asked to participate.

Procurement Procedures Review – General Observations

- 5.7.67** I have to emphasise the importance of having the Procurement Office involved in the Government procurement processes. In my last report to Parliament on the public accounts of Gibraltar for the financial years 2016-17 and 2017-18, specifically in paragraph 5.4.37, I recommended that, *“The Government, its agencies and authorities must strive to maximise the use of their resources in terms of knowledge, expertise and logistics, and employ or obtain advice from the Government Procurement Office whenever undergoing a procurement process”*.
- 5.7.68** Additionally, in paragraph 5.5.10 of my last report on the 2016-17 and 2017-18 public accounts, in reference to a review of an Improvement & Development Fund project under the Gibraltar Sports & Leisure Authority, I highlighted the necessity for the Government to address *“critical gaps in applying procurement procedures.... planning, oversight and transparency”*. I then went on to state that: *“Addressing these issues is paramount to ensuring efficient utilisation of public funds, fair procurement processes and successful project outcomes. Immediate action is recommended to rectify the identified shortcomings, strengthen governance and uphold the principles of accountability and transparency in government projects.”*
- 5.7.69** As a consequence of Government’s decision (despite the recommendations of the Head of Procurement) not to issue VEAT Notices in the contracts highlighted in this review, the Government has exposed itself to the reputational risk of being perceived as not acting in a transparent manner when procuring contracts for goods, services and works. Despite the Government’s intentions to secure the best possible outcome for the public purse in terms of the contracts signed, not adhering to prescribed regulations and procedures leave the contract negotiations exposed to criticism for not being fully transparent.
- 5.7.70** This would bring it into conflict with section 4.4.5.1 of the Purchasing and Procurement Policy which states that Government Departments and their employees must, through their purchasing and procurement activities encourage competition, supplier diversity and equality, and transparency. The Governments actions would also put it into conflict with section 4.4.2.1 of the policy in respect of Conduct with Suppliers which states that dealings with suppliers must be fair and transparent.
- 5.7.71** Again because of the course of action and the procedures followed in the cases reviewed, the question is raised as to whether the Government has adhered to regulation 4(3) of the Procurement (Public Sector Contracts) Regulations 2016, which states that a contracting authority (which for the purposes of the regulations means a public sector entity including a Government department) must treat economic operators equally and act in a transparent way.
- 5.7.72** The review also highlights issues of equal treatment and proportionality in the procurement process. Regulation 20(1) of the Procurement (Public Sector Contracts) Regulations 2016 that deals with the principles of procurement, prescribes that contracting authorities must treat economic operators equally and without discrimination and must act in a transparent and proportionate manner.

- 5.7.73** I additionally recommend that the Head of Procurement considers reviewing the Purchasing and Procurement Policy with a view of incorporating the necessary procedures to follow when modifying or extending an existing contract.

5.8 Update on Costing of Government Early Exit Schemes

- 5.8.1** In paragraphs 5.2 to 5.2.40 of my report on the public accounts of Gibraltar for the years 2016-17 and 2017-18, I reported that I had written to the Human Resources Manager on 1 December 2023, following an audit review undertaken to ascertain the cost to Government in awarding Early Exit Schemes to government employees up to 31 October 2023. The scope of the study included all public servants who retired under an Early Exit Scheme within the government departments, authorities and agencies.

- 5.8.2** However, because I had forwarded the management letter to the Human Resources Manager at a date so near to when I submitted my report to Parliament on 21 December 2023, the Human Resources Manager could evidently not provide me with his views and comments on the audit observations raised in time to include these in my report to Parliament.

- 5.8.3** At the beginning of 2024, the Human Resources Manager moved to another department and neither he nor anyone from his department replied to the issues raised in my management letter on the Early Exit Schemes. On 19 November 2024, I wrote to his successor, now Director of Personnel and Development, explaining the background to the report I had issued to his predecessor nearly a year ago and requesting that I be provided with his views and comments on the audit issues raised. The Director of Personnel and Development replied to me on 24 December 2024, informing me that he had been looking into the matter, but this would require significant work on his part and his team in order to reply to the various points I had raised in audit; particularly given the time that had elapsed, and the number of officers involved that had since retired. I acknowledged that he would require some time to review the audit management letter, particularly as he would need to liaise with others who were involved in the matter at the time.

- 5.8.4** However, at the close of this report, despite having issued a number of reminders to the Director of Personnel and Development in March 2025 and April 2025 he had not provided me with his views and comments regarding the audit observations on the cost to Government in awarding Early Exit Schemes to government employees.

5.9 Update on the Review of the Contingency Plans for Business Continuity in Government Departments and Statutory Authorities and Agencies

- 5.9.1** In paragraphs 5.3 to 5.3.90 of my last report to Parliament on the public accounts of Gibraltar for the financial year 2016-17 and 2017-18, I detailed the results of a review carried out to determine how ready Government Departments and Statutory Authorities and Agencies were in mitigating the effects of prolonged impacts to their operations with appropriate and structured contingency plans in accordance with best practice and standards. This included following the principles and techniques of Business Continuity Management, the use of risk-based analysis and the formulation of proper Business Continuity Plans.

- 5.9.2** However, because there was just an initial explanatory reply by the Office of the Chief Secretary to the findings reported as a result of the audit review, and no real effort or action taken to address the issues raised in the report, I am hereunder again summarising the important weaknesses identified at the time, and highlighting that these remain unaddressed.

- 5.9.3** Many services delivered by Gibraltar Government Departments, Authorities and Agencies are essential to Gibraltar's economic and social prosperity. A failure to deliver these services could have significant consequences for all stakeholders and for Gibraltar as a whole. Although some services may not be essential, a prolonged disruption to these can nonetheless result in inconvenience and inefficiency, and have serious economic, social, and ultimately reputational costs to the Government.

- 5.9.4** Government Departments, Authorities and Agencies face a range of events with inherent risks that may lead to a significant and prolonged disruption to their operations and the services that they provide. Figure 114 lists the events that may disrupt and impact any Government organisation.

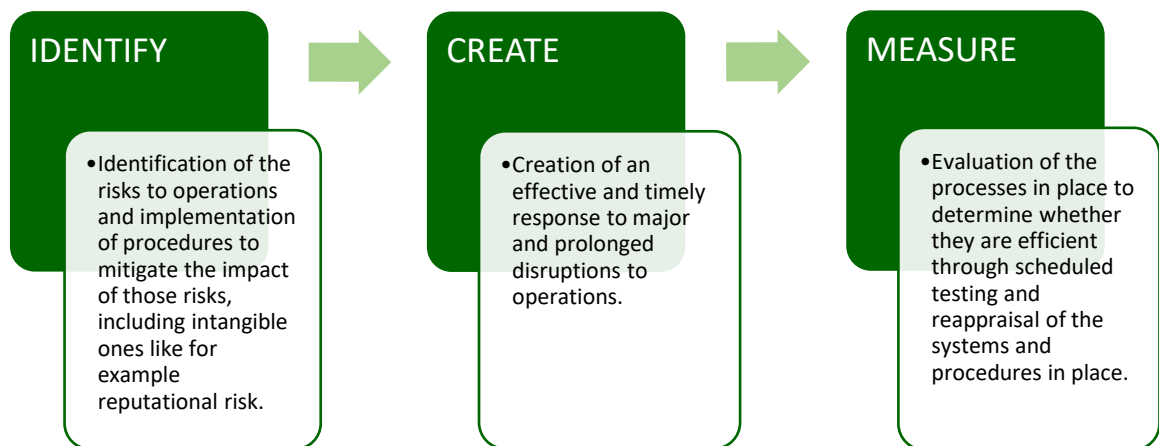
Figure 114



- 5.9.5** Furthermore, in today's interconnected world an increasing number of services are dependent on a constant and uninterrupted supply of electricity and resilient IT infrastructure. In response to such disruption, the public sector must have measures in place to support the continuation and/or resumption of essential and critical services with a view to maintaining normal operations. Often these measures will need to operate alongside emergency or disaster management arrangements to ensure the safety of public officers and Government assets.

- 5.9.6** Consequently, effective contingency planning, will allow Government Departments, Authorities and Agencies to effectively perform the functions outlined in Figure 115.

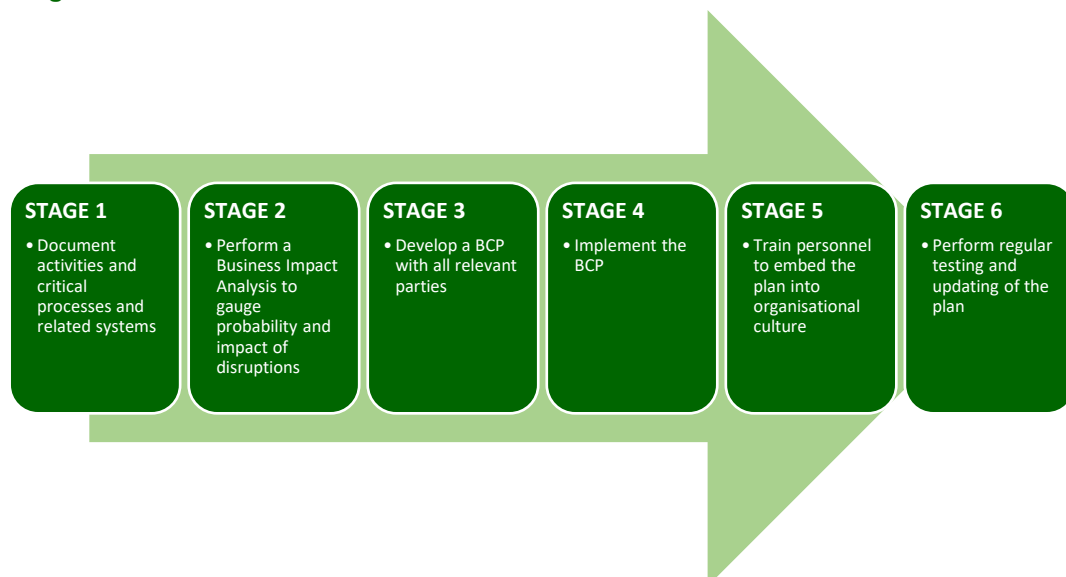
Figure 115



5.9.7 Linked to effective contingency planning is the process of Business Continuity Management. This is the development, implementation and maintenance of strategies and policies, frameworks and programmes, to assist an organisation to manage a disruption to its operations and services, as well as build resilience to the disruption. As such, Business Continuity Management is an important element of good governance and can form part of an approach to effective risk management. It also provides a mechanism that assists in preventing, preparing for, responding to, managing and recovering from the impacts of a prolonged disruptive event.

5.9.8 Effective Business Continuity Management leads to the development of a Business Continuity Plan which implements the policies, procedures and mechanisms outlined as part of the Business Continuity Management strategy. Development of a Business Continuity Plan is, at a glance, a six stage process as can be seen in Figure 116:

Figure 116



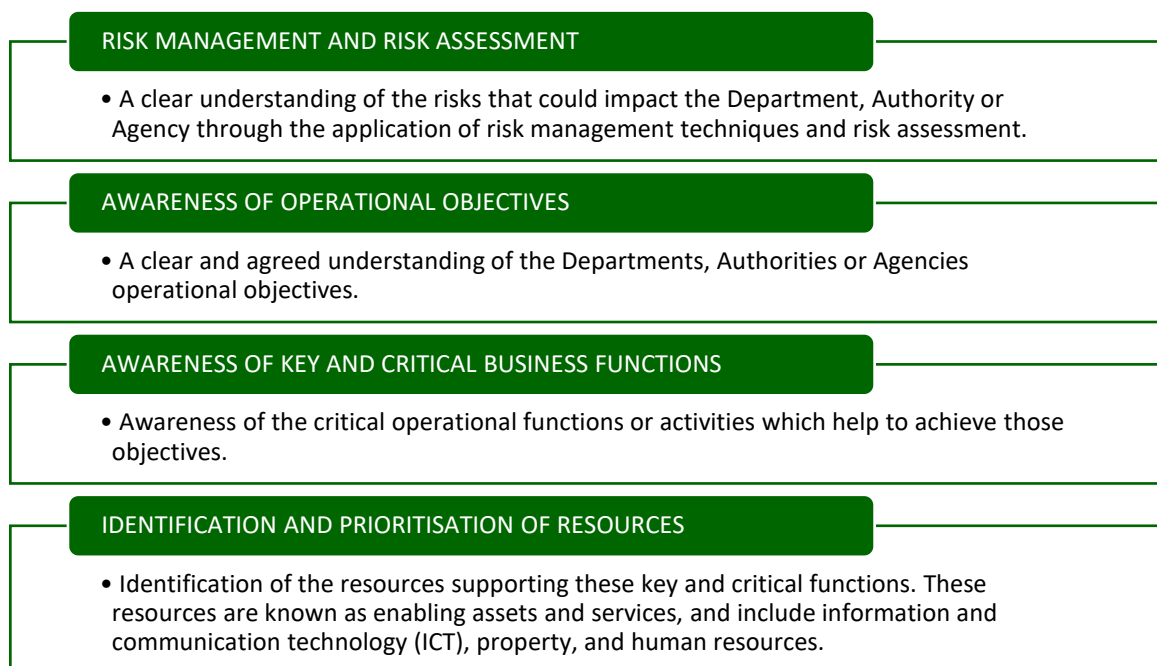
5.9.9 Crucially, Business Continuity Management is also a cyclical process pointing to the fact that it is constantly evolving and adapting to the changing risks being encountered, as can be seen in Figure 117.

Figure 117



- 5.9.10** In order to ensure that effective contingency management procedures and processes are put in place by Government Departments, Authorities and Agencies, it is crucial to have the key stages detailed in Figure 118

Figure 118



- 5.9.11** Finally, effective contingency planning must have the full support of Heads of Department, CEOs and senior management. This is vital to give the necessary direction and prominence to it. It is also fundamental for the principles behind its implementation to propagate throughout the whole of the organisation effectively.
- 5.9.12** The audit review follows the issue of a Circular to all Heads of Department in 2008, by the Office of the Chief Secretary, stating that it was essential that all Government Departments should have established contingency plans to deal with power cuts and IT failures. Furthermore, in July 2011, these contingency plans were requested to be updated and copies sent to the Office of the Chief Secretary.

- 5.9.13** As part of the audit review, the contingency plans submitted to No.6 Convent Place in 2011 were examined and Departments, Authorities and Agencies were asked whether the plans, as submitted in 2008 and 2011, had ever been revisited and updated, and if so, these entities were asked to forward a copy of the existing revised plan. As a consequence of this request, the revised plans that were submitted by the various public sector bodies during the course of the review, were also examined to determine if they had been prepared in adherence to best practice and standards.
- 5.9.14** The review also examined the potential impact on Government operations, in terms of revenue collection as a result of a prolonged disruption to its services. This was done on a low level basis with the purpose of simply highlighting the importance of having properly structured contingency plans to deal with major disruptions.
- 5.9.15** Furthermore, due to the outbreak and impact of the Covid-19 pandemic on Gibraltar's public services, the decision was taken to extend the scope of the review with a view of assessing the Covid contingencies put into place across the public sector. This was done to assess how well or otherwise delivery of services and operations had been able to continue during the lockdown period in Gibraltar. Public sector entities were requested to supply, albeit as brief as practically possible, their Covid-19 contingency plans.
- 5.9.16** Contingency plans were examined in accordance with six criteria with a consideration as to whether these criteria had been fully applied; applied albeit with limitations; or not applied at all. This is described in Figure 119:

Figure 119

6 CRITERIA FOR ANALYSIS OF THE CONTINGENCY PLANS SUBMITTED BY DEPARTMENTS, AGENCIES AND AUTHORITIES FOR THE REVIEW	FULLY APPLIED / LIMITED APPLICATION / NOT APPLIED
	1. Was a risk-based approach used?
	2. Were critical operational functions identified?
	3. Were roles and responsibilities clearly defined?
	4. Were procedures and communication lines clearly defined?
	5. Is there a testing structure for the contingency plan?
	6. Is there a reviewing and change control structure for the contingency plan?

- 5.9.17** The review highlighted that, despite the time elapsed between the requests of the Office of the Chief Secretary in 2008 and 2011 and the date of this review, in terms of business continuity management and risk-based management techniques, many Departments, Authorities and Agencies did not have the necessary expertise to produce plans, policies and procedures to the required minimum standards. Furthermore, these were not given the necessary prominence. Many of the plans seen, with a few exceptions, did not follow established criteria for properly structured, risk-based, business continuity plans.
- 5.9.18** Figure 120 summarises the results of the criteria and their application, overall, for contingency plans submitted in 2011 by the various Government Departments, Authorities and Agencies.

Figure 120

APPLICATION/CRITERIA	RESULTS OF THE REVIEW FOR CONTINGENCY PLANS SUBMITTED IN 2011					
	RISK-BASED APPROACH	CRITICAL OPERATIONAL FUNCTIONS IDENTIFIED	ROLES & RESPONSIBILITIES CLEARLY DEFINED	PROCEDURES & COMMUNICATION LINES CLEARLY DEFINED	TESTING STRUCTURE	REVIEWING & CHANGE CONTROL STRUCTURE
FULLY APPLIED <i>% of total plans submitted</i>	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
LIMITED APPLICATION <i>% of total plans submitted</i>	3 10%	0 0%	4 13%	9 29%	0 0%	0 0%
NOT APPLIED <i>% of total plans submitted</i>	28 90%	31 100%	27 87%	22 71%	31 100%	31 100%
TOTAL	31	31	31	31	31	31

5.9.19 As regards contingency plans submitted during the course of this audit review in 2020, the results are summarised in Figure 121.

Figure 121

APPLICATION/CRITERIA	RESULTS FOR CONTINGENCY PLANS SUBMITTED DURING THE COURSE OF THE AUDIT REVIEW IN 2020					
	RISK-BASED APPROACH	CRITICAL OPERATIONAL FUNCTIONS IDENTIFIED	ROLES & RESPONSIBILITIES CLEARLY DEFINED	PROCEDURES & COMMUNICATION LINES CLEARLY DEFINED	TESTING STRUCTURE	REVIEWING & CHANGE CONTROL STRUCTURE
FULLY APPLIED <i>% of total plans submitted</i>	2 9%	2 9%	2 9%	2 9%	1 5%	1 5%
LIMITED APPLICATION <i>% of total plans submitted</i>	1 5%	3 14%	7 32%	16 73%	0 0%	0 0%
NOT APPLIED <i>% of total plans submitted</i>	19 86%	17 77%	13 59%	4 18%	21 95%	21 95%
TOTAL	22	22	22	22	22	22

5.9.20 As can be seen from Figure 121, there were 22 public sector entities that did submit updated/revised contingency plans to the Gibraltar Audit Office as a result of the requests for information conducted as part of this review. Nevertheless, it also emerged that the contingency plans of 13 public sector entities had not been updated since 2011; whilst 4 public sector entities did not have any contingency plans in place and one public sector entity did not reply to our request.

5.9.21 The other main conclusions highlighted in the review can be summarised as follows:

- In respect of contingencies for power cuts and IT failures a reliance on manual systems was seen. This is not an ideal contingency. Furthermore, under the Information Technology and Logistics Department's ("ITLD") own admission, the risk of a power failure significantly disrupting the provision of public services is not mitigated as many Government entities do not have power generators to feed their departments.
- The contingency plans seen only appear to mitigate disruption for the short-term and do not consider medium to long-term implications.
- In regard to the contingency plans requests of 2008 and 2011 from the Office of the Chief Secretary, there was a perceived lack of central guidance for the public sector on how plans should be structured and compiled in accordance with best practice.

- At the time of this review, there appears to be no overall business continuity strategy for the Government and its public sector entities.
- There is a significant need to educate and train public sector officers, from senior management down to frontline staff, on the principles of exercising a risk-based approach to operations, encompassing risk analysis and risk management techniques.

5.9.22 The review has also highlighted that one of the effects of the Covid-19 pandemic is to underscore the importance of risk-based business continuity management to the public sector. This is crucial to safeguard the Government's critical operations and services. Furthermore, and although beyond the scope of the review, IT resilience has also come to the fore because of the transition to an increased online presence of public sector services. The role of the ITLD, who are tasked with ensuring that many Government online services are available, has increased in prominence, and their current capabilities must be assessed and resourced accordingly. This includes the ITLD's statutory obligations in respect of compliance with Part 7 of the Civil Contingencies Act 2007 and their designated role as the Gibraltar Computer Security Incidence Response Team under this legislation. The review underlined that the ITLD cannot fulfil this crucial role, more specifically in compliance with Schedule 3 to the Act which gives them legal responsibility for a cross section of services and sectors as defined in Schedules 4 and 5 to the Act, primarily through lack of resources.

5.9.23 With regard to the Covid-19 specific plans these should have been documented and incorporated in each particular Departments', Agencies' or Authorities' general contingency plans. Had departments conducted proper business impact analyses (identifying key critical operations) and risk analyses of processes been undertaken, and considering the uncertainties caused by the effects of the pandemic, staffing, legislative, logistical and other operational risks should have been identified and mitigating circumstances activated as part of the plans themselves and not independently as a request from the Office of the Chief Secretary.

5.9.24 After the effects of the Covid-19 pandemic it is now the perfect opportunity to revise and review the Government's contingency plans for disruption to its services. This has to be carried out by educating and training public sector officers in the principles and techniques of risk-based management and analysis in order to fully implement business continuity management. Furthermore, this has to be done using a top-down approach, with consideration for cyber resilience and in liaison with the ITLD. It also requires alignment (as much as possible) with established international standards, such as ISO 22301. Perhaps, the possibility of seeking advice and guidance from well-established experts or organisations in the field could also be explored.

5.9.25 Security of Network and Information Systems - Computer Security Incidence Response Team (CSIRT) obligations under Schedule 3, pursuant to section 39, of the Civil Contingencies Act 2007 - The ITLD is the designated national computer security incident response team for Gibraltar ("the Gibraltar CSIRT") under section 39(1) of Part 7 of the Civil Contingencies Act 2007. Schedule 3 of the Civil Contingencies Act 2007 (pursuant to section 39 of the Act) outlines the requirements and tasks that the ITLD as the Gibraltar CSIRT must comply with in respect of its role as Gibraltar CSIRT:

"The Gibraltar CSIRT –

(1) Must ensure a high level of availability of its communications services by avoiding single points of failure, and shall have several means for being contacted and for contacting others at all times.

(2) Must ensure its communication channels are clearly specified and well known to the constituency and cooperative partners.

(3) Must ensure that its premises and supporting information systems are located in secure sites.

- (4) *Must, in respect of business continuity:*
- (a) *be equipped with an appropriate system for managing and routing requests, in order to facilitate handovers;*
 - (b) *be adequately staffed to ensure availability at all times;*
 - (c) *only rely on an infrastructure the continuity of which is ensured, including the availability of redundant systems and backup working space.*
- (5) *May participate in international cooperation networks.*
- (6) *Must:*
- (a) *monitor incidents in Gibraltar;*
 - (b) *provide early warning, alerts, announcements and dissemination of information to relevant stakeholders about risks and incidents;*
 - (c) *respond to any incidents;*
 - (d) *provide dynamic risk and incident analysis and situational awareness;*
 - (e) *participate and cooperate in the CSIRT's network.*
- (7) *Must establish cooperation relationships with the private sector.*
- (8) *Must facilitate cooperation by promoting the adoption and use of common or standardised practices for –*
- (a) *incident and risk-handling procedures;*
 - (b) *incident, risk and information classification schemes.”*

5.9.26 Furthermore, in accordance with section 39(2) of the Civil Contingencies Act 2007, the requirements and tasks that the ITLD, as the Gibraltar CSIRT, must comply with, as outlined in Schedule 3 of the Act, must cover at least the sectors and services as outlined in Schedule 4 of the Act (“Operators of Essential Services”) and Schedule 5 (“Types of Digital Services”) of the Act, which are summarised in Figure 122.

Figure 122

SCHEDULE 4 UNDER PART 7 OF THE CIVIL CONTINGENCIES ACT 2007 - “TYPES OF OPERATORS OF ESSENTIAL SERVICES”	
SECTOR	SUBSECTOR
1. Energy	a) Electricity
	b) Oil
	c) Gas
2. Transport	a) Air Transport
	b) Rail Transport
	c) Water Transport
	d) Road Transport
3. Banking	
4. Financial Market Infrastructures	
5. Health Sector	Health Care Settings (including hospitals and private clinics)
6. Drinking Water Supply and Distribution	
7. Digital Infrastructure	Internet Exchange Points
	Domain Name System Service Providers
	Top Level Domain Name Registries
SCHEDULE 5 UNDER PART 7 OF THE CIVIL CONTINGENCIES ACT 2007 - “TYPES OF DIGITAL SERVICES”	
1. Online Marketplace	

2. Online Search Engine
3. Cloud Computing Service

- 5.9.27** At the time of the review, the Director and the Deputy Director of the ITLD confirmed that the ITLD cannot fulfil its statutory obligations under the Civil Contingencies Act 2007 due to resourcing limitations. Moreover, on being questioned, on 28 February 2022, as to whether the ITLD had highlighted this important shortcoming to the Government, the Deputy Director of the ITLD confirmed that they had indeed informed the Gibraltar Government of the situation and they were awaiting (Digital Services was dealing with this) the publication of a national cyber security strategy that should encompass the CSIRT role and responsibilities under the Civil Contingencies Act 2007.
- 5.9.28 Report Conclusions and Recommendations** - In terms of business continuity planning and risk-based management techniques the audit review has revealed that many Government Departments and Statutory Authorities and Agencies have not embraced its proper implementation fully. This is true for all levels of Government, from Senior Management right down to frontline staff.
- 5.9.29** Despite the time elapsed between the requests of the Office of the Chief Secretary in 2011 and the Gibraltar Audit Office review in 2020, it is clear that little prominence has been given to proper contingency planning. As time progressed, the business continuity plans requested initially should have been reviewed, updated and tested in a cyclical manner by the relevant public entities, under the overall responsibility of the Government. Additionally, more guidance should have been provided by the Office of the Chief Secretary on how to properly establish a risk-based Business Continuity Plan in accordance with the latest standards.
- 5.9.30** The effects of the Covid-19 pandemic have brought to light the importance of Business Continuity Planning dovetailed with risk-based management techniques and processes. It has proved that proper contingency planning is a must in order for Government to safeguard its critical operations and services and that the statement 'it won't happen to me' is no longer valid. If there is a probability, no matter how low, that an event could impact operationally on a public sector entity, then plans must be formulated to mitigate its effects on operations accordingly.
- 5.9.31** Moreover, in regard to the Covid-19 specific plans, in an ideal scenario these should have been documented in the general contingency plans of each particular Department, Authority or Agency, giving a proper risk assessment and impact analysis of all the internal and external risks that could affect the relevant public sector organisation. Again, and taking into account the uncertainties caused by the effects of the pandemic, staffing, legislative, logistical and other operational risks should have been identified and mitigating circumstances activated as part of the plans themselves and not independently as a consequence of the request from the Office of the Chief Secretary.
- 5.9.32** The main issues highlighted as a result of the contingency plans examined are detailed in paragraph 5.3.69. Some recommendations are also outlined on how the Government can establish and nurture an effective risk-based Business Continuity Planning culture in the public sector. As part of the Audit review, an action plan was submitted providing a generic roadmap on how the Government might establish risk-based business continuity planning across its organisations. This generic roadmap should aim to achieve the following four primary objectives:
- Objective 1 - Foster and promote a discipline of risk management across the public sector;
 - Objective 2 - Raise awareness, educate and train all public officers on business continuity planning and risk-based techniques;

- Objective 3 - Determine resources and readiness for business continuity planning with the aim of achieving compliance with ISO 22301; and
- Objective 4 - Organisation Specific: Departments, Authorities and Agencies should establish their formal, documented, risk-based business continuity plans.

5.9.33 Main Issues Identified - The audit review of the contingency plans for business continuity in Government Departments and Statutory Authorities and Agencies identified the following key issues:

- (a) Reliance on Manual Systems is not Ideal - Reliance on manual systems to mitigate the impact of a prolonged disruption is not the most appropriate solution. Manual systems, although offering some temporary resilience are less efficient than their electronic online equivalents. Moreover, there is then the added problem of having to transpose all data recorded manually over the course of the disruption back in the relevant electronic system or application when it is restored.
- (b) The Solutions Presented Are Suitable Only in the Short Term - Most of the solutions presented in the contingency plans examined can mitigate the effects of a disruption to the operations of a public sector operation effectively in the short term. This includes the reliance on manual systems described above. However, effective and efficient contingency planning must encompass a strategic perspective that takes into consideration short, medium and long term effects that may impact upon operations, including service delivery.
- (c) Unclear Central Guidance - The guidance on contingency planning provided by the Office of the Chief Secretary in 2011 was unclear as to the structure of the plans to be submitted. It is imperative that the Government, perhaps through the Chief Secretary as Head of the Civil Service, take the lead in guiding and providing support and assistance to public sector entities in formulating proper Business Continuity Plans.
- (d) No Overall Government Strategy - There is a need for an overall contingency plan for the entire public service to which all individual Departmental, Authority and Agency plans should dovetail into. This should perhaps also be led centrally, by the Office of the Chief Secretary, and it would guarantee, albeit with operational differences, a consistent direction for all the public sector to ensure the continuity of operational critical functions.
- (e) Government Policy for Business Continuity Planning Should be All-Encompassing - Again, despite the time elapsed since the original requests from the Office of the Chief Secretary, there should have been a request to establish proper structured, and formulated, risk-based Business Continuity Plans covering all operational aspects and not just limited to power and/or IT failures.
- (f) Initial Emphasis Should be on Awareness and Training - Training should be provided to all staff tiers (from Senior Management down to operational frontline staff) on contingency planning and risk assessment. This would ensure the adoption, promotion and maintenance of proper Business Continuity Planning processes and procedures within individual Departments, Authorities and Agencies. Structured training both on risk-based management techniques and Business Continuity Planning would also raise awareness of the importance of having such plans in force.
- (g) Many Plans Reviewed were not in accordance with Best Practice Guidance and Established Standards - The plans and documentation reviewed, showed they did not follow best practice guidelines and recommendations for contingency planning and related processes. In order to ensure adherence to best practice for risk-based Business Continuity Planning it is recommended that departments should prepare and establish relevant plans and encompassing systems in accordance with established standards, namely the ISO 22301 standard on Business Continuity Management

Systems. The review highlighted that the contingency plans submitted by departments in 2011, many of which were not subsequently updated, had:

- No risk assessment/business impact analysis done;
- No identification of key and critical departmental operations and processes;
- No identification of key roles, responsibilities and key personnel; and
- No testing and review regimes identified.

- (h) No Prominence Given to Risk-Based Contingency Plans - The format and detail of the contingency plans submitted in 2011 highlight the lack of prominence given to the formulation of the plans at the time. Business Continuity Planning is a top down endeavour; this is necessary to allow the importance of the planning undertaken and its related techniques and procedures to permeate all levels of the organisation concerned. The lack of importance given to the contingency planning exercise was also apparent in relation to the non-adherence by some Departments, Authorities and Agencies to the deadline given for the submission of the contingency plans requested.
- (i) Legislation Governing the Protection of National Information Systems Infrastructure (Part 7 of the Civil Contingencies Act 2007) - When it comes to the protection of Information Systems infrastructure, Part 7 of the Civil Contingencies Act 2007 (as is the case in the UK with the Network and Information Systems Regulations 2018) outlines relevant legislative provisions to ensure the protection of critical national information systems infrastructure. It is recommended that priority be given to this, with a view of ensuring business continuity of Government information systems. One of the effects of the Covid-19 lockdown measures imposed by the Government in March 2020, in terms of the public sector, was that many Government services moved online within the space of approximately two weeks. Because of this, and the increased reliance on electronic systems, it is now essential to have the necessary contingencies in place to mitigate the impact of information technology failures on operational service delivery for the Government.
- (j) Risk Management and Risk Assessment - The review has highlighted the need for risk-based techniques and analysis to be incorporated throughout the public service and fully ingrained in its culture. Risk-based management is at the core of all effective contingency planning and disruption mitigation processes. It allows for a more efficient, effective, structured and informed analysis and dissection of all operational functions, not only in Business Continuity Planning, but in many other operational processes as well. It is recommended that all aspects of Risk Management be introduced and established across the public service, including the adoption of departmental risk registers. The Government should also consider supporting this with the necessary regulatory framework to reinforce its adoption as is the case with the Orange Book in the United Kingdom, which is a document for all the public sector published by the UK Government, providing guidance on the management of risk.
- (k) The Information Technology and Logistics Department (ITLD) and Digital Services' Prominence has now Increased Significantly - The audit review revealed that the role of the ITLD and Digital Services are central in ensuring business continuity and the delivery of service to the public. As a consequence of many public sector services and processes moving online, the ITLD, together with Digital Services, are now the custodians of many critical operations relating to the Government and the provision of public services. It is recommended that the Government examines and reviews the impact that this has had on the ITLD and Digital Services, and assesses the necessary resources to allow these departments to be fully capable of delivering the services required overall, and with respect to Disaster Recovery Planning, in order to properly mitigate prolonged disruptive impacts. It is further recommended that disaster recovery procedures, tied into the overall Business Continuity Plans, be tested regularly. Importantly, the Government must also guarantee that the ITLD are capable of fully

complying with their requirements and tasks in accordance with Schedule 3 of the Civil Contingencies Act 2007. This is also a legal requirement for the Government, as it is the Minister for Civil Contingencies' responsibility to ensure that the ITLD has the necessary resources to allow it to carry out its statutory tasks as set out in Schedule 3 of the Civil Contingencies Act 2007. Section 39(3)(a) of the Act prescribes:

“(3) The Minister must ensure that –

(a) the Gibraltar CSIRT has access to adequate resources with which to effectively carry out its tasks as set out in Schedule 3;”

- (l) Cyber Resilience - With many Government services and applications now online, cyber resilience (apart from cybersecurity) also has to be considered a critical component of the public sector's contingency planning. Cyber resilience, in contrast to cyber security, is the ability to handle and recover from a prolonged disruption to everyday operations and services and accepting that IT disruption is inevitable. Following on from paragraph 5.3.69(i) above, it is recommended that the Government reviews and assesses its cyber resilience capability, in liaison with the ITLD and other relevant stakeholders, even more closely. This is due to the increasing online presence of Government services, such as for example, the eGov portal.
- (m) Senior Management's Role is Essential in IT Security and Resilience - Senior management must be involved at all levels when considering IT security and resilience; it is not solely the domain of IT specialists and technicians. As mentioned previously, it is essential and recommended that coordination amongst all the interested parties be established. In terms of overall contingency planning, it is recommended that coordinating roles be established; like for example, the appointment of Departmental Business Continuity Directors, in addition to Business Continuity Managers and Business Continuity Executives (forums) to support them.

5.9.34 On 14 December 2022 I forwarded a copy of the audit review to the Chief Secretary, in his capacity as Head of the Civil Service, given that the initial request for the submission of business continuity plans by Gibraltar Government Departments and Statutory Authorities and Agencies had originated from the Office of the Chief Secretary; and the fact that any prolonged impacts to public services delivered Government-wide would come under the responsibility of the Chief Secretary. The Chief Secretary acknowledged receipt and undertook to review the issues raised.

5.9.35 On 21 June 2023, the Director for Strategic Development at No.6 Convent Place (who at the time of this report is presently the Chief Secretary) replied to me on behalf of the Chief Secretary. The Director for Strategic Development said it was important to highlight at the outset that it is acknowledged that having proper and effectively implemented business continuity plans will allow the Government Departments, Authorities and Agencies to protect the services offered, manage its communications, and get back up and running as quickly as possible thereby proactively managing and minimising potential losses and reputational damages to the Government. This will enable each Department, Authority and Agency to maintain its operations and avoid suffering detrimental consequences in the case of unplanned incidents interrupting its operations. The audit review highlights explicitly in paragraph 5.3.20 the significant consequences which could arise due to the failure of government departments to deliver their services. This is particularly concerning and emphasises the importance of having these measures in place.

5.9.36 The Director for Strategic Development stressed that it was essential to note the elapsed time between the first circular issued by the Office of the Chief Secretary in 2008 and 2011 and the date the Review was published (November 2022). He said it was pleasing to note that the contingency plans submitted during the course of the review in 2020 provide a slightly more positive change in the application of some departments' contingency plans compared to the examination of the contingency plans submitted in 2011. However, the fact

that some departments had not updated their contingency plans since 2011 and 4 public sector entities do not have any contingency plans in place was particularly concerning.

5.9.37 The Director for Strategic Development agreed with the report that ‘after the effects of the COVID-19 pandemic, it was now the perfect opportunity to revise and review the Government’s contingency plans for disruption to its services.’ It is acknowledged that revised business continuity plans and risk-based management techniques in many Government Departments, Authorities and Agencies are required and necessary. This will ensure maintenance of the Government’s operations when unplanned incidents interrupt the ability to operate. Thus, after COVID-19, the Government now has the opportunity to reflect on the contingency measures put in place in the event of an emergency and evaluate what lessons it has learned and what measures could proactively be implemented to fully implement business continuity measures.

5.9.38 In his reply, the Director for Strategic Development further commented that Figure 114 lists a wide range of events that it is believed may disrupt any Government organisation. Although it is acknowledged that Government Departments, Authorities and Agencies face a range of events with inherent risks, their plans need not address an exhaustive list of possible risks, but the risks should be representative of what each entity may face. Instead, it would be more appropriate and feasible to build a set of flexible response components for handling each risk that can be mixed and matched to address expected and unexpected crises. For example:

- (a) a business continuity plan could be based on a worst-case scenario, which will then enable each department to scale down its reaction to a proportionate response, where appropriate.
- (b) Alternatively, each Department, Authority and Agency could tailor its business continuity plan with reference to its own risk analysis evaluating the impact of disruption on the services being provided. Risks could be assessed according to the likelihood that they will occur and the impacts they might have on the services being provided and the public.
- (c) Fundamentally, this plan should be reviewed annually to ensure that it remains fit for purpose and reflects changes that have taken since the last review or implementation.

5.9.39 The Director for Strategic Development added that although the audit review identifies that the Office of the Chief Secretary should have requested a Business Continuity Plan which covers all operational aspects and is not just limited to power and/or IT failures, the review should also acknowledge that this was one of the most prominent risk factors at the time, and at times continues to be, which was why this, in particular, was being requested. Government Departments, Agencies and Authorities are more likely to experience disruptions and impacts due to power outages and IT failures rather than for example Earthquakes and Landslides, thus it would be more suitable to ensure the Government has proper and robust contingency measures concerning disruptive events which are more likely to impact government entities. However, the Director for Strategic Development acknowledged that there should also be an overall contingency plan which accounts for worst-case scenarios and measures in place on what functions should be adopted if these occur. This will ensure government departments can account for any and every disruptive account to minimise the impact and reputational damages as much as possible. It should be noted that although in an ideal scenario there should have been documented general contingency plans of each department, there will always be unprecedented circumstances which will not be able to be accounted for. This was the case with the pandemic and closing of counters. Therefore, Government should ensure that departments implement contingency plans in accordance with the relevant standards to enable them to be able to mitigate and minimise all disruptive impacts as much as possible.

- 5.9.40** The Director for Strategic Development said that after careful observation of the details and findings of the audit review and the accompanying action plan, he suggested that the Office of the Chief Secretary, the Director of Civil Contingencies and the Human Resources Management organise a meeting to discuss the next steps and how best to approach the implementation of an effective risk-based Business Continuity Plan to mitigate the effects of prolonged disruptive impacts. These meetings will also include the Director of the Information Technology and Logistics Department (“ITLD”) and Digital Services due to the recent technological advances that have resulted in many public sector services and processes moving to online platforms. He further suggested that it might be an idea to use the services of professionals at a later stage that could assist the Government to prepare ISO standard contingency plans. Indeed, as highlighted in the review, many Government services have moved online, and there is an increased reliance on electronic systems; therefore, priority has been given to the ITLD and Digital Services. The Director for Strategic Development said the ITLD is currently a fully resourced department, it uses the latest cybersecurity technology and has also recently completed an assessment with the UK Home Office to further improve the Government's IT security landscape. The ITLD is also utilising the services of external organisations which are performing penetration tests (Pen-test) to identify weaknesses within the systems and mitigate against them. Recently, the Government embarked on a data protection exercise involving all departments. This, therefore, provides the Government with the opportunity to ensure the protection of critical national information systems infrastructure as per Part 7 of the Civil Contingencies Act 2008 and proves the ITLD has the necessary resilience measures in place to mitigate the impact of information technology failures on operational service delivery for the Government as per the concerns raised in paragraph 5.3.69(i). However, the Director for Strategic Development pointed out that even the US Government, multinational corporations and major banks are under constant threat of attacks and at times there are failures in the system. Consequently, a consistent and continuous review of the Government information systems must be implemented to mitigate any disruptive impacts as far as possible. It is not a question of ‘if’ but ‘when’ it comes to cyber-attacks.
- 5.9.41** The Director for Strategic Development understood that the full support of Government, Heads of Departments, CEOs, and Senior management was essential for the effectiveness of Business Continuity Plans and to provide the necessary direction and prominence. Thus, to ensure full support is obtained from the outset, a Government Circular explaining the importance of having effective business continuity plans must be re-issued to all Heads of Departments. It is essential that all Heads of Department ensure to produce a new plan and send it to the Office of the Chief Secretary, the Director of Civil Contingencies and Human Resources Management, who will liaise to review the plans and ensure adequate measures are in place. Due to the lack of prominence by Heads of Departments as highlighted in the audit review, it is important to stipulate a non-negotiable deadline which must be adhered to with consequences attached for those who do not conform with the instructions. Furthermore, the Office of the Chief Secretary was planning a Head of Department Forum where it could highlight the need for efficient business continuity plans and stress the importance of implementing these measures.
- 5.9.42** The Director for Strategic Development pointed out that although the audit review highlighted a lack of prominence from the Heads of Department of certain departments, agencies and authorities, it should be noted that many of them did not comply with this due to not having sufficient guidance and knowledge as to what was being asked of them. Therefore, he suggested that a brief set of guidelines be drafted stipulating the scope, aims and objectives of having a Business Continuity Plan and what the plans should address. He noted that many of the Heads of Departments in 2008 and 2011 would now be retired, and a suitable handover might not have occurred. Therefore, instead of reviving the historic business continuity plan, it might be worthwhile to start anew. Especially considering the fact that the 2020 report mainly focused on a pre-pandemic scenario as it was conducted a month prior to COVID-19 (17 February 2020) and since then departments have become more knowledgeable and aware of the significance of being prepared for the unexpected.

- 5.9.43** The Director for Strategic Development said it was essential that the Government adopts brief, albeit clear, and appropriately detailed guidelines and/or checklists as to what is expected from government departments, agencies and authorities in relation to their contingency plans and measures which must be implemented. These should not be exhaustive but rather flexible so that each department can adopt these whilst tailoring their approach concerning their heightened risk factors.
- 5.9.44** The Director for Strategic Development added that in paragraph 5.3.69(g) it states that 'many plans reviewed were not in accordance with Best Practice Guidance and Established Standards'. To comply with these standards, it must be ensured that when outlining the guidelines and/or checklists for adequate Business Continuity Plans expected from government departments, agencies and authorities this follows the Best Practice Guidance and the international business continuity standard ISO 22301. This will ensure the Business Continuity Plans implemented and established will protect against, reduce the likelihood of occurrence, prepare for, respond to, and recover from all disruptive incidents. An appropriate Best Practice Guidance in accordance with the relevant ISO 22301 standards is key to success. Therefore, due to the importance of this exercise, he suggested it might be prudent to engage professionals in preparing the guidance notes.
- 5.9.45** In determining the next steps, the Director for Strategic Development said the Government recognises the financial effects the pandemic has had on the economy. Gibraltar PLC is not in a position to take further risks due to not being suitably prepared, and therefore it is paramount that protective measures are in place to avoid additional stress to the economy. Managing and implementing a professional business Continuity Plan across all public-sector departments, agencies and authorities is more critical than ever before, especially in light of my comments that a disruption to the entire Government operations due to any number of events can cost the Government or delay revenue by approximately £1.85 million per day, or £13.02 million per week.
- 5.9.46** The Director for Strategic Development concluded saying that alike the ongoing Brexit Meetings and the possibility of a Non-Negotiated Outcome ("NNO") that is organised by the Civil Contingency team, it is right and proper that the same approach is used and importance given, so that the Government is proactive rather than reactive. He suggested to meet up and discuss in an open and constructive manner how best to prepare and deliver suitable contingency plans for Business Continuity in Government departments, statutory authorities and agencies that will be relevant for the next 5-10 years and most importantly will be a live document that is continually edited and updated.
- 5.9.47** On 3 July 2023, I replied to the Director of Strategic Development, informing him that I had taken good note of his views on the findings of the audit review, and in paragraphs 5.3.84 to 5.3.90 I reproduce my further comments to his response.
- 5.9.48** I told the Director of Strategic Development that his assertion that Business Continuity Plans 'need not address an exhaustive list of possible risks' was perhaps questionable, as the effects of the COVID-19 pandemic can attest, i.e. this was a 'black swan' event with an overreaching extreme impact, that prior to the pandemic would in all probability not have been included as a possible risk in any departmental Business Continuity Plan. This is why, in my view, Business Continuity Plans by their very nature should be as comprehensive as possible. However, as a starting point it may be feasible to start with a risk analysis of the more immediate threats that a particular Government entity could potentially encounter and then move on from there.
- 5.9.49** I agreed with the Director of Strategic Development in that power failure was, and continues to be, a prominent risk factor with a higher likelihood of impacting a government department than a natural disaster. This was confirmed by the Deputy Director, ITLD who stated that it was the biggest risk facing service disruption with no mitigating controls, see last bullet point in paragraph 5.3.60. Nevertheless, since 2008 the Government has not addressed, or partly

addressed this risk. If proper and structured contingency planning had been conducted at the time this should have been identified, and mitigating risk control should have been established - like for example the use of backup power generators for Government offices. I told the Director of Strategic Development that the whole purpose of a Business Continuity Plan is to avoid as much as possible dealing with 'unprecedented circumstances' - this is done through risk management and risk analysis. The suggestion of a meeting with all stakeholders was a good and positive initiative. The suggested forum must have the objective of formulating a process by which risk management and risk analysis will be implemented and form an integral part of decision-making in the public service. I suggested to the Director of Strategic Development that the initial step should be to address the proposed Action Plan contained in the audit review document. This would start the ball rolling in terms of how to tackle the major issues highlighted. The use of professionals to work towards the achievement of ISO standards would certainly ensure the implementation of properly structured Business Continuity Plans. I agreed with the Director of Strategic Development that it might be beneficial to have a brief overview of the assessment conducted by the UK Home Office, as well as the penetration tests conducted by external contractors.

5.9.50 I pointed out to the Director of Strategic Development that his statement that, 'the ITLD is currently a fully resourced department' stands in sharp contrast to the audit findings as reported in the review, and detailed in paragraph 5.3.63, where I state that at the time of the review, the Director and the Deputy Director of the ITLD had confirmed that the ITLD could not fulfil its statutory obligations under the Civil Contingencies Act 2007 ("the Act") due to resourcing limitations. It may be the case that since the issue of my report last year, the ITLD has now been fully resourced. If this is indeed the case, the ITLD, as the statutory CSIRT (Computer Security Incidence Response Team) for Gibraltar, must fully comply with the requirements of section 39 of the Act. The need for the Gibraltar CSIRT to have access to adequate resources cannot be underestimated, and is an important statutory obligation to be complied by the Minister responsible for Civil Contingencies. I further said to the Director of Strategic Development that although he had stated that the ITLD had the necessary resilience measures in place to mitigate the impact of information technology failures on operational service delivery for the Government, he did not address fully the need for the ITLD to strictly meet its obligations under the law. In terms of the requirements of Schedule 3 pursuant to section 39 of the Act, I am of the view that the ITLD should perform a risk assessment/evaluation of how well their department presently stands with a view of complying with their statutory requirements as per Schedule 3 of the Act.

5.9.51 I continued saying to the Director of Strategic Development that the proposed issue of a circular to all government departments must certainly be accompanied by adequate guidance, as many Heads of Department and CEOs have a limited grasp of the concepts and requirements behind structured risk-analysis, risk-management and business continuity planning.

5.9.52 In my communication with the Director of Strategic Development, I highlighted that, as he was aware, one of the findings of the audit review was that the Government had not supplied clear guidance to departments on how to properly arrange a Business Continuity Plan, see paragraph 5.3.69(c). Guidance should be as comprehensive as possible to eliminate any uncertainty in respect of formulating the plans and to give the relevant parties the confidence to do so; departments should still have the flexibility to deal with their own particular departmental needs when faced with a prolonged business disruption and respective risk environments.

5.9.53 I agreed with the Director of Strategic Development in that ISO 22301 standards should be applied when preparing the Best Practice Guidance for Business Continuity Plans to be issued out to departments. In this way, when departments formulate their plans these are in adherence to the highest industry standards. In any event, achievement of an internationally recognised standard practice, such as ISO 22301, should be viewed as the end of an

evolutionary, or gradual development process. The progression to achieve this standard should adopt an iterative/incremental approach with alignment to the core requirements as much as possible. As the Director of Strategic Development was aware, the plans as submitted in 2011 did not have the correct structure, as highlighted in the bullet points at the end of paragraph 5.3.69(g). Consequently, as a starting point, and for guidance, the Business Continuity Plans must, at the very least, adhere to the 4 basic requirements as recommended by best practice guidance and established standards, that is:

- (a) a risk assessment/business impact analysis being conducted;
- (b) identification of key and critical departmental operations and processes;
- (c) identification of key roles, responsibilities and key personnel; and,
- (d) identification of testing and review regimes.

5.9.54 As already communicated to the Director of Strategic Development, I welcomed the idea to meet and discuss the way forward, as he had suggested. However, as I had previously said, this would be to provide guidance and advice on final courses of action, but not to be part of the actual decision-making process, evidently because of my independence as Principal Auditor. Nevertheless, I strongly recommended to the Director of Strategic Development that he first provide me with the completed action plan contained in the audit review document. In this way there is a formal record as to whether he agreed, or otherwise, with the audit observations raised in the review. The Director of Strategic Development thanked me for my further comments and said he would be reviewing these and reverting accordingly.

5.9.55 However, because the Director of Strategic Development never came back with his further comments (although admittedly there had been a number of significant developments that transpired thereafter, e.g. the General Elections on 12 October 2023 and the appointment of the Director of Strategic Development as Chief Secretary in early 2024), I wrote to the Chief Secretary on 21 August 2024. In my email, I told the Chief Secretary that I had refrained from writing to him on this issue in order to give him time to settle into his new role. However, I told him that I needed to draw his attention to the audit review carried out on the contingency plans for business continuity in Government departments and statutory authorities and agencies. I reminded him that he had provided a very detailed response in June 2023 to which I provided my additional views. Nevertheless, since then I had not heard anything further on this matter and consequently I wished to learn what, if any, developments have occurred since then.

5.9.56 The Chief Secretary replied to me on 31 August 2024, apologising for the delay in replying due to a number of pressing matters. He explained that he was working on a substantive response and action plan and would get back to me in mid-September 2024. However, on 29 April 2025, I wrote to him again as he had not provided me yet with a response. In my email I enquired whether he had any further developments or updates in respect of the audit review carried out on the contingency plans for business continuity in Government departments and statutory authorities and agencies. At the close of this report, the Chief Secretary had not replied to my request for an update on developments regarding contingency plans for business continuity in the public service.

PART 6 - GENERAL AUDIT MATTERS

Revision of Public Audit Legislation

- 6.1.1** In 1997, Mr Joseph L. Morello, Principal Auditor, embarked on a review of the public audit legislation contained in Parts VIII and IX of the Public Finance (Control and Audit) Act with a view to modernising this legislation and submitting a draft of the proposed revised law for consideration by the Government.
- 6.1.2** It is important to emphasise that public audit legislation in Gibraltar has not seen any significant amendments since its enactment in 1977, notwithstanding that there have been important developments, internationally, in audit law and practice during the intervening years which could be usefully adapted locally. Mr Morello, therefore, prepared detailed proposals for improving the legal basis for public audit in Gibraltar in addition to strengthening the independent position of the Principal Auditor and that of the Gibraltar Audit Office generally. These proposals also included provision for promoting greater economy, efficiency and effectiveness in the use of public money by Government departments and other statutory authorities and agencies by way of performing value for money audits. On 17 March 1998, the Principal Auditor forwarded his revised audit legislation proposals for the consideration of the Government and commented that the Government had signified its agreement, in broad terms, to his proposals and that he was holding discussions with the Chief Secretary on the more detailed aspects of these proposals. The Principal Auditor nevertheless reported, at the time, that the Government might not yet be in a position to proceed with the proposed changes to the audit legislation given that there were a number of related issues which it was pursuing in the context of constitutional modernisation for Gibraltar.
- 6.1.3** Since then, Mr Morello and his successor – Mr James C. Posso and myself have taken every opportunity to urge the Government in office to take the proposed new audit legislation to Parliament at the earliest opportunity, after carrying out numerous reviews and amendments to the draft audit legislation over the years.
- 6.1.4** The last amendments to the draft Public Audit Act were carried out on 29 February 2024 in collaboration with the Financial Secretary, and I submitted the final draft to the Financial Secretary on 1 March 2024. During 2024 I regularly wrote to the Financial Secretary enquiring if he had forwarded the draft Public Audit Act to the Gibraltar Law Offices for enactment. The Financial Secretary routinely replied that he needed to discuss the latest amendments with the Chief Minister before the draft legislation is passed to the Gibraltar Law Offices.
- 6.1.5** On 29 November 2024, I again wrote to the Financial Secretary highlighting that I had recently browsed through Hansard, and had noted that on 26 February 2024 (see extract hereunder), the Chief Minister when speaking in Parliament about the annual contribution of £30m (previously £25m) that the Consolidated Fund makes to the government-owned companies, he had made a comment in regard to the audit legislation, which was incorrect and which I was concerned could be the reason for the delay in enacting the proposed new audit legislation.

²³⁷⁰ *“So the Principal Auditor has nothing hidden from him, absolutely nothing hidden from him. He sees exactly where every penny of the £30 million goes. I have given it to the hon. Gentleman, during the course of Question Time in this House, very recently, just last week, Madam Speaker, just last week. But the Principal Auditor has not had it just last week, he has had it every day because he has access to that computer system; and the reason that he asked for it, Madam Speaker, is very simple, because he does not officially have access to it. So he is saying, ‘Can I please officially have this access and have it confirmed from you?’ But he has access to the information, Madam Speaker. But look, the Principal Auditor has reported on some companies whilst at the same time telling us that he needs a law in order to enable him to provide an audit in respect of some Government companies [my emphasis].”*

I explained to the Financial Secretary that the Chief Minister had made a reference that, as Principal Auditor, I had access to the Treasury accounting system, which also holds the accounts of government-owned companies, but nevertheless, I had requested to have information on the contribution to the government-owned companies because ‘officially’ I do not have access to use this information, as I am not the appointed auditor for the government-owned companies. I told the Financial Secretary that this statement was correct. However, I pointed out that what was incorrect was when the Chief Minister subsequently said [quote] *‘But look, the Principal Auditor has reported on some companies whilst at the same time telling us that he needs a law in order to enable him to provide an audit in respect of some Government companies’*. I told the Financial Secretary that I was puzzled as to what had prompted the Chief Minister to say this when this was certainly not the case. I told the Financial Secretary that I had never said that I needed the new Public Audit law to audit the government-owned companies. I was definitely not insisting on the new draft Public Audit Act in order to be able to conduct the audit of government-owned companies. I emphasised to the Financial Secretary that nothing could be further from the truth, as nothing had been incorporated in the new Public Audit law that obliges me to undertake a yearly audit of the government-owned companies, as is the case with the public accounts of Gibraltar.

6.1.6 I categorically told the Financial Secretary that there was no change whatsoever in the powers that I have, as per the existing Public Finance (Control and Audit) Act, and the new Public Audit Act in this respect. I reiterated that there is no new provision in the new draft audit legislation regarding the audit of the government-owned companies. To say this is absolutely inaccurate! I suggested to the Financial Secretary that he could compare the current legislation and the new one in relation to what I am empowered to do as Principal Auditor so that he could be satisfied, and in turn assure the Chief Minister that nothing had been incorporated in the new draft legislation that allowed me to undertake the audit of government-owned companies, if this was indeed the reason why the Government was not pressing with the enactment of the draft audit legislation. I insisted to the Financial Secretary that If this misapprehension was the reason for the delay in enacting the new audit legislation, to kindly reassure the Chief Minister that there was absolutely no difference with the current law in this respect.

6.1.7 I reminded the Financial Secretary that the Government had pledged in all their successive Election Manifestos (except the 2019 Election Manifesto) that they are committed to taking the new audit legislation to Parliament. The following is the relevant extracts from the GSLP 2011, 2015, 2019 and 2023 General Election Manifestos:

Extract from GSLP 2011 Election Manifesto

“AUDIT LAWS

We will work with the Principal Auditor to review the audit legislation contained in Parts VIII and IX of the Public Finance (Control and Audit) Act, given that this has not been reviewed since 1977. The aim of this is to provide an improved legal basis to secure a more modern and efficient public audit service that is fully independent of the Government. We will work on bringing legislation on this subject to the Parliament during our first year of Government.”

Extract from GSLP 2015 Election Manifesto

“STRENGTHENING AUDIT LAWS

We are working to give effect to the Principal Auditor’s review of audit legislation to secure a more modern and efficient public audit service that is fully independent of the Government. We expect to be ready to make the necessary changes in keeping with the Principal Auditor’s recommendations before the Budget Debate in 2016 in order to modernise and strengthen the control and supervision of the expenditure of taxpayers’ money by making new provision for securing the independence of the Principal Auditor and for promoting economy, efficiency and effectiveness in the use of public money in government departments and other specified authorities, agencies and bodies. The new

law will also make the Office of the Principal Auditor accountable by having an independent auditor audit the Office of the Principal Auditor itself.”

Extract from GSLP 2019 Election Manifesto

“PUBLIC ACCOUNTS COMMITTEE

In Opposition, the GSLP Liberals have never needed a Public Accounts Committee in order to hold the Government to account. We were able to use the information publicly available and the data we obtained in answer to questions to do this. There is now more information in the public domain than there was before 2011. We will protect our independent Civil Servants and GDC and other Public Sector employees from the media circus of being interrogated and questioned by GSD politicians before such a Select Committee for party political purposes.

These cross examinations are being designed by the GSD just to try to embarrass the Public Sector for their own party-political ends. The Principal Auditor is already empowered by the Constitution of Gibraltar to audit and report on the public accounts of Gibraltar. He reports to Parliament and is not subject to the direction or authority of anyone. The Auditor and his staff are independent and ring-fenced from the rest of the civil service. A GSLP/Liberal Government will continue to fully support the work of the Principal Auditor in this regard and will protect our Civil Servants and Public Sector workers.”

Extract from GSLP 2023 Election Manifesto

“ENHANCED POWERS OF PRINCIPAL AUDITOR

We also fully support the Principal Auditor, who operates independently under the Constitution of Gibraltar. In this regard, if elected we will bring legislation to Parliament to enhance the powers of the Principal Auditor on terms we have already consulted on with the Principal Auditor and his team.”

- 6.1.8** The Financial Secretary replied to me on 16 December 2024, confirming that he had read the contents of my email and taken note of my explanations, however, he had been unable to discuss the draft Public Audit law, or my explanations with the Chief Minister. He informed me that the draft audit law continued to be on the list of matters he needed to discuss with the Chief Minister.
- 6.1.9** On 6 February 2025, I again wrote to the Financial Secretary enquiring if he had met with the Chief Minister to discuss the draft Public Audit Law and put forward my explanations with a view of dispelling any possible concerns he might have that the new audit legislation empowers me to audit the Government-owned companies, in case this was the reason for the delay in enacting the new public audit legislation. The Financial Secretary replied to me on 13 February 2025 saying that he had had the opportunity to discuss the draft Public Audit Law with the Chief Minister and he had also highlighted the point that the new draft Public Audit Law has no impact on the Principal Auditor’s powers to audit the Government-owned companies. The Chief Minister asked the Financial Secretary to inform me that he has requested the Financial Secretary to raise this matter with him after the completion of the post-Brexit Treaty negotiations, as the Chief Minister does not consider that he has the bandwidth to address this issue at this time and that it is not pressing in any material way for Gibraltar at this stage, however desirable it may be from the Principal Auditor’s perspective. The Financial Secretary added that the Chief Minister had asked him to remind me that this is the same approach that the Government has taken to the hugely more relevant Constitutional Reform work the Parliamentary Select Committee is embarking upon, but which is also similarly stayed.
- 6.1.10** Although I understand that the Government has been and continues to be fully immersed in the Treaty negotiations, and previously the onslaught of the Covid-19 pandemic took a huge amount of time, dedication and effort from the Government, the fact remains that in 13 years the Government has not managed to find ‘just a small amount of time’ to review a little piece of legislation to enable it to be enacted, despite periodically pledging its support and resolve to bring the new legislation to Parliament in practically all its Election Manifestos. It is striking

that, prior to the 2023 Election, this electoral manifesto surprisingly stands out as being the only manifesto commitment that had not yet been met by the Government. It is therefore clear to me that, despite declaring support to the Principal Auditor and pledging to modernise audit legislation to enhance the powers of the Principal Auditor in successive political manifestos, the Government has little or no political will to modernise the current outdated audit legislation. The lack of support and commitment demonstrated by the Government in regard to modernising and improving the public audit service by way of revising an audit legislation that is 48 years old, added to the human resourcing problems faced by the Gibraltar Audit Office, leads me to think that the Government has very little regard and consideration for the public audit function in Gibraltar.

- 6.1.11** In my view, the present system where the drafting and enactment of a law relating to the Principal Auditor and his functions is controlled and managed by the Government is completely flawed, considering that the Principal Auditor is an officer of Parliament, and particularly given his independence under the Gibraltar Constitution. I am strongly of the view that the draft public audit legislation should be channelled through a select committee of Parliament (in the absence of a Public Accounts Committee), made up of members from both sides of the House. This would uphold the principle of independence and ensure that the draft public audit legislation is fairly reviewed and discussed in advance and thereafter presented in Parliament without the risk of possible manipulation over the changes recommended by the Principal Auditor, or delaying the enactment of the proposed Bill in any way.
- 6.1.12** It is relevant to point out that the Public Service Ombudsman in Gibraltar, also an independent Officer of Parliament, is facing similar difficulties with the Government of Gibraltar in trying to enact essential legislation that would allow her to conduct 'Own Motion Investigations'. Own Motion investigations give the Public Service Ombudsman the power to initiate and conduct an investigation without having received a report signed by a member of the public (person making a complaint). This is essential in circumstances where there might be unfairness, and complainants may be unable or unwilling, for whatever reason, to lodge a complaint. All previous Gibraltar Public Service Ombudsmen have also advocated the implementation and performance of own motion investigations, as this mechanism will allow the Office of the Ombudsman in Gibraltar to bring attention to significant matters of public interest that may not otherwise be brought to light by a complainant. It is ironic that on 20 December 2019, the Gibraltar Parliament passed a Resolution on a motion presented by the Opposition, and subsequently amended by the Government, to review the Public Services Ombudsman Act 1998 to enable the Ombudsman to launch investigations of its own motion. However, to date, after over 5 years since own-motion investigations received parliamentary support, the Government has not yet proceeded to enact the necessary amendments to the Public Services Ombudsman Act 1998 that will allow the Ombudsman in Gibraltar to better fulfil her role.
- 6.1.13** Again, as previously mentioned in paragraph 6.1.11 in relation to public audit legislation, I strongly believe that legislation relating to the Public Service Ombudsman should equally be channelled through a select committee of Parliament. This would ensure that the Public Services Ombudsman Act 1998, and any amendments thereto, are adequately and independently reviewed by a select committee, without the risk of Government potentially exerting control over the changes required, or delaying the timely enactment of the proposed changes to the legislation.

Government-Owned Companies

- 6.2.1** I am of the view that the Principal Auditor should be statutorily responsible for the audit of all government-owned companies. I believe there are at present 44 government-owned companies and another 24 companies under the Gibraltar Development Corporation, where thousands of transactions take place involving expenditure amounting to millions of pounds of tax-payers monies.
- 6.2.2** The audit of these public companies is carried out by reputable external audit firms. However, the annual financial audits under the current scope, although acceptable for the

purposes of ensuring that the yearly accounting transactions in the company books of accounts are accurately and completely reflected in the financial statements, does not subject the company to scrutiny in terms of adherence to best practice procedures, and compliance with Government accounting regulations and procurement procedures, nor to ensure that value for money is being obtained by each individual government company. These other audit considerations are not undertaken by the contracted audit firms because their engagement, as determined by the Government, is basically to conduct a financial audit of each individual public company.

- 6.2.3** It is because the engagement of the financial audits carried out by private audit firms is not extended to allow them to perform compliance and value for money audits, that certain aspects on the workings of a company can go unnoticed. What is more, even if independent auditors were to be engaged not just to certify if the accounts show a 'true and fair' view, but also to scrutinise and probe the activities of each company to determine regulatory compliance and if value for money is being obtained for the taxpayer, the private audit firms would be reporting to the shareholders of the companies but not to the Gibraltar Parliament.
- 6.2.4** In my opinion, and in line with the audit of the public accounts of Gibraltar, it makes all the sense that the Principal Auditor should be responsible for the audit of the public company accounts. This would not only ensure that all companies are subjected to a financial audit, compliance audit and performance audit (value for money audit), but of vital importance is that once audited, the company accounts together with my report would be tabled in Parliament. This would ensure further transparency and accountability in the use of public monies, which at present does not exist, as filing an abridged and redacted set of accounts for each government company in Companies House is insufficient for Parliament and taxpayers to know where public money is being spent and if it is being spent efficiently.
- 6.2.5** It has been brought to my attention, although unfortunately I am not privy to the information, that approximately 4 or 5 years ago, the Government requested an internal enquiry/investigation to be conducted into a wholly-owned government company, namely Gibraltar Joinery & Building Services Limited (GJBS). The investigation, which was carried out by two competent and experienced senior civil servants, entailed scrutinising company transactions and accounts and interviewing staff members of this government company. The findings, which were internally reported to the Financial Secretary and thereafter to the Chief Minister, allegedly revealed that there had been many instances of inappropriate proceedings and unethical behaviour by the company. In my view, this type of investigation should more aptly have been an independent inspection to have been carried out by the Principal Auditor. This would have ensured that the findings from such an audit investigation would have been reported to Parliament (rather than internally to the Government), and disclosed to the public and to the taxpayer, as it is public money that has not been made good use of.

Public Accounts Committee

- 6.3.1** In paragraphs 6.3.1 to 6.3.9 of my last report to Parliament on the public accounts of Gibraltar for the financial years 2016-17 and 2017-18, I gave a brief background on the history of the Public Accounts Committee in Gibraltar.
- 6.3.2** I also offered my opinion on the need for a Public Accounts Committee in Gibraltar, considering that monthly Parliamentary debates are, in my view, not sufficient for in-depth scrutiny of public expenditure, in a way that only a select committee can guarantee through, amongst other mechanisms, questioning government officials (the Controlling Officers of public expenditure) in order to assess efficiency and value for money. A further important function of a Public Accounts Committee is the production of reports, after carrying out inquiries, with recommendations to the Government aimed at improving public spending, securing value for money and improved service delivery.
- 6.3.3** The Public Accounts Committee is a key institution in parliamentary systems around the world, especially in countries that operate under the Westminster parliamentary model. When comparing Gibraltar to other, similarly sized and smaller Overseas Territories (such

as St Helena for instance, with a population of less than 5,000), it is notable that all have established Public Accounts Committees within their Parliamentary structures. Gibraltar is currently the only UK Overseas Territory without this committee.

- 6.3.4** I am aware, and respect, that there is not full support in Parliament for setting up a Public Accounts Committee in Gibraltar. Nevertheless, I must again insist and call upon Parliament to consider setting up this standing committee of the House to further strengthen accountability, transparency and responsible financial management.

Government Involvement in Audit Matters

- 6.4.1 Concerns on Control over the Principal Auditor's Human Resources – Reduction of Pay for New Recruits** - In my last report to Parliament on the public accounts of Gibraltar for the financial years 2016-17 and 2017-18, specifically in paragraphs 6.4.1 to 6.4.14, I drew attention to the Government's decision in 2019, to reduce the salary of new recruits to the Gibraltar Audit Office. Although the reasons provided to me by the Chief Minister varied over the course of several meetings, following my active representation on this matter, the latest reason given to me was that the removal of the 12% enhancement for new recruits, incorporated into the basic pay of ring-fenced audit staff in the year 2000, would allow these officers to be transferable to the rest of the public service, where there is a need for qualified accountants.
- 6.4.2** The decision to remove the 12% pay enhancement erodes the benefits ring-fencing sought to introduce, namely ensuring the retention and continuity of trained, experienced and qualified staff – a key aspect of the retention arrangements and conditions that were embedded in the restructure of the Audit Department when setting up the Gibraltar Audit Office as a ring-fenced office in the year 2000. The aim was to secure a more efficient, independent and professional external audit service for Gibraltar (similar to the Exchequer and Audit Department's move to become the National Audit Office [NAO] in the UK). It was also one of the steps taken towards securing greater independence for the Principal Auditor, along with the introduction of new public audit legislation.
- 6.4.3** The decision taken in 2019 to reduce the salary for new entrants to the Gibraltar Audit Office was also applied to new entrants in the other specialised ring-fenced departments, namely the Statistics Office, the Information Technology and Logistics Department, and the IT Section of the Treasury Department who also receive a 12% enhancement in their pay to compensate for being ring-fenced departments.
- 6.4.4** Since then, however, the decision has been reversed for the three other ring-fenced departments but not for the Gibraltar Audit Office where it is still applicable. The decision to maintain the salary reduction for newly recruited audit staff in the Gibraltar Audit Office appears to isolate my office from the other aforementioned offices.
- 6.4.5** Removing qualified and trained staff from the Gibraltar Audit Office complement carries the serious effect of reducing my capability to perform audits efficiently, and consequently impacts in my ability to discharge my constitutional and statutory duties. If the Government requires professionally qualified accountants in the Civil Service, then there should be direct recruitment of such qualified staff as opposed to relying on transfers of auditors/accountants from the Gibraltar Audit Office.
- 6.4.6** Despite my view on this, I proposed to the Chief Minister drawing up a Memorandum of Understanding between the Government of Gibraltar and the Gibraltar Audit Office, whereby if there was ever the need for Government to request a qualified accountant from the Gibraltar Audit Office and the officer concerned was amenable to leave the Office, and as Principal Auditor, I was also in agreement, meaning all three parties were in agreement, the member of staff could be transferred. However, the Chief Minister dismissed the proposal.
- 6.4.7** As a consequence of Government's decision, the Gibraltar Audit Office has been carrying 3 vacancies for a prolonged period (one vacancy for over 5 years, another for 2½ years and the other since November 2024), with the consequential impact this has on an already small

complement. These limitations, plus the risk of having experienced, qualified staff transferred out of the Gibraltar Audit Office will continue to have a detrimental effect on the on-going audit programme and inevitably impact on the timely completion of the Principal Auditor's report to Parliament.


UK Overseas Territories Project

- 6.5.1** In 2016, the UK branch of the Commonwealth Parliamentary Association formed a consortium with the UK National Audit Office and the UK Government Internal Audit Agency to deliver the UK Overseas Territories Project. This project works with parliamentarians, parliamentary and electoral officials, external auditors and internal auditors from across the overseas territories to share good practice and exchange ideas. The project activities focus on providing technical assistance, training and mentoring to support and encourage effective public financial management.
- 6.5.2** Phase I of the UK Overseas Territories Project was officially launched in March 2017 up to March 2020 and aimed to strengthen public financial management and good governance practices in the Overseas Territories and enable Public Accounts Committees, Supreme Audit Institutions (such as the Gibraltar Audit Office) and Internal Audit Agencies to deliver their functions effectively.
- 6.5.3** Phase II of the Project began in April 2020 and is presently still running. Phase II seeks to provide a broader remit of governance support and is aimed at improving the capacity of parliamentarians, parliamentary and electoral officials, and public auditors in the Overseas Territories to conduct their legislative, oversight, and electoral responsibilities. The Project will support a more holistic and integrated approach to promote good governance in the UK Overseas territories by working in the following four spheres:
- (a) **Legislative** – Parliaments and legislatures from the Overseas Territories' are better equipped to effectively hold their Governments to account.
 - (b) **Electoral** – Overseas Territories' electoral officials have a greater understanding of national electoral framework compliance with international good practice.
 - (c) **External Audit** – External audit offices across the Overseas Territories have strengthened capacity to perform their audit role.
 - (d) **Internal Audit** – Internal audit institutions across the Overseas Territories have strengthened capacity to perform their internal audit role.
- 6.5.4** The UK Overseas Territories Project previously funded by the UK Government's Conflict Security and Stability Fund, is currently funded and administered through the International Programme of the Overseas Territories Department and Polar Department of the Foreign, Commonwealth and Development Office. Funding is currently allocated annually in line with the UK's financial year (April to March). The priorities for each financial year are determined in consultation with key stakeholders and where applicable include the feedback and proposed commitments as shared by participants in recent project activities.
- 6.5.5** Since the launch of the project, there has been an agreed programme of activities where the Gibraltar Audit Office has actively participated. This has entailed:
- Technical support for financial audit;
 - Updating the public audit manuals and subsequent training in the use of these manuals;
 - Technical support and receiving training in performance audit;
 - A short-term secondment of a senior auditor (from Audit Wales) to the Gibraltar Audit Office to support management with the aim of capacity building;
 - Quarterly remote participation by the Principal Auditor in an Overseas Territories Leadership Group that was set up to improve external audit capacity and capability;
 - Participation in a series of workshops and e-workshops; and
 - Visit to the Gibraltar Audit Office by National Audit Office officers to provide a structured assessment based on international standards, proportionate for a small audit office. Its primary aim was to contribute to the Principal Auditor's improvement planning activity.

- Quality Management Workshop delivered at the Gibraltar Audit Office.
- Annual Attendance to Overseas Territories Forums on the Oversight of Public Finances and Good Governance.

Acknowledgement

- 6.6.1** Although in my last report, I informed that I would be retiring on 3 April 2024, due to circumstances that took place shortly after, which were beyond my control, I was asked by the Deputy Governor, on behalf of His Excellency the Governor, if I could extend my service until a successor was selected to replace me. I duly accepted to stay on, which meant that I could not effectively retire until a replacement could be substantively appointed.
- 6.6.2** The recruitment process took longer than envisaged and when the successful applicant was informed in December 2024 that he had been selected, this report was still not complete primarily because audited departments were taking a long time to reply to audit queries and Treasury had still not effected all the amendments to the 2018-19 public accounts of Gibraltar. This meant that I could not retire until my report on these accounts was finalised.
- 6.6.3** I will now be retiring on 5 August 2025, and going on pre-retirement leave as from 1 June 2025. I therefore wish to express my appreciation and sincere gratitude to the loyal staff of the Gibraltar Audit Office for their excellent and unstinted support all throughout my tenure. I also wish my successor, Mr Phil Sharman, a highly qualified and vastly experienced Auditor General, a successful term as Principal Auditor. I have no doubt that he will excel in his new appointment, just as he has done up to now in his long and successful audit career.
- 6.6.4** I am also very grateful to the Accountant General, the Financial Secretary, the Chief Secretary, all Heads of Departments, Controlling Officers and Receivers of Revenue, and their respective members of staff, for the co-operation, assistance and courtesy extended to staff of the Gibraltar Audit Office during the course of the performance of the audit function.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

31 May 2025

AUDIT OPINION

Certificate of the Principal Auditor to Parliament on the Public Accounts of Gibraltar

I certify that I have audited the public accounts of Gibraltar for the year ended 31 March 2019 as required by the provisions of section 74 (1) of the Constitution of Gibraltar. These comprise the statements of accounts as specified in Section 52 of the Public Finance (Control and Audit) Act, 1977. I have also audited the information in the Accountant General's Report, the Statement of the financial position of the Government of Gibraltar and the related notes. These public accounts have been prepared using the cash receipts and disbursements basis of accounting, as modified by the accounting policies set out within them.

Respective responsibilities of the Accountant General, Controlling Officers, Receivers of Revenue and the Principal Auditor

The Accountant General has statutory responsibility for the compilation, management and supervision of the accounts of the Government and for the conduct of the treasury; and within a period of nine months after the close of each financial year shall sign and transmit to the Principal Auditor accounts showing fully the financial position of the Government of Gibraltar at the end of such financial year.

The Government of Gibraltar's policy is to prepare the public accounts on the cash receipts and disbursements basis, as modified by the accounting policies set out within them. On the cash basis, revenue is recognised when received rather than earned, and expenses are recognised when paid rather than when incurred.

Controlling Officers are the chief accounting officers in respect of, and are personally accountable for, all public monies disbursed and all stores held, issued or received or used by or on account of the department or service for the head of expenditure for which they are the controlling officer.

Receivers of Revenue are statutorily responsible for the collection of, and accounting for, all monies received for the credit of items of revenue for which they are appointed receivers of revenue for any financial year.

My constitutional responsibility is to audit, certify and report on the public accounts of Gibraltar and of all courts of law and all authorities and offices of the Government. I conducted my audit in accordance with generally accepted government auditing standards.

Scope of the audit of the Public Accounts

An audit involves obtaining evidence about the amounts and disclosures in the public accounts sufficient to give reasonable assurance that the public accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Government of Gibraltar's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the public accounts. In addition, I read all the financial and non-financial information contained in the Accountant General's Report, the Statement of the Financial Position of the Government of Gibraltar and the related notes in her report to identify material inconsistencies with the audited public accounts. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my certificate.

I am also required to obtain evidence sufficient to give reasonable assurance that the revenue and expenditure recorded in the public accounts have been applied to the purposes intended by

Parliament and the financial transactions recorded in the public accounts conform to the authorities that govern them.

Opinion on Regularity

Except for the relevant comments contained in my report, in my opinion, in all material respects, monies which have been appropriated and disbursed have been applied to the purposes for which they were appropriated and the expenditure recorded in the public accounts conform to the authorities that govern them.

Opinion on the Public Accounts

Except for the relevant comments contained in my report, in my opinion, the public accounts on pages 286 to 520 properly present the revenue collected and expenditure paid during the financial year ended 31 March 2019 and the assets and liabilities as at the end of that period.

Opinion on Other Matters

In my opinion, the information given in the Accountant General's Report, the Statement of the Financial Position of the Government of Gibraltar and the related notes are consistent with the audited public accounts.

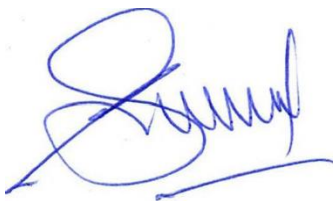
Matters on which I report by exception

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the public accounts, the Accountant General's Report, the Statement of the Financial Position of the Government of Gibraltar and the related notes are not in agreement with the accounting records or returns; or
- information regarding transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Report

My report provides observations and comments on the public accounts and on the regularity of expenditure.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

31 May 2025



GOVERNMENT OF GIBRALTAR

**ACCOUNTANT GENERAL'S REPORT ON THE PUBLIC
ACCOUNTS OF GIBRALTAR**

For The Financial Year Ended

31 March 2019

Treasury Department



GOVERNMENT OF GIBRALTAR
Accountant General's Report on the Public Accounts of Gibraltar
For The Year Ended 31 March 2019

These accounts have been prepared bearing in mind the Government's policy to promote transparency and accountability in the public finances.

The Government's accounting system is primarily 'cash-based', which means that the books reflect receipts and expenditure actually paid in and paid out during the year and no account is taken of amounts owed by or due to the Government at the year-end, with the exception of return on investments, as well as investments, which are accounted for on an accrual basis. Physical assets held by Government, such as the value of buildings, vehicles and other non-financial assets are not reflected in the accounts. Details of arrears of Government revenues are shown in a separate statutory statement of account – The Statement of Aggregate Arrears of Revenue by Subheads.

As regards expenditure, the established principle is that authority to spend Government money lapses at each year-end. An annual appropriation act is therefore required. However, there are certain payments, for example those related to Government occupational pensions and public debt servicing costs, for which the authority to spend is derived from the Constitution and by specific legislation.

Tessa Perera
Accountant General (ag)
30 May 2025

Accountant General's Report on the Public Accounts of Gibraltar
For the year ended 31 March 2019

Financial Position of the Government of Gibraltar on 31 March 2019

		£'Million	£'Million
<u>Source of Finance</u>			
<u>Overall Cash Reserves</u>			
Opening Reserves on 1 April 2018	(Note 1)		161.6
<u>Revenue Account</u>			
Recurrent revenue during the year	(Note 2)	708.2	
Recurrent expenditure during the year	(Note 3)	(595.9)	
Contribution to Government-Owned Companies		(25.0)	
Surplus for 2018/2019			87.3
Exceptional Non-recurrent Revenue		0.0	
Exceptional Non-recurrent Expenditure		0.0	
			0.0
Transfer of Government Surplus to Social Assistance Fund			(25.0)
<u>Capital Investment - Improvement and Development</u>			
Capital receipts during the year - excluding borrowing	(Note 4)	28.0	
Capital investment during the year		(83.8)	
			(55.8)
<u>Public Debt</u>			
Public Sector borrowing during the year		0.0	
Repayments during the year		0.0	
Net Repayments during the Year		0.0	
Less repayments met by the General Sinking Fund		0.0	
			0.0
Net decrease in cash balances held by:			
Government-owned companies		(15.3)	
Gibraltar Development Corporation-owned companies		(4.8)	
GSBA Limited		0.8	
			(19.3)
Closing Reserves on 31 March 2019			148.8
<u>Other Government Balances Held For Specific Purposes</u>			
Contingencies Fund			0.4
Statutory Benefits Fund	(Note 5)	0.8	
Social Assistance Fund		0.5	
Note Security Fund		43.2	
General Sinking Fund		12.1	
Other Special Funds		189.5	
			246.1
Deposit Accounts		24.1	
Advance Accounts		(16.0)	
Unretired Imprests		(1.7)	
			6.4
<u>Gibraltar Savings Bank</u>			
Investments held on behalf of the Bank	(Note 6)	1,443.4	
Less amount due to depositors		(1,398.6)	
Reserve			44.8
			446.5
<u>Employment of Finance</u>			
Cash in Hand			0.0
Bank Deposits and other investments			446.5
			446.5

The above statement does not include the following:

(i) Public Debt

Closing Aggregate Public Debt on 31 March 2019

(ii) Government Shareholdings

(Note 7)

£'Million

435.6



T Perera
Accountant General (ag)
30 May 2025

Accountant General's Report on the Public Accounts of Gibraltar
For the year ended 31 March 2019

Notes on Financial Position of the Government of Gibraltar on 31 March 2019

The Accountant Generals who held office during the financial period and up to the date of signing these accounts were Grissel Lima, up to 2 June 2020, Charles Santos, up to 30 September 2022 and Tessa Perera, as from 1 October 2022.

Introductory Note

During the course of the audit of the Public Accounts of Gibraltar, the Principal Auditor brought to the attention of the Accountant General several misallocations and an anomaly that relate to the financial year ended 31 March 2019. These matters, though not identified during the original preparation or submission of the 2018/2019 accounts, which were formally submitted on 28 July 2021, came to light as part of the audit undertaken in the current year. These are as follows:

Improvement and Development Fund Revenue - £1,000,000

This amount was incorrectly allocated to Head 102 - Sale of Government Property and Other Premia, Subhead 2 - Ex MOD Sales when it should have been allocated to Subhead 1 – Land, Building Sales and Leases and Other Premia.

Consolidated Fund Revenue - £267,259

The revenue collected under Head 1 - Income Taxes, Subhead 2 – Company Tax was overstated by £267,259. The error arose from a duplicate bank credit that was initially recorded twice, despite being reversed by the bank within the same financial year. The issue was identified during the financial year 2024/2025 and corrected in the accounts for the financial year 2025/2026.

Consolidated Fund Expenditure - £103,810

This amount was incorrectly allocated to Head 48 – Financial Services, Financial Services Commission, Subhead 2(8)(b) - Extraordinary Investigation Expenses when it should have been allocated to Subhead 2(8)(a) – Subvention.

Consolidated Fund Expenditure - £34,150

This amount was allocated to Head 2 - No. 6 Convent Place, Subhead 2(7)(b) - Other Grants and Donations. Based on the nature of the expenditure an alternative recurrent expenditure subhead may have been more appropriate.

Whilst these misallocations and the anomaly were noted and reviewed, the following considerations led to the decision not to retrospectively amend the accounting system via journal entries:

- The misallocations and the anomaly were raised by the Principal Auditor during the financial year 2024/2025. The public accounts for the financial year 2018/2019 were formally submitted on 28 July 2021. This passage of time was a relevant factor in assessing the practicality and value of making retrospective adjustments.
- The misallocations have no net impact on total revenue or expenditure.
- Processing retrospective journal entries at this stage would involve disproportionate effort and provide limited, if any, added value to the readers of the accounts.

In order to ensure full transparency and good governance, the misallocations and the anomaly are clearly disclosed by way of explanatory notes to the accounts. This approach ensures that the integrity of the financial statements is maintained and that the readers are provided with the relevant information, without compromising efficiency or introducing retrospective adjustments.

cont...

Note 1

Government Reserves

The Government Reserves represent the surplus funds that are available to be drawn upon by the Government subject to the limitations prescribed under the Public Finance (Borrowing Powers) Act 2008, as amended by the Public Finance (Borrowing Powers) Act 2016.

The maximum authorised Net Public Debt for the financial year ending 31 March 2019 was £938.8 million, that is, forty per cent of Gibraltar's Gross Domestic Product forecast published for March 2019 (GDP forecast £2,347.0 million).

The Aggregate Public Debt stood at £435.6 million on 31 March 2019 compared to £438.9 million on 31 March 2018. There was no borrowing/repayment during the year; the £3.3 million decrease is the result of a corresponding increase in the balance of the General Sinking Fund for the year.

Cash Reserves stood at £126.7 million at the year-end (total cash held in the Consolidated Fund and Improvement and Development Fund).

The Net Public Debt stood at £308.9 million at the year-end (Aggregate Public Debt less Cash Reserves).

With the authorised ceiling for Net Public Debt at £938.8 million, the total Cash Reserves of £126.7 million at the year-end was available to be drawn upon by the Government.

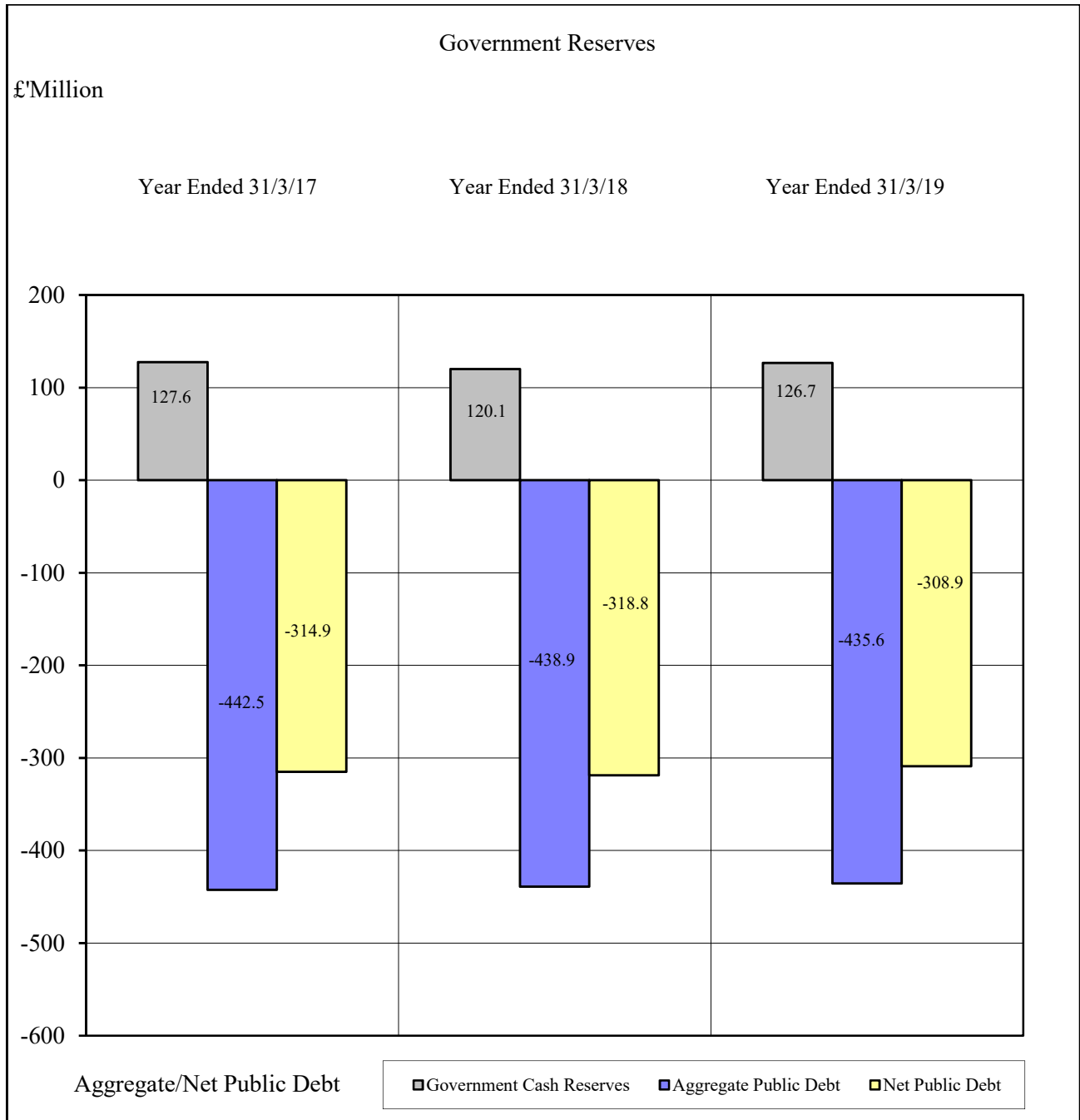
The surplus on the recurrent revenue and expenditure account was £87.3 million. The Consolidated Fund made a contribution of £25.0 million to the Government-owned companies in March 2019. The year-end position of the Government-owned companies reflected a net decrease of £19.3 million in the Government's overall cash reserves. The Consolidated Fund also made a contribution of £56.5 million to the Improvement and Development Fund for the year. The Improvement and Development Fund year-end balance stood at £1.4 million. A transfer of £25.0 million was made from the Consolidated Fund surplus to the Social Assistance Fund.

Government Reserves			
	<u>Reserves on 31 March 2017</u>	<u>Reserves on 31 March 2018</u>	<u>Reserves on 31 March 2019</u>
	<u>£'Million</u>	<u>£'Million</u>	<u>£'Million</u>
Consolidated Fund	119.7	119.4	125.3
Improvement and Development Fund	7.9	0.7	1.4
Cash Reserves	127.6	120.1	126.7
Net Companies Deposits	182.8	41.5	22.1
Overall Cash Reserves	310.4	161.6	148.8

cont...

Note 1 (cont)

The balance of the Aggregate Public Debt as at 31 March 2019 was made up of £247.7 million of Government of Gibraltar Debentures and £200.0 million of drawings from the revolving bank loan facilities and the balance in the General Sinking Fund which stood at £12.1 million.



Note:

Aggregate Public Debt means total amount of Public Debt owing by the Government less any amount held in any sinking fund established by the Financial Secretary to provide for the repayment of such Public Debt.

Note 2**Recurrent Revenue**

Government Recurrent Revenue		
During the year ended 31 March 2019		
	<u>Y/e 31 March 2019</u>	<u>Previous year</u>
	<u>£'Million</u>	<u>£'Million</u>
<u>Recurrent Revenues</u>		
Income Tax	181.9	166.6
Import Duties	173.7	176.0
Company Tax	163.8	110.9
General Rates and Salt Water Charges	26.8	26.7
Gambling Charges and Fees	8.0	14.0
Stamp Duties	7.6	4.7
Aviation	6.1	6.3
Tourism Sites	5.7	4.1
Gambling Licences	4.5	0.7
Companies House Fees	3.3	3.1
Ground and Sundry Rents	3.0	3.6
House Rents	2.1	2.1
Telecommunications Licences and Fees	2.0	2.3
Judiciary – Fines and Forfeitures and Court Fees	1.8	2.1
Culture Miscellaneous Receipts	1.3	1.5
Postal Services Receipts	1.2	1.8
Driver and Vehicle Licences	1.0	1.0
Ship and Yacht Registration Fees	0.9	1.1
Immigration and Civil Status Fees	0.8	0.7
Currency and Coinage Receipts	0.8	0.6
Town Planning and Building Control Fees (i)	0.7	0.5
Education	0.7	0.7
Government Lottery – Surplus	0.7	0.5
Tobacco Licences (i)	0.5	0.1
Dividends from Government Shareholdings	0.4	0.4
Interest on Consolidated Fund Investments	0.0	0.1
Other Miscellaneous Receipts (i)	5.1	5.0
	604.4	537.2
<u>Other Recurrent Revenues</u>		
<u>Gibraltar Health Authority</u>		
Group Practice Medical Scheme	57.8	56.0
Miscellaneous Receipts	4.6	4.6
	62.4	60.6
<u>Gibraltar Electricity Authority</u>		
Electricity Charges to Consumers	27.5	28.3
Commercial Works	4.8	3.7
	32.3	32.0
<u>Gibraltar Health Authority – Elderly Residential Services Section</u>		
Residents' Contributions	1.8	1.7
<u>Gibraltar Sports and Leisure Authority – Miscellaneous Receipts</u>	0.1	0.1
<u>Gibraltar Development Corporation</u>		
Miscellaneous Receipts	0.2	0.3
	0.2	0.3

cont...

Note 2 (cont)

	<u>Y/e 31 March 2019</u>	<u>Previous year</u>
	<u>£'Million</u>	<u>£'Million</u>
<u>Gibraltar Port Authority</u>		
Tonnage Dues	3.7	3.8
Berthing Charges	1.0	0.9
Bunkering Charges	1.0	0.7
Port, Operator and Harbour Craft Licences	0.7	0.3
Port Arrival and Departure Tax	0.3	0.2
Miscellaneous Charges	0.3	0.3
	7.0	6.2
Grand Total – Recurrent Revenue	708.2	638.1

Note:

(i) In the Financial Year 2017/2018, Other Miscellaneous Receipts included £0.5m in respect of Town Planning and Building Control Fees and £0.1m in respect of Tobacco Licences. The figures from the previous Financial Year have been changed for the purpose of comparison on this statement and reduced accordingly from Other Miscellaneous Receipts.

Recurrent Revenue

In accordance with the Public Finance (Control and Audit) (Amendment) Act 2011, Government recurrent revenue during the year, including recurrent revenues of Government Agencies and Authorities, amounted to £708.2 million.

The recurrent revenue figure does not include Social Insurance contributions (£36.6 million), which were credited directly to the Statutory Benefits Fund. The receipts channelled through these funds are shown in a separate statement under Note 5.

Note 3**Recurrent Expenditure**

Government Recurrent Expenditure During the year ended 31 March 2019		
	Y/e 31 March 2019 £'Million	Previous year £'Million
Consolidated Fund Charges (Payments provided for in legislation)		
Government Pensions (i)	41.3	38.9
Public Debt Charges	26.4	26.4
Revenue Repayments	16.9	15.5
Employer's Social Insurance Contributions	4.7	4.4
Judicature	1.3	1.3
Statutory Offices	0.7	0.7
Public Services Ombudsman	0.4	0.4
Sub-total Consolidated Fund Charges	91.7	87.6
Other Consolidated Fund Expenditure		
Departmental Payroll Costs – Non-industrial Staff	95.7	91.6
Departmental Payroll Costs – Industrial Staff	3.9	3.9
Sub-total Payroll Costs	99.6	95.5
Contracted-Out Services	33.3	32.5
Departmental Other Charges (see below for Consolidated Fund contributions) (ii)	98.0	96.1
Payment to Social Assistance Fund – Import Duty	7.5	7.9
Contribution to Statutory Benefits Fund	7.0	7.0
	337.1	326.6
Gibraltar Health Authority		
Contribution from Consolidated Fund in respect of Revenues Received	62.4	60.6
Additional Contribution from Consolidated Fund	56.5	55.7
	118.9	116.3
Gibraltar Electricity Authority		
Contribution from Consolidated Fund in respect of Revenues Received	32.3	32.0
Additional Contribution from Consolidated Fund	20.4	17.7
	52.7	49.7
Gibraltar Health Authority – Elderly Residential Services Section		
Contribution from Consolidated Fund in respect of Revenues Received	1.8	1.7
Additional Contribution from Consolidated Fund	21.8	19.1
	23.6	20.8
Care Agency		
Contribution from Consolidated Fund in respect of Revenues Received	0.0	0.0
Additional Contribution from Consolidated Fund	15.8	15.6
	15.8	15.6
Gibraltar Development Corporation		
Contribution from Consolidated Fund in respect of Revenues Received	0.2	0.3
Additional Contribution from Consolidated Fund	18.7	16.7
	18.9	17.0
Gibraltar Sports and Leisure Authority		
Contribution from Consolidated Fund in respect of Revenues Received	0.3	0.2
Additional Contribution from Consolidated Fund	7.5	5.8
	7.8	6.0
Gibraltar Port Authority		
Contribution from Consolidated Fund in respect of Revenues Received	6.7	5.6
Additional Contribution from Consolidated Fund	0.0	0.0
	6.7	5.6
Housing Works Agency – Contribution from Consolidated Fund	7.7	8.2
Borders and Coastguard Agency – Contribution from Consolidated Fund	6.7	6.5
Grand Total – Recurrent Expenditure	595.9	572.3

cont...

Note 3 (cont)

Note:

(i) Government Pensions amounting to £41.3 million includes the repayment of commuted pensions (£2.3 million) plus interest (£5.9 million) at 6.5% per annum on a reducing balance basis paid to Credit Finance Company Limited (the company), pursuant to the provisions of the pension commutation agreement, between HM Government of Gibraltar (HMGOG) and the company.

(ii) Departmental Expenses includes the repayment of Early Exit Scheme capital payments (£0.6 million) plus interest (£0.4 million) at 6.5% per annum on a reducing balance basis paid to the company, pursuant to the provisions of Early Exit Agreements between eligible retiring employees and HMGOG and the company.

Recurrent Expenditure

Government recurrent expenditure during the year amounted to £595.9 million (previous year £572.3 million). This includes all amounts charged to the Consolidated Fund including the contribution required by Public Undertakings from revenues received plus the additional contribution from the Consolidated Fund, but excludes the contributions from the Consolidated Fund to the Government-owned companies (£25.0 million) and a transfer of £25.0 million to Gibraltar Community Care via the Social Assistance Fund from the Consolidated Fund's surplus for the year. The contribution of £56.5 million from the Consolidated Fund to the Improvement and Development Fund is also excluded.

Of the total recurrent expenditure, around 17 per cent (£99.6 million) was in respect of payroll and payroll related costs. Almost 6 per cent (£33.3 million) were payments for services that have been contracted out. Almost 7 per cent (£41.3 million) was spent on Government pensions. Public debt charges accounted for around 4 per cent of the total (£26.4 million), inclusive of a contribution of £10.0 million to the General Sinking Fund. Around 17 per cent (£103.7 million) was in respect of the contribution by the Consolidated Fund to Public Undertakings from revenues received and 26 per cent (£155.1 million) was the additional contribution required from the Consolidated Fund. Contributions to the Social Assistance Fund (£7.5 million) and Statutory Benefits Fund (£7.0 million) accounted for around 2 per cent. Departmental and other charges accounted for the remaining 21 per cent (£122.0 million).

The annual contribution of £7.0 million from the Consolidated Fund to the Statutory Benefits Fund is included as part of the recurrent expenditure figure. Although the main source of funding for payments of state pensions and other benefits from the Statutory Benefits Fund is from social insurance contributions, which are credited directly to the Statutory Benefits Fund. The payment of Social Insurance pensions and other benefits are not included as part of the recurrent expenditure figure. The payment of Spanish pensions is funded by the United Kingdom Government. The payments channelled through this Fund are shown in a separate statement under Note 5.

Note 4

Capital Investment

Capital receipts and payments are accounted for through the Improvement and Development Fund. Capital investment by the Government during the year amounted to £83.8 million (previous year £62.4 million).

The main sources of funding were from the sale of Government properties and other premia (£19.8 million) and sundry reimbursements (£8.2 million). A contribution of £56.5 million was also made from Consolidated Fund Reserves.

The Improvement and Development Fund stood at £1.4 million at the year-end (previous year £0.7 million).

<u>Government Capital Investment – Improvement and Development Fund</u> <u>During the year ended 31 March 2019</u>	
	<u>Y/e 31 March 2019</u> <u>£'Million</u>
Balance b/fwd	0.7
<u>Capital Investment</u>	
Relocation Costs	27.7
Island Games Facilities	17.4
Housing - Works and Repairs	7.7
Roads and Tunnel Projects	7.0
Agencies and Authorities – Works and Equipment	4.1
Essential Services – Equipment	2.8
Environment and Roads	2.3
Education – Works and Equipment	2.0
Infrastructure Provision for Ex-MOD Properties	1.2
Infrastructure Provision for New Developments	1.1
Government Computerisation Programme	0.9
Relocation of Bus Depot/Technical Services Garage/Calypso	0.9
Tourism	0.9
Waterport Demolitions	0.8
Urban Wastewater Treatment Plan	0.8
Main Sewer	0.8
Gibraltar Broadcasting Corporation	0.7
Other Works	0.6
Reclamation Projects	0.4
Government Buildings, Works and Structures	0.4
Sustainable Traffic, Transport and Parking Plan	0.4
Old Naval Hospital Conversion and Refurbishment Works	0.4
Other capital expenditure	2.5
	83.8
<u>Sources of Funding</u>	
Sale of Government Properties and Other Premia	19.8
Sundry Reimbursements	8.2
	28.0
Contribution from Consolidated Fund - Reserve	56.5
	84.5
Balance c/fwd	1.4

Note 5

Statutory Benefits Fund

The Statutory Benefits Fund is accounted for separately from the Government Reserves. The purpose of this Fund is to meet the cost of state pensions and other benefits provided for under the social security legislation. These payments are funded directly from Government receipts in the form of social insurance contributions collected from current employers and employees. In addition, the Government makes an annual contribution to the Statutory Benefits Fund. The total Advance of £7,065,000 was repaid from the Statutory Benefits Fund through an increased apportionment and rates of social insurance contributions provided for by the social security legislation ⁽¹⁾ where £3,500,000 was repaid during the financial year 2018/19 and £3,565,000 during the financial period 2019/21.

<u>Receipts and Payments channelled through the Statutory Benefits Fund</u>		
<u>During the year ended 31 March 2019</u>		
	<u>Y/e March 2019</u> <u>£'Million</u>	<u>Previous year</u> <u>£'Million</u>
<u>Opening Balance:</u>		
Statutory Benefits Fund	0.0	0.0
	0.0	0.0
<u>Social Insurance Funds – Receipts</u>		
Social Insurance Contributions	36.6	30.1
Contribution from the Consolidated Fund	7.0	7.0
Grant by Her Majesty's Government for Spanish Pensions	0.1	0.1
	43.7	37.2
<u>Social Insurance Funds – Payments</u>		
Social Insurance Pensions	36.6	35.2
Short-Term Benefits	1.6	1.6
Employment Injuries Benefits	0.5	0.4
Other Payments	0.6	0.5
Spanish Pensions	0.1	0.1
Insolvency Claims	0.0	0.4
	39.4	38.2
<u>Advance/(Repayment) of Advances</u>		
Advance from the Consolidated Fund	0.0	1.0
Repayment of Advance from the Consolidated Fund	(3.5)	0.0
	(3.5)	1.0
<u>Closing Balance:</u>		
Statutory Benefits Fund	0.8	0.0
	0.8	0.0

⁽¹⁾Social Security (Insurance) Act (Amendment of Contributions) Order 2018.

Note 6

Gibraltar Savings Bank

The Gibraltar Savings Bank is accounted for through a Government Special Fund – the Savings Bank Fund.

Income during the year was comprised of £45.5 million from return of investments, £9.3 million from a dividend *in specie* received as a debenture from Credit Finance Company Limited and £0.2 million from early redemption charges and miscellaneous receipts.

Net income during the year ended 31 March 2019 was £9.1 million, compared with a net income of £6.7 million during the previous year. The negative price amortisation from buying high coupon securities resulted in a net capital loss on the funds' investments of £1.6 million. The capital loss is offset by high interest income reflected in the return on investments.

Crown Agents investment management charges totalled around £0.5 million (0.2% of the fund assets managed in UK).

The net increase in reserves during the year was £7.6 million. The end of year reserves stood at £44.8 million.

At the year-end, the deposits of the bank, excluding £3.6 million of accrued interest, stood at £1,394.9 million. The previous year-end figure totalled £1,336.9 million. Deposits as at 31 March 2019 were made up as follows:

	<u>Deposits</u>	<u>Previous</u>
	£'m	<u>Year</u> £'m
<u>Non-Government Deposits</u>		
Ordinary Deposits	92.9	90.8
On-Call Investment Accounts	7.6	14.6
Pensioners' Monthly Income Debentures	11.8	13.6
Special Issue of Pensioners' Monthly Income Debentures 01/01/19	0.0	46.9
Special Issue of Pensioners' Monthly Income Debentures 01/01/22	31.8	0.0
Monthly Income Debentures	43.7	45.0
Special Issue of Monthly Income Debentures	2.3	2.5
3-Year Fixed Term Monthly Income Debentures	31.1	30.6
5-Year Fixed Term Monthly Income Debentures	516.8	564.0
10-Year Fixed Term Pensioners' Monthly Income Debentures	288.9	197.6
10-Year Accumulator Bonds	5.5	5.5
10-Year Pensioner Accumulator Bonds	5.0	5.1
Children's Bond	7.1	4.9
Other Debentures (Special Issues)	0.2	0.1
Gibraltar Provident Trust Fund Bonds	8.0	7.9
Guaranteed Superannuation Fund Bond	172.4	146.2
	<u>1,225.1</u>	<u>1,175.3</u>
<u>Government Deposits</u>		
On-Call Investment Accounts	169.8	161.6
	<u>1,394.9</u>	<u>1,336.9</u>

The level of overall non-Government Deposits stood at £1,225.1 million. The increase of £49.8 million over the previous year is mainly the result of the issue of Gibraltar Savings Bank debentures; an increase in the Guaranteed Superannuation Fund Bond; an increase in the Children's Bond; and an increase in the level of Ordinary Deposits.

cont...

Note 6 (cont)

Gibraltar Savings Bank

Government deposits in the Gibraltar Savings Bank were up by 5.1% reflecting an increase in the General Sinking Fund, the Note Security Fund and the level of Government Liquid Reserves held by the bank.

The Special Issue of Pensioners' Monthly Income Debentures 01/09/17 previously extended to 01/09/18 was further extended to 01/01/19. Prior to maturity, debenture-holders were given the option to transfer to a new Special Issue of Pensioners' Monthly Income Debentures maturing on 01/01/22. The interest rate on the new Debenture was 2.5% per annum, 0.5% less than the previous Issue.

The following is a summary of interest rates payable to depositors by the bank during the period April 2018 to March 2019:-

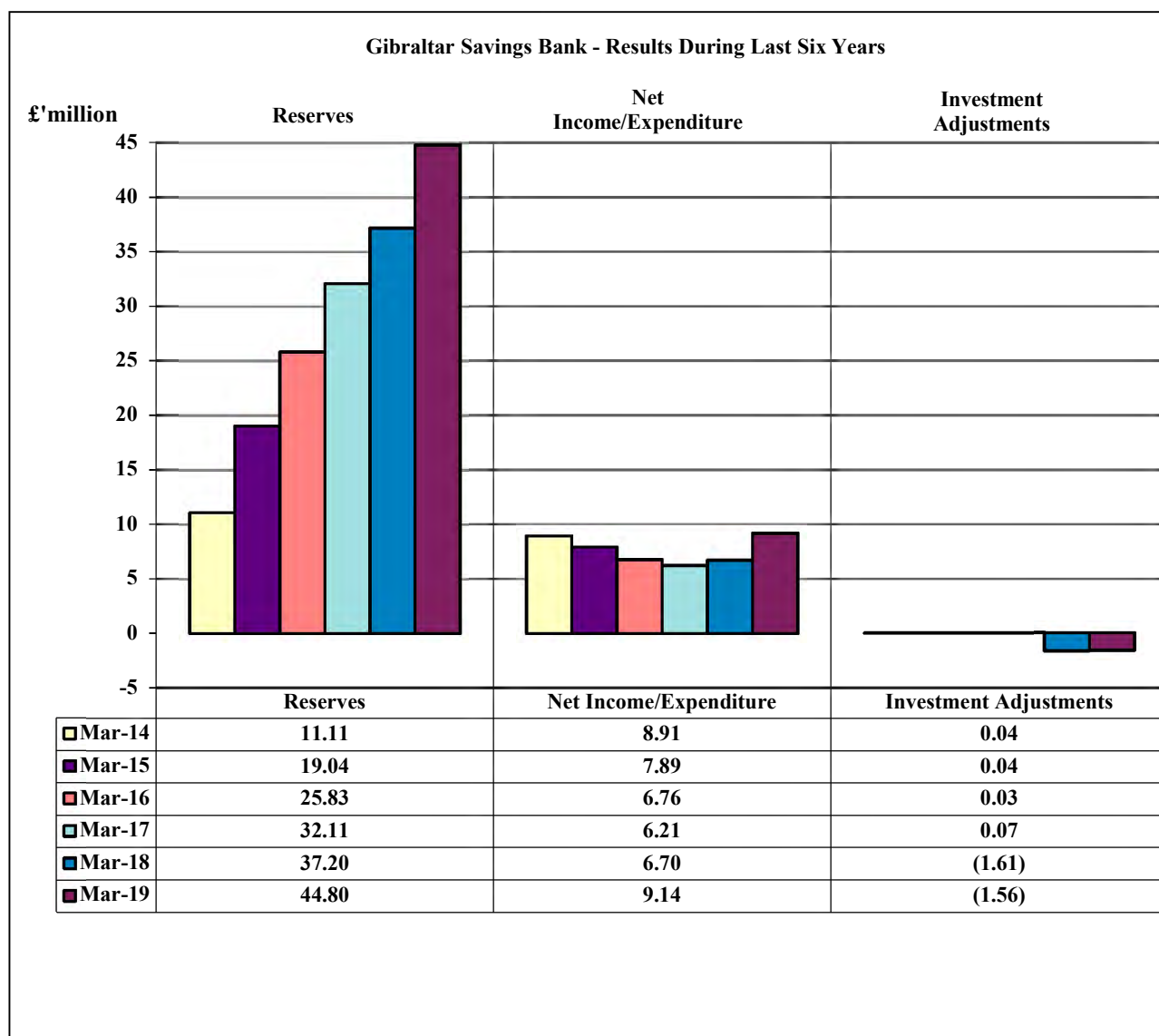
Ordinary Deposits	0.5 per cent per annum
Monthly Income Debentures	1 or 2 per cent per annum
Pensioners' Monthly Income Debentures	2 per cent per annum
3-Year Fixed Term Pensioners' Monthly Income Debentures	3 per cent per annum
3-Year Fixed Term Monthly Income Debentures	2 or 2.5 per cent per annum
5-Year Fixed Term Pensioners' Monthly Income Debentures	4 or 5 per cent per annum
5-Year Fixed Term Monthly Income Debentures	3, 4 or 5 per cent per annum
10-Year Fixed Term Pensioners' Monthly Income Debentures	5 per cent per annum
Special Issue of Pensioners' Monthly Income Debentures 01/01/22	2.5 per cent per annum
Children's Bond	5 per cent per annum

Rates for the 10-Year Accumulator Bonds and the 10-Year Pensioner Accumulator Bonds depend on when the Bond was issued. The interest on these Bonds is 2% for the first year from the issue date and this rate increases by 1% per annum in each subsequent year to reach an interest rate of 11% payable in the tenth year that the investment is held.

cont...

Note 6 (cont)

Gibraltar Savings Bank



Note 7**Government Shareholdings**

Government Shareholdings as at 31 March 2019		
	<u>Shares Held (As percentage of total shares)</u>	<u>Remarks</u>
<u>Shares held directly by Government</u>		
Gibraltar Investment (Holdings) Ltd	100%	Holding Company
Gibraltar International Bank Ltd	45.5%	Trading Company
AquaGib Ltd	33.3%	Joint Venture
<u>Shares held through Gibraltar Investment (Holdings) Ltd</u>		
Gibraltar Investment (Directors) Ltd	100%	Corporate Director
Gibraltar Industrial Cleaners Ltd	100%	Trading Company
Gibraltar Joinery and Building Services Ltd	100%	Trading Company
Europa Incinerator Company Ltd	100%	Other
Gibraltar Community Projects Ltd	100%	Other
Gibraltar Bus Company Ltd	100%	Trading Company
Gibraltar Cleansing Services Ltd	100%	Trading Company
Gibraltar General Support Services Ltd	100%	Trading Company
Gibraltar Land (Holdings) Ltd	100%	Holding Company
Gibraltar Defence Estates and General Services Ltd	100%	Other
Gibraltar Mechanical and Electrical Services Ltd	100%	Other
Gibraltar Air Terminal Ltd	100%	Trading Company
Gibraltar Facilities Management Ltd	100%	Trading Company
Gibraltar Freeview Ltd	100%	Trading Company
ES Ltd	100%	Trading Company
Gibraltar Home Loans Company Ltd	100%	Trading Company

cont...

Note 7 (cont)**Government Shareholdings**

Government Shareholdings as at 31 March 2019		
	<u>Shares Held (As percentage of total shares)</u>	<u>Remarks</u>
<u>Shares held through Gibraltar Land (Holdings) Ltd</u>		
Gibraltar Residential Properties Ltd	100%	Property Holding Company
Gibraltar Commercial Property Company Ltd	100%	Property Holding Company
KIJY Parkings Ltd	100%	Not Trading
Gibraltar Properties Ltd	100%	Holding Company
<u>Shares held through Gibraltar Residential Properties Ltd</u>		
Gibraltar Co-Ownership Company Ltd	100%	Property Holding Company
Westside Two Co-Ownership Company Ltd	100%	Property Holding Company
Brympton Co-Ownership Company Ltd	100%	Property Holding Company
GRP Management Company Ltd	100%	Not Trading
Gibraltar Residential Properties Aerial Farm Ltd	100%	Other
Gibraltar Residential Properties Bishop Fitzgerald Ltd	100%	Other
Gibraltar Residential Properties Coach Park Ltd	100%	Other
<u>Shares held through Gibraltar Commercial Property Company Ltd</u>		
GCP Investments Ltd	100%	Property Holding Company
Gibraltar Car Parks Limited	100%	Property Holding Company
Kings Bastion Leisure Centre Company Ltd	100%	Trading Company
Gibraltar Strand Property Company Ltd	100%	Property Holding Company
Gibraltar Manchester Property Company Ltd	100%	Property Holding Company
GAR Ltd	100%	Property Holding Company
GSTR Ltd	100%	Property Holding Company
<u>Shares held through Gibraltar Properties Ltd</u>		
GEWP Ltd	100%	Property Holding Company
GIC Ltd	Note (i)	Property Holding Company

cont...

Note 7 (cont)**Government Shareholdings**

Government Shareholdings as at 31 March 2019		
	<u>Shares Held (As percentage of total shares)</u>	<u>Remarks</u>
<u>Shares held through Gibraltar Car Parks Ltd</u>		
Midtown Coach & Car Parks Ltd	100%	Not Trading
<u>Shares held through GIC Ltd</u>		
Gibraltar Properties Eastside North (Holdings) Ltd	100%	Property Holding Company
Gibraltar Properties Europort Avenue (Holdings) Ltd	100%	Property Holding Company
Gibraltar Properties Waterport West (Holdings) Ltd	100%	Property Holding Company
<u>Shares held through Gibraltar Eastside North (Holdings) Ltd</u>		
Gibraltar Properties Eastside North Ltd	100%	Property Holding Company
<u>Shares held through Gibraltar Europort Avenue (Holdings) Ltd</u>		
Gibraltar Properties Europort Avenue Ltd	100%	Property Holding Company
<u>Shares held through Gibraltar Properties Waterport West (Holdings) Ltd</u>		
Gibraltar Properties Waterport West Ltd	100%	Property Holding Company
<u>Shares held through Gibraltar Strand Property Company Ltd</u>		
Gibraltar Strand Management Company Ltd	100%	Other
Strand Credit Finance Company Ltd	100%	Not trading

Statement of Shareholdings by Government as at 31 March 2019

Description of Shares	Authorised Share Capital of the Company	Issued Share Capital of the Company	Nominal Value of Shares held by Government	Cost of Shares
Gibraltar Investment (Holdings) Limited	£271,116,428.00	£271,116,428.00	£271,116,428.00	£271,116,428.00
Gibraltar Investment (Holdings) Limited – Redeemable Preference Shares	£135,500,000.00	£25,000,000.00	£25,000,000.00	£26,141,470.00
Gibraltar International Bank	£100,000,000.00	£55,000,000.00	£25,000,000.00	£25,000,000.00
AquaGib Limited	£4,500,000.00	£4,500,000.00	£1,500,000.00	£1,500,000.00
	£511,116,428.00	£355,616,428.00	£322,616,428.00	£323,757,898.00

Note:

(i) Gibraltar Properties Limited holds 1 Non-Redeemable Share in GIC Limited.

(ii) The Government's legal interest in £7,500 Class A Ordinary Shares and £7,500 Class B Ordinary Shares of £1 each in Gibtelecom Ltd (100% of total shares issued by the company) has not been reflected under Government Shareholdings as the beneficial interest in these shares is held by the Savings Bank Fund.



Treasury Department
HM Government of Gibraltar

Principal Auditor

30 May 2025

PUBLIC ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

I herewith enclose the public accounts for the financial year ended 31 March 2019, in accordance with the requirements of Section 52 (1) of the Public Finance (Control and Audit) Act.

Tessa Perera
Accountant General (ag)



GOVERNMENT OF GIBRALTAR
Public Accounts of Gibraltar

For The Financial Year Ended

31 March 2019

Treasury Department

GOVERNMENT OF GIBRALTAR
STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2019

ASSETS

Previous Year

GOVERNMENT LIQUID RESERVES	£153,381,619.10	£158,741,580.22
ADVANCES	£15,981,220.32	£17,227,952.36
UNRETIRED IMPRESTS	£1,722,118.96	£1,644,432.96
	<u>£171,084,958.38</u>	<u>£177,613,965.54</u>

FINANCED BY

SPECIAL FUNDS (As per Special Funds Summary)	£244,001,866.75	£194,332,386.34
(Less) Advance from the Consolidated Fund	£3,565,000.00	£7,065,000.00
(Less) Investments	<u>(£245,810,839.43)</u>	<u>(£200,507,113.38)</u>
Net due in respect of Special Funds	£1,756,027.32	£890,272.96
DEPOSITS	£46,241,277.32	£58,030,175.16
(Less) Investments	<u>(£2,589,628.32)</u>	<u>(£1,149,039.82)</u>
	£43,651,649.00	£56,881,135.34
CONTINGENCIES FUND	£400,000.00	£400,000.00
CONSOLIDATED FUND		
Balance on 1 April 2018	£119,442,557.24	
Recurrent Revenue	£604,557,243.38	
Revenue Public Undertakings	<u>£103,690,135.27</u>	
	£708,247,378.65	
(Less) Recurrent Expenditure	(£342,668,483.24)	
Contributions to Public Undertakings from:		
Revenues Collected	(£103,690,135.27)	
Consolidated Fund	<u>(£149,554,035.32)</u>	
	(£595,912,653.83)	
Contribution to Government-Owned Companies	<u>(£25,000,000.00)</u>	
Surplus for 2018/2019	£87,334,724.82	
Contribution to Improvement and Development Fund	(£56,500,000.00)	
Transfer of Government Surplus to Social Assistance Fund	<u>(£25,000,000.00)</u>	
	<u>(£81,500,000.00)</u>	
Consolidated Fund Balance on 31 March 2019	<u>£125,277,282.06</u>	<u>£119,442,557.24</u>
	<u>£171,084,958.38</u>	<u>£177,613,965.54</u>

Notes:

1. This statement does not include the following:

- Government Shareholdings
- The Assets and Liabilities of the Savings Bank Fund.

2. Public Debt of Gibraltar - Aggregate £435.6m; Cash Reserves £126.7m; Net Public Debt £308.9m.

3. This statement, and other Balance Sheets under the Special Funds, do not reflect any physical assets held by Government such as the value of buildings, vehicles and other non-financial assets, as the financial statements are prepared on a cash basis.

4. The Consolidated Fund Recurrent account includes the Recurrent Revenues of Government Agencies and Authorities and the Expenditure by such entities funded from the Revenues in accordance with the Public Finance (Control and Audit) (Amendment) Act 2011.



T Perera
Accountant General (ag)
30 May 2025

Notes to the Accounts

1. **Principal Accounting Policies**

Basis of Accounting

These financial statements have been prepared primarily on a 'cash basis' except for the accounting policies shown hereunder:

Return on Investments

Interest earned on investments is accounted for on an 'accrual basis'.

Investments

Bonds, Securities and shares are valued at fair value.

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	ACTUAL REVENUE	OVER/(UNDER) THE ESTIMATE
<u>CONSOLIDATED FUND</u>			
<u>SUMMARY OF REVENUE</u>			
1 :- INCOME TAXES	£295,000,000	£345,686,864.95	£50,686,864.95
2 :- DUTIES, TAXES AND OTHER RECEIPTS	£177,329,000	£185,995,477.18	£8,666,477.18
3 :- GAMBLING CHARGES, FEES AND LOTTERY	£14,102,000	£13,283,306.75	(£818,693.25)
4 :- RATES AND RENTS	£31,501,000	£29,871,951.11	(£1,629,048.89)
5 :- DEPARTMENTAL FEES AND RECEIPTS	£129,004,000	£130,140,192.38	£1,136,192.38
6 :- GOVERNMENT EARNINGS	£4,742,000	£3,269,586.28	(£1,472,413.72)
Total Recurrent Revenue	£651,678,000	£708,247,378.65	£56,569,378.65
7 :- PUBLIC DEBT	£0	£0.00	£0.00
TOTAL REVENUE	£651,678,000	£708,247,378.65	£56,569,378.65

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	ACTUAL REVENUE	OVER/(UNDER) THE ESTIMATE
HEAD 1 :- INCOME TAXES				
1	Income Tax	£165,000,000	£181,885,672.12	£16,885,672.12
2	Company Tax (i)	£130,000,000	£163,801,192.83	£33,801,192.83
TOTAL INCOME TAXES		£295,000,000	£345,686,864.95	£50,686,864.95

HEAD 2 :- DUTIES, TAXES AND OTHER RECEIPTS

1	Import Duties	£168,000,000	£173,710,983.21	£5,710,983.21
2	Tobacco Licences	£64,000	£524,910.00	£460,910.00
3	Transit and Bonded Stores Operators Fees	£60,000	£67,500.00	£7,500.00
4	Stamp Duties	£5,500,000	£7,611,858.97	£2,111,858.97
5	Land Registration Fees	£525,000	£442,831.58	(£82,168.42)
6	Companies House Fees	£3,100,000	£3,271,889.39	£171,889.39
7	Other Receipts	£80,000	£365,504.03	£285,504.03
TOTAL DUTIES, TAXES AND OTHER RECEIPTS		£177,329,000	£185,995,477.18	£8,666,477.18

HEAD 3 :- GAMBLING CHARGES, FEES AND LOTTERY

1	Gambling Charges and Fees	£10,000,000	£7,962,506.30	(£2,037,493.70)
2	Gambling Licences	£4,000,000	£4,538,266.53	£538,266.53
3	Government Lottery - Management Expenses	£101,000	£101,000.00	£0.00
4	Government Lottery - Surplus	£1,000	£681,533.92	£680,533.92
TOTAL GAMBLING CHARGES, FEES AND LOTTERY		£14,102,000	£13,283,306.75	(£818,693.25)

HEAD 4 :- RATES AND RENTS

1	General Rates and Salt Water Charges	£28,000,000	£26,784,402.30	(£1,215,597.70)
2	Ground and Sundry Rents (ii)	£3,500,000	£2,970,801.67	(£529,198.33)
3	Assignments on Premiums	£1,000	£116,747.14	£115,747.14
TOTAL RATES AND RENTS		£31,501,000	£29,871,951.11	(£1,629,048.89)

Note:

(i) The revenue derived from Company Tax has been overstated by £267,259. The error arose from a duplicate bank credit that was initially recorded twice, despite being reversed by the bank within the same financial year.

(ii) The revenue derived from Ground and Sundry Rents has been offset by £176,540 being ground rent deductions afforded to private housing estates in relation to the embellishment, maintenance and improvement works carried out on their respective housing estates during the year.

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	ACTUAL REVENUE	OVER/(UNDER) THE ESTIMATE
HEAD 5 :- DEPARTMENTAL FEES AND RECEIPTS				
ADMINISTRATION				
<i>Immigration and Civil Status</i>				
1	Passport Fees	£190,000	£238,080.50	£48,080.50
2	Naturalisation Fees	£25,000	£28,432.00	£3,432.00
3	British Nationality Fees	£3,000	£2,892.00	(£108.00)
4	Immigration Fees	£120,000	£114,999.00	(£5,001.00)
5	Document Legalisation Fees	£140,000	£150,170.50	£10,170.50
6	Civil Status Fees	£250,000	£285,681.08	£35,681.08
<i>Aviation</i>				
7	Airport Departure Tax	£2,000,000	£2,106,118.67	£106,118.67
8	Fees and Concessions	£2,000,000	£2,099,910.98	£99,910.98
9	Airport Landing Fees	£650,000	£656,659.54	£6,659.54
ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION				
<i>Environment</i>				
10	Public Health and Environmental Fees	£90,000	£136,579.80	£46,579.80
11	Cemetery Fees	£14,000	£14,787.00	£787.00
12	Litter Control Fees	£5,000	£4,800.00	(£200.00)
13	Animal Welfare Charges	£30,000	£25,965.30	(£4,034.70)
14	Marine Licensing	£2,000	£2,000.00	£0.00
<i>Gibraltar Electricity Authority</i>				
15(a)	Sale of Electricity to Consumers: Billed Charges to Consumers	£25,300,000	£25,711,604.63	£411,604.63
15(b)	Sale of Electricity to Consumers: Arrears	£230,000	£224,970.92	(£5,029.08)
15(c)	Sale of Electricity to Consumers: Other Revenue	£2,250,000	£1,493,734.23	(£756,265.77)
16	Consumers' Connection Fees	£70,000	£82,035.00	£12,035.00
17	Miscellaneous	£1,000	£0.00	(£1,000.00)
18	Commercial Works	£3,800,000	£4,813,229.04	£1,013,229.04
<i>Upper Rock Tourist Sites and Beaches</i>				
19	Tourist Sites Receipts	£5,000,000	£5,714,683.68	£714,683.68
<i>Education</i>				
20	Gibraltar College	£30,000	£24,397.00	(£5,603.00)
21	Adult Education Fees	£72,000	£53,172.00	(£18,828.00)
22	MOD Fees for Government Schools	£490,000	£532,134.91	£42,134.91
23	Scholarship Fees - Reimbursements	£100,000	£109,996.21	£9,996.21
24	Non Resident's School Fees	£8,000	£2,358.77	(£5,641.23)
<i>Heritage</i>				
25	Museum Entrance Charges	£50,000	£56,325.62	£6,325.62

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	ACTUAL REVENUE	OVER/(UNDER) THE ESTIMATE
HEAD 5 :- DEPARTMENTAL FEES AND RECEIPTS				
ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION				
<i>Driver and Vehicle Licences</i>				
26	Vehicle Licences and Fees	£400,000	£436,037.00	£36,037.00
27	Vehicle Testing	£340,000	£366,067.50	£26,067.50
28	Vehicle Registrations	£90,000	£85,394.00	(£4,606.00)
29	Driving Tests	£80,000	£92,255.50	£12,255.50
30	Road Service Licences	£30,000	£45,363.00	£15,363.00
<i>Town Planning and Building Control</i>				
31	Town Planning and Building Control Fees	£400,000	£709,131.75	£309,131.75
ECONOMIC DEVELOPMENT				
<i>Economic Development</i>				
32	EU Grant - European Social Fund	£30,000	£9,464.45	(£20,535.55)
33	EU Grant - European Regional Development Fund	£1,000	£18,604.50	£17,604.50
34	EU Grant - Interreg	£1,000	£0.00	(£1,000.00)
35	Hostel Fees	£80,000	£78,704.50	(£1,295.50)
<i>Gibraltar Development Corporation</i>				
36	Contribution by European Social Fund	£550,000	£0.00	(£550,000.00)
37	Contribution by Government-Owned Companies - Staff Services	£161,000	£186,468.87	£25,468.87
HOUSING AND EQUALITY				
<i>Housing</i>				
38	House Rents	£2,200,000	£2,145,132.67	(£54,867.33)
HEALTH, CARE AND JUSTICE				
<i>Gibraltar Health Authority</i>				
39	Group Practice Medical Scheme	£57,000,000	£57,842,099.28	£842,099.28
40	Medical Services to Non-Entitled Patients	£2,650,000	£2,650,000.00	£0.00
41	Other Receipts	£400,000	£429,444.62	£29,444.62
42	Services provided to MOD	£1,550,000	£1,485,938.69	(£64,061.31)
<i>Gibraltar Health Authority - Elderly Residential Services Section</i>				
43	Residents' Contributions	£1,700,000	£1,794,202.49	£94,202.49
44	Miscellaneous Income	£1,000	£165.80	(£834.20)
<i>Care Agency</i>				
45	Miscellaneous Income	£9,000	£4,693.36	(£4,306.64)
<i>Justice</i>				
46	Fines and Forfeitures	£800,000	£1,464,471.13	£664,471.13
47	Court Fees	£750,000	£325,450.85	(£424,549.15)
TOURISM, EMPLOYMENT, COMMERCIAL AVIATION AND THE PORT				
<i>Tourism</i>				
48	Miscellaneous Receipts	£120,000	£125,067.23	£5,067.23
49	Revenues Received - Literary Festival	£250,000	£239,465.99	(£10,534.01)
<i>Coach Terminal</i>				
50	Coach Terminal Fees	£200,000	£209,745.30	£9,745.30
<i>Employment</i>				
51	Miscellaneous	£260,000	£348,058.00	£88,058.00
52	Fines	£50,000	£24,000.00	(£26,000.00)
<i>Commercial Aviation</i>				
53	Recovery of Airport Fire & Rescue Service Costs - MOD	£1,142,000	£1,195,683.68	£53,683.68

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	ACTUAL REVENUE	OVER/(UNDER) THE ESTIMATE
HEAD 5 :- DEPARTMENTAL FEES AND RECEIPTS			
TOURISM, EMPLOYMENT, COMMERCIAL AVIATION AND THE PORT			
<i>Gibraltar Port Authority</i>			
54 Tonnage Dues	£4,300,000	£3,709,820.73	(£590,179.27)
55 Berthing Charges	£1,390,000	£1,014,292.83	(£375,707.17)
56 Small Boat Moorings	£3,000	£2,884.94	(£115.06)
57 Port Arrival and Departure Tax	£550,000	£273,520.45	(£276,479.55)
58 Port, Operator and Harbour Craft Licences	£600,000	£667,874.43	£67,874.43
59 Bunkering Charges	£500,000	£1,019,214.19	£519,214.19
60 Miscellaneous Receipts	£200,000	£329,602.35	£129,602.35
<i>Maritime</i>			
61 Ship Registration Fees	£900,000	£877,823.75	(£22,176.25)
62 Yacht Registration Fees	£60,000	£60,810.00	£810.00
CULTURE, MEDIA, YOUTH AND SPORT			
<i>Culture</i>			
63 John Mackintosh Hall Receipts	£20,000	£23,896.72	£3,896.72
64 Ince's Hall Receipts	£6,000	£9,270.00	£3,270.00
65 Other Cultural Facilities Receipts	£5,000	£6,744.50	£1,744.50
66 Rent from Premises Clubs and Associations	£35,000	£36,263.18	£1,263.18
67(a) Revenues Received: Mega Concert	£1,400,000	£1,195,980.73	(£204,019.27)
67(b) Revenues Received: Jazz Festival	£15,000	£15,574.00	£574.00
67(c) Revenues Received: Miscellaneous and Other Events	£20,000	£9,716.72	(£10,283.28)
<i>Gibraltar Sports and Leisure Authority</i>			
68 Fund Raising	£15,000	£1,460.00	(£13,540.00)
69 Miscellaneous	£30,000	£5,625.00	(£24,375.00)
70 Advertising Revenue	£115,000	£17,000.00	(£98,000.00)
71 Events	£30,000	£29,963.34	(£36.66)
COMMERCE			
<i>Trade Licences</i>			
72 Trade Licences	£300,000	£353,815.25	£53,815.25
73 Liquor Licences	£80,000	£81,451.73	£1,451.73
<i>Postal Services</i>			
74 Postal Services Receipts	£1,800,000	£1,194,228.58	(£605,771.42)
GIBRALTAR REGULATORY AUTHORITY			
75 Frequency Co-Ordinator Reimbursements	£65,000	£64,553.42	(£446.58)
76 Licences and Fees	£2,400,000	£1,929,477.00	(£470,523.00)
TOURISM, EMPLOYMENT, COMMERCIAL AVIATION AND THE PORT			
77 Island Games 2019	£0	£212,500.00	£212,500.00
TOTAL DEPARTMENTAL FEES AND RECEIPTS	£129,004,000	£130,140,192.38	£1,136,192.38

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	ACTUAL REVENUE	OVER/(UNDER) THE ESTIMATE
HEAD 6 :- GOVERNMENT EARNINGS				
<i>Interest</i>				
1	Consolidated Fund (i)	£60,000	£42,754.59	(£17,245.41)
<i>Other Fees and Receipts</i>				
2	Widows' and Orphans' Pension Scheme Contributions	£200,000	£80,484.53	(£119,515.47)
3	MOD - Police Pensions	£266,000	£265,700.06	(£299.94)
4	Services Performed by Public Officers	£107,000	£138,124.52	£31,124.52
5	Services Performed by Public Officers to the Gibraltar Development Corporation	£860,000	£421,674.20	(£438,325.80)
6	Other Reimbursements	£1,500,000	£1,112,848.67	(£387,151.33)
7	Loan Repayments	£1,000	£0.00	(£1,000.00)
<i>Currency and Coinage</i>				
8	Commemorative Coin Sales	£1,000	£23,062.00	£22,062.00
9	Royalties on Coin Sales	£45,000	£45,000.00	£0.00
10	Circulating Coinage	£1,208,000	£721,156.00	(£486,844.00)
11	Note Security Fund - Surplus	£1,000	£0.00	(£1,000.00)
12	Note Security Fund - Demonetisation of Notes	£1,000	£0.00	(£1,000.00)
<i>Licences</i>				
13	Miscellaneous Licences	£17,000	£18,781.71	£1,781.71
<i>Dividends from Government Shareholdings</i>				
14	AquaGib Ltd	£475,000	£400,000.00	(£75,000.00)
TOTAL GOVERNMENT EARNINGS		£4,742,000	£3,269,586.28	(£1,472,413.72)
HEAD 7 :- PUBLIC DEBT				
1	Net Borrowings	£0	£0.00	£0.00
TOTAL NET BORROWINGS		£0	£0.00	£0.00

Note:

(i) Includes £6,814.80 retained by the Government of Gibraltar from interest earned from monies held in respect of Financial Services Resolution and Compensation Committee funds.

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	ADDITIONAL REQUIREMENTS	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
<u>SUMMARY</u>					
<u>CONSOLIDATED FUND CHARGES</u>					
01 :- STATUTORY OFFICES	£676,000	£23,953	£699,953	£699,952.42	£0.58
02 :- JUDICATURE	£1,538,000	£3,697	£1,541,697	£1,347,997.64	£193,699.36
03 :- PENSIONS	£41,537,000	£495,521	£42,032,521	£41,257,719.63	£774,801.37
04 :- EMPLOYER'S CONTRIBUTIONS	£4,439,000	£223,257	£4,662,257	£4,662,256.60	£0.40
05 :- PUBLIC DEBT CHARGES	£26,400,000	£81,092	£26,481,092	£26,400,000.00	£81,092.00
06 :- PUBLIC SERVICES OMBUDSMAN	£475,000	£2,203	£477,203	£427,801.02	£49,401.98
07 :- REVENUE REPAYMENTS	£15,500,000	£1,411,972	£16,911,972	£16,911,971.72	£0.28
08 :- CHARITIES ACT	£1,000	£0	£1,000	£515.05	£484.95
09 :- PUBLIC DEBT	£1,000	£0	£1,000	£0.00	£1,000.00
	£90,567,000	£2,241,695	£92,808,695	£91,708,214.08	£1,100,480.92

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	ADDITIONAL REQUIREMENTS	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
CONSOLIDATED FUND CHARGES - RECURRENT					
01 :- STATUTORY OFFICES					
PERSONAL EMOLUMENTS					
1(a)Salaries	£601,000	£22,281	£623,281	£623,280.97	£0.03
1(b)Allowances	£75,000	£1,672	£76,672	£76,671.45	£0.55
TOTAL STATUTORY OFFICES	£676,000	£23,953	£699,953	£699,952.42	£0.58
02 :- JUDICATURE					
1 Legal Aid and Assistance	£1,000,000	£0	£1,000,000	£910,367.58	£89,632.42
2 Court of Appeal Expenses	£175,000	£0	£175,000	£77,583.17	£97,416.83
3 Salaries of Other Supreme Court Judges	£268,000	£872	£268,872	£268,872.64	(£0.64)
4 Gratuities and Allowances	£94,000	£2,825	£96,825	£91,174.25	£5,650.75
5 Awards for Courage	£1,000	£0	£1,000	£0.00	£1,000.00
6 Pension Contributions	£0	£0	£0	£0.00	£0.00
TOTAL JUDICATURE	£1,538,000	£3,697	£1,541,697	£1,347,997.64	£193,699.36
03 :- PENSIONS					
1 Pensions (i)	£40,000,000	£495,521	£40,495,521	£40,495,520.79	£0.21
2 Gratuities under the Pensions Act and Parliament Act	£1,000,000	£0	£1,000,000	£297,708.23	£702,291.77
3 Pensions (Widows and Orphans)	£350,000	£0	£350,000	£312,305.79	£37,694.21
4 Pensions (Spouse's and Children's)	£1,000	£0	£1,000	£0.00	£1,000.00
5 Pensions - Former Government Employees	£135,000	£0	£135,000	£134,591.32	£408.68
6 Gratuities - Former Government Employees	£49,000	£0	£49,000	£17,593.50	£31,406.50
7 Pension Rights Transfers	£1,000	£0	£1,000	£0.00	£1,000.00
8 Refund of WOPS Contributions	£1,000	£0	£1,000	£0.00	£1,000.00
TOTAL PENSIONS	£41,537,000	£495,521	£42,032,521	£41,257,719.63	£774,801.37
04 :- EMPLOYER'S CONTRIBUTIONS					
1 Social Insurance	£4,439,000	£223,257	£4,662,257	£4,662,256.60	£0.40
TOTAL EMPLOYER'S CONTRIBUTIONS	£4,439,000	£223,257	£4,662,257	£4,662,256.60	£0.40
05 :- PUBLIC DEBT CHARGES					
1 Bank Interest and Other Costs	£8,100,000	£81,092	£8,181,092	£8,181,091.63	£0.37
2 Government Debentures - Interest	£8,300,000	£0	£8,300,000	£8,218,908.37	£81,091.63
3 Contribution to General Sinking Fund	£10,000,000	£0	£10,000,000	£10,000,000.00	£0.00
TOTAL PUBLIC DEBT CHARGES	£26,400,000	£81,092	£26,481,092	£26,400,000.00	£81,092.00

Note

- (i) Pensions expenditure includes the repayment of commuted pensions amounting to £2,295,800 in capital, plus £5,894,211 in interest paid to Credit Finance Company Limited pursuant to the provisions of the pension commutation agreement between HM Government of Gibraltar and Credit Finance Company Limited.

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	ADDITIONAL REQUIREMENTS	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
CONSOLIDATED FUND CHARGES - RECURRENT					
06 :- PUBLIC SERVICES OMBUDSMAN					
PERSONAL EMOLUMENTS					
1(1) Salaries	£351,000	£0	£351,000	£335,722.96	£15,277.04
Overtime					
1(2)(i) Conditioned	£0	£0	£0	£0.00	£0.00
1(2)(ii) Emergency	£0	£0	£0	£0.00	£0.00
1(2)(iii) Manning Level Maintenance	£0	£0	£0	£0.00	£0.00
1(2)(iv) Discretionary	£4,000	£0	£4,000	£3,771.35	£228.65
1(3) Allowances	£4,000	£1,219	£5,219	£5,218.87	£0.13
1(4) Employer's Contributions	£15,000	£0	£15,000	£14,282.31	£717.69
1(5) Pension Contributions	£54,000	£0	£54,000	£38,152.85	£15,847.15
TOTAL PERSONAL EMOLUMENTS	£428,000	£1,219	£429,219	£397,148.34	£32,070.66
OTHER CHARGES					
Office Expenses					
2(6) General Expenses	£3,000	£0	£3,000	£2,122.47	£877.53
2(7) Electricity and Water	£2,000	£0	£2,000	£1,122.66	£877.34
2(8) Printing and Stationery	£4,000	£0	£4,000	£3,542.37	£457.63
2(9) Telephone Service	£5,000	£0	£5,000	£3,590.08	£1,409.92
2(10) Contracted Services: Office Cleaning	£5,000	£0	£5,000	£4,079.24	£920.76
Operational Expenses					
2(11) Publications	£1,000	£0	£1,000	£299.00	£701.00
2(12) Conferences, Training and Travelling Expenses	£10,000	£984	£10,984	£10,983.55	£0.45
2(13) Computer and Office Equipment	£4,000	£0	£4,000	£3,623.37	£376.63
2(14) Clinical Assessors	£10,000	£0	£10,000	£1,176.32	£8,823.68
2(15) CHS Office (St Bernard's Hospital)	£2,000	£0	£2,000	£113.62	£1,886.38
2(16) Relief Cover	£1,000	£0	£1,000	£0.00	£1,000.00
TOTAL OTHER CHARGES	£47,000	£984	£47,984	£30,652.68	£17,331.32
TOTAL PUBLIC SERVICES OMBUDSMAN	£475,000	£2,203	£477,203	£427,801.02	£49,401.98

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	ADDITIONAL REQUIREMENTS	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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CONSOLIDATED FUND CHARGES - RECURRENT

07 :- REVENUE REPAYMENTS

1 Repayment of Revenue	£15,500,000	£1,411,972	£16,911,972	£16,911,971.72	£0.28
TOTAL REVENUE REPAYMENTS	£15,500,000	£1,411,972	£16,911,972	£16,911,971.72	£0.28

08 :- CHARITIES ACT

1 Miscellaneous Expenses	£1,000	£0	£1,000	£515.05	£484.95
TOTAL CHARITIES ACT	£1,000	£0	£1,000	£515.05	£484.95

CONSOLIDATED FUND CHARGES - NON-RECURRENT

09 :- PUBLIC DEBT

1 Net Repayments (a)	£1,000	£0	£1,000	£0.00	£1,000.00
TOTAL PUBLIC DEBT	£1,000	£0	£1,000	£0.00	£1,000.00

Note

(a) Total Borrowing during the year - £0

Total Repayments during the year - (£0)

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
<u>SUMMARY</u>						
<u>CONSOLIDATED FUND - DEPARTMENTAL EXPENDITURE</u>						
<u>CHIEF MINISTER</u>						
1 :- TREASURY	£24,483,000	£0	£0	£24,483,000	£23,179,044.29	£1,303,955.71
2 :- NO. 6 CONVENT PLACE	£8,844,000	£0	£534,430	£9,378,430	£9,378,356.24	£73.76
3 :- CUSTOMS	£9,830,000	£0	£149,520	£9,979,520	£9,979,461.63	£58.37
4 :- INCOME TAX	£2,798,000	£0	£0	£2,798,000	£2,628,461.21	£169,538.79
5 :- PARLIAMENT	£1,820,000	£0	£0	£1,820,000	£1,771,966.60	£48,033.40
6 :- HUMAN RESOURCES	£2,931,000	£0	£73,150	£3,004,150	£3,004,120.27	£29.73
7 :- IMMIGRATION AND CIVIL STATUS	£8,166,000	£0	£19,120	£8,185,120	£8,185,096.59	£23.41
8 :- GOVERNMENT LAW OFFICES	£5,398,000	£0	£546,720	£5,944,720	£5,944,680.19	£39.81
9 :- FINANCIAL SECRETARY'S OFFICE	£882,000	£0	£0	£882,000	£856,088.94	£25,911.06
10 :- DRUG & ALCOHOL AWARENESS & REHABILITATION SERVICES	£920,000	£0	£0	£920,000	£827,802.59	£92,197.41
11 :- PUBLIC SERVICE SUPPORT UNIT	£1,496,000	£0	£0	£1,496,000	£1,192,328.13	£303,671.87
<u>DEPUTY CHIEF MINISTER</u>						
12 :- OFFICE OF THE DEPUTY CHIEF MINISTER	£4,096,000	£0	£0	£4,096,000	£3,595,116.59	£500,883.41
13 :- CIVIL AVIATION	£2,821,000	£0	£0	£2,821,000	£2,782,429.45	£38,570.55
<u>MINISTER FOR THE ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION</u>						
14 :- ENVIRONMENT	£14,311,000	£0	£699,500	£15,010,500	£15,010,436.41	£63.59
15 :- UTILITIES	£54,914,000	£0	£4,055,900	£58,969,900	£58,969,884.27	£15.73
16 :- COLLECTION AND DISPOSAL OF REFUSE	£6,654,000	£0	£0	£6,654,000	£6,509,557.13	£144,442.87
17 :- UPPER ROCK TOURIST SITES AND BEACHES	£3,708,000	£0	£0	£3,708,000	£3,656,000.57	£51,999.43
18 :- EDUCATION	£52,495,000	£0	£0	£52,495,000	£50,235,359.91	£2,259,640.09
19 :- HERITAGE	£1,649,000	£0	£114,650	£1,763,650	£1,763,640.14	£9.86
<u>MINISTER FOR INFRASTRUCTURE AND PLANNING</u>						
20 :- TECHNICAL SERVICES	£3,771,000	£0	£32,470	£3,803,470	£3,803,428.14	£41.86
21 :- DRIVER AND VEHICLE LICENSING	£1,776,000	£0	£0	£1,776,000	£1,665,559.41	£110,440.59
22 :- TOWN PLANNING AND BUILDING CONTROL	£1,610,000	£0	£0	£1,610,000	£1,514,104.47	£95,895.53
<u>MINISTER FOR ECONOMIC DEVELOPMENT, TELECOMMUNICATIONS AND THE GIBRALTAR SAVINGS BANK</u>						
23 :- STATISTICS OFFICE	£391,000	£0	£0	£391,000	£370,402.33	£20,597.67
24 :- ECONOMIC DEVELOPMENT	£16,915,000	£0	£0	£16,915,000	£16,177,139.48	£737,860.52
25 :- PROCUREMENT OFFICE	£382,000	£0	£0	£382,000	£297,078.25	£84,921.75
<u>MINISTER FOR HOUSING AND EQUALITY</u>						
26 :- HOUSING - ADMINISTRATION	£10,853,000	£0	£0	£10,853,000	£10,753,905.41	£99,094.59
27 :- EQUALITY	£1,191,000	£0	£0	£1,191,000	£1,148,273.32	£42,726.68
<u>MINISTER FOR HEALTH, CARE AND JUSTICE</u>						
28 :- HEALTH	£113,576,000	£0	£5,868,320	£119,444,320	£119,444,312.00	£8.00
29 :- GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION	£22,894,000	£0	£706,380	£23,600,380	£23,600,368.29	£11.71
30 :- CARE AGENCY	£16,906,000	£0	£0	£16,906,000	£15,810,693.36	£1,095,306.64
31 :- POLICING	£16,325,000	£0	£702,050	£17,027,050	£17,027,002.56	£47.44
32 :- PRISON	£3,237,000	£0	£14,800	£3,251,800	£3,251,779.37	£20.63
33 :- GIBRALTAR LAW COURTS	£2,064,000	£0	£0	£2,064,000	£1,914,025.88	£149,974.12
34 :- JUSTICE	£618,000	£0	£123,810	£741,810	£741,790.69	£19.31

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
SUMMARY						
CONSOLIDATED FUND - DEPARTMENTAL EXPENDITURE						
MINISTER FOR TOURISM, EMPLOYMENT, COMMERCIAL AVIATION AND THE PORT						
35 :- TOURISM	£3,056,000	£0	£0	£3,056,000	£2,818,760.27	£237,239.73
36 :- EMPLOYMENT	£1,524,000	£0	£0	£1,524,000	£1,358,127.38	£165,872.62
37 :- COMMERCIAL AVIATION	£3,810,000	£0	£0	£3,810,000	£3,615,315.29	£194,684.71
38 :- PORT	£7,107,000	£0	£0	£7,107,000	£6,705,000.00	£402,000.00
39 :- MARITIME SERVICES	£1,300,000	£0	£19,885	£1,319,885	£1,319,866.87	£18.13
40 :- SOCIAL SECURITY	£24,850,000	£0	£0	£24,850,000	£17,073,066.31	£7,776,933.69
41 :- CIVIL CONTINGENCY	£270,000	£0	£0	£270,000	£246,870.97	£23,129.03
42 :- FIRE AND RESCUE SERVICE	£5,366,000	£0	£0	£5,366,000	£5,165,456.64	£200,543.36
43 :- GIBRALTAR UNIVERSITY	£1,500,000	£0	£0	£1,500,000	£1,500,000.00	£0.00
MINISTER FOR CULTURE, MEDIA, YOUTH AND SPORT						
44 :- CULTURE	£5,886,000	£0	£1,343,580	£7,229,580	£7,229,559.28	£20.72
45 :- BROADCASTING	£4,700,000	£0	£0	£4,700,000	£4,700,000.00	£0.00
46 :- YOUTH	£624,000	£0	£35,875	£659,875	£659,846.79	£28.21
47 :- SPORT AND LEISURE	£5,491,000	£0	£2,311,560	£7,802,560	£7,802,548.34	£11.66
MINISTER FOR COMMERCE						
48 :- FINANCIAL SERVICES	£4,316,000	£0	£339,400	£4,655,400	£4,655,375.10	£24.90
49 :- GAMBLING DIVISION	£1,003,000	£0	£0	£1,003,000	£838,035.54	£164,964.46
50 :- COMMERCE	£4,981,000	£0	£0	£4,981,000	£4,883,383.09	£97,616.91
51 :- POSTAL SERVICES	£3,633,000	£0	£0	£3,633,000	£3,579,920.57	£53,079.43
52 :- GIBRALTAR AUDIT OFFICE	£1,231,000	£0	£0	£1,231,000	£1,188,613.20	£42,386.80
53 :- GIBRALTAR REGULATORY AUTHORITY	£1,875,000	£0	£0	£1,875,000	£1,875,000.00	£0.00
Total Departmental Expenditure	£503,248,000	£0	£17,691,120	£520,939,120	£504,204,439.75	£16,734,680.25
SUPPLEMENTARY PROVISION						
54 :- SUPPLEMENTARY PROVISION	£9,000,000	£8,800,000	(£17,691,120)	£108,880	£0.00	£108,880.00
Total Supplementary Provision	£9,000,000	£8,800,000	(£17,691,120)	£108,880	£0.00	£108,880.00
CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES						
55 :- CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES	£25,000,000	£0	£0	£25,000,000	£25,000,000.00	£0.00
Total Contribution to Government-Owned Companies	£25,000,000	£0	£0	£25,000,000	£25,000,000.00	£0.00
TRANSFER FROM GOVERNMENT SURPLUS						
56 :- TRANSFER FROM GOVERNMENT SURPLUS	£1,000	£24,999,000	£0	£25,000,000	£25,000,000.00	£0.00
Total Transfer From Government Surplus	£1,000	£24,999,000	£0	£25,000,000	£25,000,000.00	£0.00
CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND						
57 :- CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND	£43,000,000	£13,500,000	£0	£56,500,000	£56,500,000.00	£0.00
Total Contribution to Improvement and Development Fund	£43,000,000	£13,500,000	£0	£56,500,000	£56,500,000.00	£0.00
Total Consolidated Fund - Expenditure	£580,249,000	£47,299,000	£0	£627,548,000	£610,704,439.75	£16,843,560.25

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
1 :- TREASURY						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£2,490,000	£0	£0	£2,490,000	£2,352,802.42	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£220,000	£0	£0	£220,000	£223,376.47	
1(1)(c) Allowances	£150,000	£0	£0	£150,000	£191,121.61	
1(1)(d) Temporary Assistance	£25,000	£0	£0	£25,000	£36,478.29	
1(1)(e) Pension Contributions	£100,000	£0	£0	£100,000	£103,594.40	
Total Personal Emoluments	£2,985,000	£0	£0	£2,985,000	£2,907,373.19	
<i>Personal Emoluments - Central Arrears Unit</i>						
1(1)(f) Salaries	£282,000	£0	£0	£282,000	£282,042.40	
<i>Overtime</i>						
1(1)(g)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(g)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(g)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(g)(iv) Discretionary	£23,000	£0	£0	£23,000	£27,388.51	
1(1)(h) Allowances	£18,000	£0	£0	£18,000	£17,344.78	
1(1)(i) Pension Contributions	£7,000	£0	£0	£7,000	£5,951.14	
Total Personal Emoluments - Central Arrears Unit	£330,000	£0	£0	£330,000	£332,726.83	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£3,315,000	£0	£0	£3,315,000	£3,240,100.02	£74,899.98

OTHER CHARGES

Office Expenses

2(1)(a) General Expenses	£30,000	£0	£0	£30,000	£29,882.39	
2(1)(b) Electricity and Water	£28,000	£0	£0	£28,000	£26,120.41	
2(1)(c) Telephone Service	£45,000	£0	£0	£45,000	£41,575.04	
2(1)(d) Printing and Stationery	£45,000	£0	£0	£45,000	£38,981.35	
2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme	£34,000	£0	£0	£34,000	£32,926.68	
Total Office Expenses	£182,000	£0	£0	£182,000	£169,485.87	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
1 :- TREASURY							
Operational Expenses							
2(2)(a)	Banking and Related Services	£210,000	£0	£0	£210,000	£216,738.97	
2(2)(b)	Computer Running Expenses	£59,000	£0	£0	£59,000	£57,024.46	
2(2)(c)	Accountancy and Legal Expenses	£1,000	£0	£0	£1,000	£0.00	
2(2)(d)	Security Expenses	£7,000	£0	£0	£7,000	£2,578.00	
2(2)(e)	Postage Expenses	£12,000	£0	£0	£12,000	£8,409.32	
Contracted Services							
2(2)(f)	Security Services	£26,000	£0	£0	£26,000	£25,388.65	
2(2)(g)	Document Storage	£9,000	£0	£0	£9,000	£8,261.50	
Total Operational Expenses		£324,000	£0	£0	£324,000	£318,400.90	
2(3)	Insurance Premiums and Claims	£724,000	£0	£0	£724,000	£406,733.36	
Total		£724,000	£0	£0	£724,000	£406,733.36	
2(4)	Official Receiver Expenses	£10,000	£0	£0	£10,000	£1,000.00	
Total		£10,000	£0	£0	£10,000	£1,000.00	
2(5)	Property Services, Rents, Rates and Stamp Duty - Land Property Services Ltd - Contracted Services	£2,898,000	£0	£0	£2,898,000	£2,628,684.92	
Total		£2,898,000	£0	£0	£2,898,000	£2,628,684.92	
Circulating and Commemorative Coinage Expenses							
2(6)(a)	Circulating Coinage Expenses	£1,000,000	£0	£0	£1,000,000	£306,340.31	
2(6)(b)	Purchase of Commemorative Coins	£1,000	£0	£0	£1,000	£0.00	
Total Circulating and Commemorative Coinage Expenses		£1,001,000	£0	£0	£1,001,000	£306,340.31	
2(7)	Ex-Gratia Payments	£4,000	£0	£0	£4,000	£4,171.66	
Total		£4,000	£0	£0	£4,000	£4,171.66	
2(8)	Provisions for Workmen's Wages Roundings	£1,000	£0	£0	£1,000	£77.32	
Total		£1,000	£0	£0	£1,000	£77.32	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
1 :- TREASURY							
2(9)	Government Offices - Rent and Service Charges	£9,500,000	£0	£0	£9,500,000	£9,253,765.17	
Total		£9,500,000	£0	£0	£9,500,000	£9,253,765.17	
2(10)	Government Buildings - General Rates	£5,250,000	£0	£0	£5,250,000	£5,375,658.58	
Total		£5,250,000	£0	£0	£5,250,000	£5,375,658.58	
2(11)	Gibraltar Savings Bank - Children's Bond Account	£200,000	£0	£0	£200,000	£184,000.00	
Total		£200,000	£0	£0	£200,000	£184,000.00	
2(12)	Government Insurance Fund	£600,000	£0	£0	£600,000	£600,000.00	
Total		£600,000	£0	£0	£600,000	£600,000.00	
2(13)	Contribution to Pension Rights and Gratuity Transfers	£230,000	£0	£0	£230,000	£223,715.30	
Total		£230,000	£0	£0	£230,000	£223,715.30	
2(14)	Relief Cover	£244,000	£0	£0	£244,000	£367,447.29	
Total		£244,000	£0	£0	£244,000	£367,447.29	
2(15)	Losses of Public Funds	£0	£0	£0	£0	£5,801.67	
Total		£0	£0	£0	£0	£5,801.67	
2(16)	Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£0	£0	£93,661.92	
Total		£0	£0	£0	£0	£93,661.92	
TOTAL OTHER CHARGES		£21,168,000	£0	£0	£21,168,000	£19,938,944.27	£1,229,055.73

1 :- TREASURY

SUMMARY

Personal Emoluments	£3,315,000	£0	£0	£3,315,000	£3,240,100.02	£74,899.98
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£3,315,000	£0	£0	£3,315,000	£3,240,100.02	£74,899.98
Other Charges	£21,168,000	£0	£0	£21,168,000	£19,938,944.27	£1,229,055.73
TOTAL TREASURY	£24,483,000	£0	£0	£24,483,000	£23,179,044.29	£1,303,955.71

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
2 :- NO. 6 CONVENT PLACE						
<u>PAYROLL</u>						
<i>Personal Emolument - General Office</i>						
1(1)(a) Salaries	£1,206,000	£0	£0	£1,206,000	£1,213,654.40	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£240,000	£0	£0	£240,000	£239,537.57	
1(1)(c) Allowances	£70,000	£0	£0	£70,000	£67,029.48	
1(1)(d) Temporary Assistance	£73,000	£0	£52,160	£125,160	£130,141.66	
1(1)(e) Pension Contributions	£32,000	£0	£0	£32,000	£29,013.92	
1(1)(f) Gratuities	£1,000	£0	£0	£1,000	£0.00	
Total Personal Emolument - General Office	£1,622,000	£0	£52,160	£1,674,160	£1,679,377.03	
<i>Personal Emoluments - Office of the Chief Technical Officer</i>						
1(1)(g) Salaries	£230,000	£0	£0	£230,000	£232,642.52	
<i>Overtime</i>						
1(1)(h)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(h)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(h)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(h)(iv) Discretionary	£20,000	£0	£0	£20,000	£11,477.39	
1(1)(i) Allowances	£2,000	£0	£0	£2,000	£3,421.15	
1(1)(j) Pension Contributions	£5,000	£0	£0	£5,000	£4,227.89	
Total Personal Emoluments - Office of the Chief Technical Officer	£257,000	£0	£0	£257,000	£251,768.95	
<i>Industrial Wages - General Office</i>						
1(2)(a) Basic Wages	£62,000	£0	£640	£62,640	£63,317.31	
<i>Overtime</i>						
1(2)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(2)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(2)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(b)(iv) Discretionary	£12,000	£0	£5,500	£17,500	£17,494.38	
1(2)(c) Allowances	£0	£0	£0	£0	£0.00	
1(2)(d) Pension Contributions	£4,000	£0	£0	£4,000	£3,318.34	
Total Industrial Wages - General Office	£78,000	£0	£6,140	£84,140	£84,130.03	
TOTAL PAYROLL	£1,957,000	£0	£58,300	£2,015,300	£2,015,276.01	£23.99

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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2 :- NO. 6 CONVENT PLACE

OTHER CHARGES

General Office - Office Expenses

2(1)(a)	General Expenses	£12,000	£0	£0	£12,000	£10,548.48
2(1)(b)	Electricity and Water	£30,000	£0	£0	£30,000	£25,522.94
2(1)(c)	Telephone Service	£100,000	£0	£0	£100,000	£80,401.93
2(1)(d)	Printing and Stationery	£20,000	£0	£0	£20,000	£19,766.61
Total General Office - Office Expenses		£162,000	£0	£0	£162,000	£136,239.96

General Office - Operational Expenses

2(2)(a)	Transport Expenses	£1,000	£0	£0	£1,000	£754.75
2(2)(b)	Equipment Maintenance	£50,000	£0	£0	£50,000	£54,072.65
2(2)(c)	The Mount Expenses	£5,000	£0	£0	£5,000	£2,636.69
2(2)(d)	Rent and Service Charges	£8,000	£0	£0	£8,000	£7,300.59
2(2)(e)	Contracted Services: Security Expenses	£77,000	£0	£0	£77,000	£73,194.30
Total General Office - Operational Expenses		£141,000	£0	£0	£141,000	£137,958.98

2(3)	Governor's Office Expenses	£60,000	£0	£0	£60,000	£52,816.51
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Total		£60,000	£0	£0	£60,000	£52,816.51
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2(4)	Electrical Services - Gibraltar Electricity Authority	£725,000	£0	£0	£725,000	£657,267.93
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Total		£725,000	£0	£0	£725,000	£657,267.93
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2(5)	Government Communication, Information and Lobbying	£1,200,000	£0	£0	£1,200,000	£1,026,484.75
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Total		£1,200,000	£0	£0	£1,200,000	£1,026,484.75
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Protocol, Travel and Entertainment

2(6)(a)	Protocol and Entertainment	£150,000	£0	£0	£150,000	£196,969.48
2(6)(b)	Travel - All Ministers and Officials	£750,000	£0	£0	£750,000	£807,331.40

Total Protocol, Travel and Entertainment		£900,000	£0	£0	£900,000	£1,004,300.88
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Grants

2(7)(a)	Gibraltar Regiment	£80,000	£0	£0	£80,000	£75,521.06
2(7)(b)	Other Grants and Donations (i)	£1,000,000	£0	£288,970	£1,288,970	£1,293,434.76

Total Grants		£1,080,000	£0	£288,970	£1,368,970	£1,368,955.82
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Note:

(i) During the Financial Year 2018/2019, an amount of £34,150 was charged to subhead 2(7)(b) - Other Grants and Donations where an alternative recurrent expenditure subhead may have been more appropriate. No adjustment was considered necessary, as the overall expenditure remained unchanged.

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
2 :- NO. 6 CONVENT PLACE							
2(8)	Research, Development Studies and Professional Fees	£825,000	£0	£148,450	£973,450	£973,441.13	
Total		£825,000	£0	£148,450	£973,450	£973,441.13	
2(9)	Civic Awards Expenses	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(10)(a)	Contribution to Gibraltar Development Corporation - Staff Services - No. 6	£361,000	£0	£0	£361,000	£381,907.48	
Total		£361,000	£0	£0	£361,000	£381,907.48	
2(11)	Government General Advertising and Official Notices	£400,000	£0	£0	£400,000	£446,892.78	
Total		£400,000	£0	£0	£400,000	£446,892.78	
2(12)	Media Monitoring Services	£405,000	£0	£0	£405,000	£454,734.18	
Total		£405,000	£0	£0	£405,000	£454,734.18	
2(13)	Contract Officers	£95,000	£0	£0	£95,000	£84,352.56	
Total		£95,000	£0	£0	£95,000	£84,352.56	
2(14)	Ex-Gratia Payments	£450,000	£0	£38,710	£488,710	£565,098.82	
Total		£450,000	£0	£38,710	£488,710	£565,098.82	
2(15)	Co-Ordination of the Fight Against Illegal Drugs	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(16)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
Office of the Chief Technical Officer - Office Expenses							
2(17)(a)	General Expenses	£3,000	£0	£0	£3,000	£1,167.13	
2(17)(b)	Electricity and Water	£2,000	£0	£0	£2,000	£2,000.00	
2(17)(c)	Telephone Service	£6,000	£0	£0	£6,000	£4,154.41	
2(17)(d)	Printing and Stationery	£4,000	£0	£0	£4,000	£1,806.46	
2(17)(e)	Protective Clothing	£1,000	£0	£0	£1,000	£373.58	
2(17)(f)	Computer and Office Equipment	£1,000	£0	£0	£1,000	£991.31	
Total Office of the Chief Technical Officer - Office Expenses		£17,000	£0	£0	£17,000	£10,492.89	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
2 :- NO. 6 CONVENT PLACE							
2(18)	Contribution to Gibraltar Development Corporation - Staff Services	£62,000	£0	£0	£62,000	£62,135.56	
Total		£62,000	£0	£0	£62,000	£62,135.56	
2(19)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES		£6,887,000	£0	£476,130	£7,363,130	£7,363,080.23	£49.77

2 :- NO. 6 CONVENT PLACE

SUMMARY

Personal Emoluments	£1,879,000	£0	£52,160	£1,931,160	£1,931,145.98	£14.02
Industrial Wages	£78,000	£0	£6,140	£84,140	£84,130.03	£9.97
Total Payroll	£1,957,000	£0	£58,300	£2,015,300	£2,015,276.01	£23.99
Other Charges	£6,887,000	£0	£476,130	£7,363,130	£7,363,080.23	£49.77
TOTAL NO. 6 CONVENT PLACE	£8,844,000	£0	£534,430	£9,378,430	£9,378,356.24	£73.76

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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3 :- CUSTOMS

PAYROLL

Personal Emoluments

1(1)(a)	Salaries	£5,749,000	£0	£0	£5,749,000	£5,724,276.99
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Overtime

1(1)(b)(i)	Conditioned	£1,700,000	£0	£0	£1,700,000	£1,681,012.15
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1(1)(b)(ii)	Emergency	£1,000	£0	£131,780	£132,780	£137,215.81
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1(1)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(b)(iv)	Discretionary	£150,000	£0	£0	£150,000	£245,232.11
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1(1)(c)	Allowances	£1,124,000	£0	£0	£1,124,000	£1,002,535.19
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1(1)(d)	Temporary Assistance	£96,000	£0	£0	£96,000	£106,267.94
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1(1)(e)	Pension Contributions	£300,000	£0	£0	£300,000	£355,233.00
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Total Personal Emoluments	£9,120,000	£0	£131,780	£9,251,780	£9,251,773.19	
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TOTAL PAYROLL	£9,120,000	£0	£131,780	£9,251,780	£9,251,773.19	£6.81
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OTHER CHARGES

Office Expenses

2(1)(a)	General Expenses	£25,000	£0	£0	£25,000	£24,016.41
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2(1)(b)	Electricity and Water	£60,000	£0	£0	£60,000	£62,614.76
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2(1)(c)	Telephone Service	£55,000	£0	£0	£55,000	£50,363.82
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2(1)(d)	Printing and Stationery	£12,000	£0	£920	£12,920	£16,983.76
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2(1)(e)	Office Rent and Service Charges	£78,000	£0	£0	£78,000	£77,694.36
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Contracted Services

2(1)(f)	Cleaning of Offices and Entry Points - Government Cleaning Scheme	£88,000	£0	£9,610	£97,610	£97,599.48
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2(1)(g)	Security Services	£23,000	£0	£0	£23,000	£22,234.40
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Total Office Expenses	£341,000	£0	£10,530	£351,530	£351,506.99	
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Operational Expenses

2(2)(a)	Enforcement Expenses	£30,000	£0	£0	£30,000	£28,200.56
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2(2)(b)	Investigation Expenses	£25,000	£0	£0	£25,000	£28,003.31
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2(2)(c)	Uniforms	£100,000	£0	£0	£100,000	£98,583.67
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2(2)(d)	Computer Running Expenses	£8,000	£0	£0	£8,000	£14,217.26
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2(2)(e)	Official Visits	£10,000	£0	£6,160	£16,160	£17,084.15
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2(2)(f)	Training Courses	£50,000	£0	£0	£50,000	£55,901.40
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2(2)(g)	Marine Expenses	£100,000	£0	£0	£100,000	£90,844.35
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2(2)(h)	Dog Section Costs	£15,000	£0	£0	£15,000	£13,116.25
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HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
3 :- CUSTOMS						
2(2)(i) Contracted Services: Radio Communication System - Gibtelecom Ltd	£29,000	£0	£0	£29,000	£28,194.00	
Total Operational Expenses	£367,000	£0	£6,160	£373,160	£374,144.95	
2(3) Destruction of Confiscated Tobacco	£1,000	£0	£1,020	£2,020	£2,012.50	
Total	£1,000	£0	£1,020	£2,020	£2,012.50	
2(4) Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	
2(5) Losses of Public Funds	£0	£0	£30	£30	£24.00	
Total	£0	£0	£30	£30	£24.00	
TOTAL OTHER CHARGES	£710,000	£0	£17,740	£727,740	£727,688.44	£51.56
3 :- CUSTOMS SUMMARY						
Personal Emoluments	£9,120,000	£0	£131,780	£9,251,780	£9,251,773.19	£6.81
Total Payroll	£9,120,000	£0	£131,780	£9,251,780	£9,251,773.19	£6.81
Other Charges	£710,000	£0	£17,740	£727,740	£727,688.44	£51.56
TOTAL CUSTOMS	£9,830,000	£0	£149,520	£9,979,520	£9,979,461.63	£58.37

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
4 :- INCOME TAX						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£2,195,000	£0	(£41,135)	£2,153,865	£2,023,644.98	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£130,000	£0	£0	£130,000	£134,423.72	
1(1)(c) Allowances	£140,000	£0	£0	£140,000	£106,959.62	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£58,000	£0	£0	£58,000	£47,310.96	
Total Personal Emoluments	£2,523,000	£0	(£41,135)	£2,481,865	£2,312,339.28	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£2,523,000	£0	(£41,135)	£2,481,865	£2,312,339.28	£169,525.72
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£27,000	£0	£0	£27,000	£26,081.57	
2(1)(b) Electricity and Water	£12,000	£0	£0	£12,000	£10,814.36	
2(1)(c) Telephone Service	£23,000	£0	£0	£23,000	£18,632.73	
2(1)(d) Printing and Stationery	£36,000	£0	£0	£36,000	£36,213.78	
2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme	£23,000	£0	£0	£23,000	£22,205.80	
Total Office Expenses	£121,000	£0	£0	£121,000	£113,948.24	
<i>Operational Expenses</i>						
2(2)(a) Computer Running Expenses	£14,000	£0	£0	£14,000	£14,433.75	
2(2)(b) Professional Fees	£4,000	£0	£0	£4,000	£6,504.88	
2(2)(c) Banking and Related Expenses	£1,000	£0	£0	£1,000	£187.00	
2(2)(d) Postage Expenses	£55,000	£0	£0	£55,000	£41,439.70	
Total Operational Expenses	£74,000	£0	£0	£74,000	£62,565.33	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
4 :- INCOME TAX						
2(3) Relief Cover	£80,000	£0	£16,750	£96,750	£115,225.64	
Total	£80,000	£0	£16,750	£96,750	£115,225.64	
2(4) Losses of Public Funds	£0	£0	£100	£100	£100.00	
Total	£0	£0	£100	£100	£100.00	
2(5) Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£24,285	£24,285	£24,282.72	
Total	£0	£0	£24,285	£24,285	£24,282.72	
TOTAL OTHER CHARGES	£275,000	£0	£41,135	£316,135	£316,121.93	£13.07
4 :- INCOME TAX SUMMARY						
Personal Emoluments	£2,523,000	£0	(£41,135)	£2,481,865	£2,312,339.28	£169,525.72
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£2,523,000	£0	(£41,135)	£2,481,865	£2,312,339.28	£169,525.72
Other Charges	£275,000	£0	£41,135	£316,135	£316,121.93	£13.07
TOTAL INCOME TAX	£2,798,000	£0	£0	£2,798,000	£2,628,461.21	£169,538.79

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
5 :- PARLIAMENT						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£178,000	£0	£0	£178,000	£180,731.34	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£16,000	£0	£0	£16,000	£11,939.55	
1(1)(c) Allowances	£6,000	£0	£0	£6,000	£4,125.57	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£200,000	£0	£0	£200,000	£196,796.46	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£200,000	£0	£0	£200,000	£196,796.46	£3,203.54
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£3,000	£0	£0	£3,000	£3,070.53	
2(1)(b) Electricity and Water	£4,000	£0	£0	£4,000	£2,882.85	
2(1)(c) Telephone Service	£4,000	£0	£0	£4,000	£3,023.84	
2(1)(d) Printing and Stationery	£3,000	£0	£0	£3,000	£820.94	
2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme	£5,000	£0	£0	£5,000	£4,992.00	
Total Office Expenses	£19,000	£0	£0	£19,000	£14,790.16	
<i>Operational Expenses</i>						
2(2)(a) Commonwealth Parliamentary Association Expenses	£70,000	£0	£0	£70,000	£58,908.91	
2(2)(b) Secretarial Assistance to the Leader of the Opposition	£500	£0	£0	£500	£500.04	
2(2)(c) Select Committees	£500	£0	£0	£500	£10.50	
2(2)(d) Rent and Service Charges	£5,000	£0	£0	£5,000	£4,998.65	
2(2)(e) Postage Expenses	£1,000	£0	£0	£1,000	£55.26	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
5 :- PARLIAMENT							
2(2)(f)	Contracted Services: Recording Equipment	£26,000	£0	£0	£26,000	£24,458.83	
Total Operational Expenses		£103,000	£0	£0	£103,000	£88,932.19	
<i>Elected Members</i>							
2(3)(a)	Members Allowances	£664,000	£0	£0	£664,000	£674,663.76	
2(3)(b)	Ministers and Office Holders Allowances	£753,000	£0	£0	£753,000	£761,006.88	
Total Elected Members		£1,417,000	£0	£0	£1,417,000	£1,435,670.64	
2(4)	Hansard Production Costs	£20,000	£0	£0	£20,000	£10,711.84	
Total		£20,000	£0	£0	£20,000	£10,711.84	
<i>Register of Electors Expenses</i>							
2(5)(a)	Staff Remuneration	£40,000	£0	£0	£40,000	£13,453.48	
2(5)(b)	Other Costs	£20,000	£0	£0	£20,000	£11,611.83	
Total Register of Electors Expenses		£60,000	£0	£0	£60,000	£25,065.31	
2(6)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES		£1,620,000	£0	£0	£1,620,000	£1,575,170.14	£44,829.86
5 :- PARLIAMENT SUMMARY							
Personal Emoluments		£200,000	£0	£0	£200,000	£196,796.46	£3,203.54
Industrial Wages		£0	£0	£0	£0	£0.00	£0.00
Total Payroll		£200,000	£0	£0	£200,000	£196,796.46	£3,203.54
Other Charges		£1,620,000	£0	£0	£1,620,000	£1,575,170.14	£44,829.86
TOTAL PARLIAMENT		£1,820,000	£0	£0	£1,820,000	£1,771,966.60	£48,033.40

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
6 :- HUMAN RESOURCES						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£1,635,000	£0	(£14,310)	£1,620,690	£1,604,624.89	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£9,000	£0	£0	£9,000	£8,829.84	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£50,000	£0	£0	£50,000	£47,740.62	
1(1)(c) Allowances	£50,000	£0	£0	£50,000	£48,347.86	
1(1)(d) Temporary Assistance	£1,000	£0	£0	£1,000	£0.00	
1(1)(e) Pension Contributions	£50,000	£0	£0	£50,000	£55,574.21	
1(1)(f) Allowances - Union Convenor	£50,000	£0	(£40,440)	£9,560	£9,555.60	
Total Personal Emoluments	£1,845,000	£0	(£54,750)	£1,790,250	£1,774,673.02	
<i>Industrial Wages</i>						
1(2)(a) Basic Wages	£1,000	£0	£0	£1,000	£16,562.35	
1(2)(b) Overtime	£0	£0	£0	£0	£0.00	
1(2)(c) Allowances	£0	£0	£0	£0	£0.00	
1(2)(d) Pension Contributions	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£1,000	£0	£0	£1,000	£16,562.35	
TOTAL PAYROLL	£1,846,000	£0	(£54,750)	£1,791,250	£1,791,235.37	£14.63
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£11,000	£0	£0	£11,000	£10,057.52	
2(1)(b) Electricity and Water	£6,000	£0	£0	£6,000	£5,336.26	
2(1)(c) Telephone Service	£12,000	£0	£0	£12,000	£9,585.91	
2(1)(d) Printing and Stationery	£7,000	£0	£0	£7,000	£5,535.73	
2(1)(e) Rent and Service Charges	£28,000	£0	£0	£28,000	£28,002.26	
2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme	£16,000	£0	£0	£16,000	£15,255.00	
Total Office Expenses	£80,000	£0	£0	£80,000	£73,772.68	
<i>Operational Expenses</i>						
2(2)(a) Computer and Office Equipment	£12,000	£0	£0	£12,000	£13,746.77	
2(2)(b) Recruitment Expenses	£10,000	£0	£0	£10,000	£4,555.00	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
6 :- HUMAN RESOURCES						
2(2)(c) Medical Examinations	£7,000	£0	£0	£7,000	£13,312.58	
Total Operational Expenses	£29,000	£0	£0	£29,000	£31,614.35	
2(3) Repatriation Costs	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	
2(4) Funding for University Students - Summer Jobs	£100,000	£0	£0	£100,000	£111,692.25	
Total	£100,000	£0	£0	£100,000	£111,692.25	
2(5) Early Exit Schemes (ii)	£800,000	£0	£127,900	£927,900	£962,531.92	
Total	£800,000	£0	£127,900	£927,900	£962,531.92	
2(6) Ex-Gratia Payments	£50,000	£0	£0	£50,000	£8,879.86	
Total	£50,000	£0	£0	£50,000	£8,879.86	
2(7) Relief Cover	£25,000	£0	£0	£25,000	£20,924.88	
Total	£25,000	£0	£0	£25,000	£20,924.88	
2(8) Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£0	£0	£3,468.96	
Total	£0	£0	£0	£0	£3,468.96	
TOTAL OTHER CHARGES	£1,085,000	£0	£127,900	£1,212,900	£1,212,884.90	£15.10

6 :- HUMAN RESOURCES

SUMMARY

Personal Emoluments	£1,845,000	£0	(£54,750)	£1,790,250	£1,774,673.02	£15,576.98
Industrial Wages	£1,000	£0	£0	£1,000	£16,562.35	(£15,562.35)
Total Payroll	£1,846,000	£0	(£54,750)	£1,791,250	£1,791,235.37	£14.63
Other Charges	£1,085,000	£0	£127,900	£1,212,900	£1,212,884.90	£15.10
TOTAL HUMAN RESOURCES	£2,931,000	£0	£73,150	£3,004,150	£3,004,120.27	£29.73

- (ii) The expenditure incurred under Early Exit Schemes represents Early Exit Scheme repayments, amounting to £583,473 in capital and £379,059 in interest payments to Credit Finance Company Limited pursuant to the provisions of Early Exit Scheme agreements between HM Government of Gibraltar, Credit Finance Company Limited and eligible retiring employees.

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
7 :- IMMIGRATION AND CIVIL STATUS						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£695,000	£0	£73,716	£768,716	£787,832.10	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£30,000	£0	£0	£30,000	£31,397.48	
1(1)(c) Allowances	£15,000	£0	£0	£15,000	£10,290.25	
1(1)(d) Overtime - Marriage Ceremonies	£45,000	£0	£0	£45,000	£24,325.00	
1(1)(e) Pension Contributions	£15,000	£0	£0	£15,000	£19,861.82	
Total Personal Emoluments	£800,000	£0	£73,716	£873,716	£873,706.65	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£800,000	£0	£73,716	£873,716	£873,706.65	£9.35
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£7,000	£0	£0	£7,000	£5,415.87	
2(1)(b) Electricity and Water	£7,000	£0	£0	£7,000	£6,070.98	
2(1)(c) Telephone Service	£20,000	£0	£0	£20,000	£17,851.73	
2(1)(d) Printing and Stationery	£17,000	£0	£0	£17,000	£16,894.35	
Total Office Expenses	£51,000	£0	£0	£51,000	£46,232.93	
<i>Operational Expenses</i>						
2(2)(a) Rebinding of Registers	£1,000	£0	£0	£1,000	£694.00	
2(2)(b) Identity and Residence Cards	£125,000	£0	£0	£125,000	£122,777.72	
2(2)(c) Marriages	£1,000	£0	(£17)	£983	£153.00	
2(2)(d) 2nd Generation Passports	£280,000	£0	(£5,710)	£274,290	£274,286.98	
2(2)(e) Printing of New British Emergency Travel Documents - Post Brexit	£10,000	£0	(£300)	£9,700	£9,700.00	
Total Operational Expenses	£417,000	£0	(£6,027)	£410,973	£407,611.70	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
7 :- IMMIGRATION AND CIVIL STATUS						
2(3) Asylum Seeker and Refugee Expenses	£20,000	£0	(£15,550)	£4,450	£4,446.88	
Total	£20,000	£0	(£15,550)	£4,450	£4,446.88	
Joshua Hassan House - Contracted Services						
2(4)(a) Security Services	£46,000	£0	£0	£46,000	£54,093.12	
2(4)(b) Upkeep of Planted Areas	£3,000	£0	(£540)	£2,460	£2,460.00	
Total Joshua Hassan House - Contracted Services	£49,000	£0	(£540)	£48,460	£56,553.12	
2(5) Contribution to Borders and Coastguard Agency	£6,758,000	£0	(£9,000)	£6,749,000	£6,749,000.00	
Total	£6,758,000	£0	(£9,000)	£6,749,000	£6,749,000.00	
2(6) Contribution to Gibraltar Development Corporation - Staff Services	£38,000	£0	(£624)	£37,376	£37,375.09	
Total	£38,000	£0	(£624)	£37,376	£37,375.09	
2(7) Relief Cover	£33,000	£0	(£22,855)	£10,145	£10,140.22	
Total	£33,000	£0	(£22,855)	£10,145	£10,140.22	
2(8) Losses of Public Funds	£0	£0	£0	£0	£30.00	
Total	£0	£0	£0	£0	£30.00	
TOTAL OTHER CHARGES	£7,366,000	£0	(£54,596)	£7,311,404	£7,311,389.94	£14.06

7 :- IMMIGRATION AND CIVIL STATUS

SUMMARY

Personal Emoluments	£800,000	£0	£73,716	£873,716	£873,706.65	£9.35
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£800,000	£0	£73,716	£873,716	£873,706.65	£9.35
Other Charges	£7,366,000	£0	(£54,596)	£7,311,404	£7,311,389.94	£14.06
TOTAL IMMIGRATION AND CIVIL STATUS	£8,166,000	£0	£19,120	£8,185,120	£8,185,096.59	£23.41

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
8 :- GOVERNMENT LAW OFFICES							
<u>PAYROLL</u>							
<i>Personal Emoluments - Office of Criminal Prosecutions and Litigation</i>							
1(1)(a)	Salaries	£995,000	£0	£0	£995,000	£966,835.72	
<i>Overtime</i>							
1(1)(b)(i)	Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv)	Discretionary	£2,000	£0	£0	£2,000	£1,520.41	
1(1)(c)	Allowances	£16,000	£0	£0	£16,000	£30,706.77	
1(1)(d)	Temporary Assistance	£134,000	£0	£0	£134,000	£134,436.32	
1(1)(e)	Gratuities	£0	£0	£0	£0	£0.00	
1(1)(f)	Pension Contributions	£70,000	£0	£0	£70,000	£64,723.43	
Total Personal Emoluments - Office of Criminal Prosecutions and Litigation		£1,217,000	£0	£0	£1,217,000	£1,198,222.65	
<i>Personal Emoluments - Advisory and Parliamentary Counsel Offices</i>							
1(1)(g)	Salaries	£1,405,000	£0	£0	£1,405,000	£1,415,494.36	
<i>Overtime</i>							
1(1)(h)(i)	Conditioned	£0	£0	£0	£0	£0.00	
1(1)(h)(ii)	Emergency	£0	£0	£0	£0	£0.00	
1(1)(h)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(h)(iv)	Discretionary	£17,000	£0	£0	£17,000	£23,552.08	
1(1)(i)	Allowances	£90,000	£0	£4,890	£94,890	£100,509.18	
1(1)(j)	Pension Contributions	£82,000	£0	£0	£82,000	£83,497.50	
Total Personal Emoluments - Advisory and Parliamentary Counsel Offices		£1,594,000	£0	£4,890	£1,598,890	£1,623,053.12	
<i>Industrial Wages - Advisory and Parliamentary Counsel Offices</i>							
1(2)(a)	Basic Wages	£25,000	£0	£0	£25,000	£19,071.29	
<i>Overtime</i>							
1(2)(b)(i)	Conditioned	£0	£0	£0	£0	£529.56	
1(2)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00	
1(2)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(b)(iv)	Discretionary	£0	£0	£0	£0	£0.00	
1(2)(c)	Allowances	£0	£0	£0	£0	£0.00	
1(2)(d)	Pension Contributions	£0	£0	£0	£0	£0.00	
Total Industrial Wages - Advisory and Parliamentary Counsel Offices		£25,000	£0	£0	£25,000	£19,600.85	
TOTAL PAYROLL		£2,836,000	£0	£4,890	£2,840,890	£2,840,876.62	£13.38

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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8 :- GOVERNMENT LAW OFFICES

OTHER CHARGES

Office Expenses - Office of Criminal Prosecutions and Litigation

2(1)(a)	General Expenses	£7,000	£0	£0	£7,000	£5,301.07
2(1)(b)	Electricity and Water	£5,000	£0	£0	£5,000	£4,104.94
2(1)(c)	Telephone Service	£9,000	£0	£0	£9,000	£6,761.37
2(1)(d)	Printing and Stationery	£5,000	£0	£0	£5,000	£5,728.69
Total Office Expenses - Office of Criminal Prosecutions and Litigation		£26,000	£0	£0	£26,000	£21,896.07

Operational Expenses - Office of Criminal Prosecutions and Litigation

2(2)(a)	Law Books	£90,000	£0	£0	£90,000	£74,910.13
2(2)(b)	Private Sector Prosecution Fees	£1,000	£0	£0	£1,000	£0.00
2(2)(c)	Witnesses	£15,000	£0	£0	£15,000	£26,059.88
Total Operational Expenses - Office of Criminal Prosecutions and Litigation		£106,000	£0	£0	£106,000	£100,970.01

2(3)	Briefing Out - Specialist Matters	£5,000	£0	£0	£5,000	£2,591.00
Total		£5,000	£0	£0	£5,000	£2,591.00

2(4)	Conferences	£8,000	£0	£0	£8,000	£7,144.69
Total		£8,000	£0	£0	£8,000	£7,144.69

2(5)	Relief Cover	£18,000	£0	£0	£18,000	£12,875.95
Total		£18,000	£0	£0	£18,000	£12,875.95

Office Expenses - Advisory and Parliamentary Counsel Offices

2(6)(a)	General Expenses	£15,000	£0	£0	£15,000	£16,066.81
2(6)(b)	Electricity and Water	£6,000	£0	£0	£6,000	£4,811.51
2(6)(c)	Telephone Service	£30,000	£0	£0	£30,000	£28,132.33
2(6)(d)	Printing and Stationery	£150,000	£0	£47,310	£197,310	£199,856.24
Total Office Expenses - Advisory and Parliamentary Counsel Offices		£201,000	£0	£47,310	£248,310	£248,866.89

Operational Expenses - Advisory and Parliamentary Counsel Offices

2(7)(a)	Publications	£30,000	£0	£0	£30,000	£25,787.67
2(7)(b)	Training	£11,000	£0	£0	£11,000	£6,145.83
2(7)(c)	Courier Services	£4,000	£0	£0	£4,000	£3,387.63
2(7)(d)	Postage Expenses	£1,000	£0	£0	£1,000	£537.56
2(7)(e)	Contracted Services: Security	£2,000	£0	£0	£2,000	£656.58
Total Operational Expenses - Advisory and Parliamentary Counsel Offices		£48,000	£0	£0	£48,000	£36,515.27

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
8 :- GOVERNMENT LAW OFFICES							
2(8)	Consultancy Services including Private Sector Fees for Legal Advice	£2,000,000	£0	£494,520	£2,494,520	£2,494,506.04	
Total		£2,000,000	£0	£494,520	£2,494,520	£2,494,506.04	
2(9)	Conferences and Travel	£100,000	£0	£0	£100,000	£96,959.51	
Total		£100,000	£0	£0	£100,000	£96,959.51	
2(10)	Contribution to Gibraltar Development Corporation - Staff Services	£32,000	£0	£0	£32,000	£47,481.83	
Total		£32,000	£0	£0	£32,000	£47,481.83	
2(11)	Relief Cover	£18,000	£0	£0	£18,000	£30,527.35	
Total		£18,000	£0	£0	£18,000	£30,527.35	
2(12)	Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£0	£0	£3,468.96	
Total		£0	£0	£0	£0	£3,468.96	
TOTAL OTHER CHARGES		£2,562,000	£0	£541,830	£3,103,830	£3,103,803.57	£26.43

8 :- GOVERNMENT LAW OFFICES

SUMMARY

Personal Emoluments	£2,811,000	£0	£4,890	£2,815,890	£2,821,275.77	(£5,385.77)
Industrial Wages	£25,000	£0	£0	£25,000	£19,600.85	£5,399.15
Total Payroll	£2,836,000	£0	£4,890	£2,840,890	£2,840,876.62	£13.38
Other Charges	£2,562,000	£0	£541,830	£3,103,830	£3,103,803.57	£26.43
TOTAL GOVERNMENT LAW OFFICES	£5,398,000	£0	£546,720	£5,944,720	£5,944,680.19	£39.81

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
9 :- FINANCIAL SECRETARY'S OFFICE							
<u>PAYROLL</u>							
<i>Personal Emoluments</i>							
1(1)(a)	Salaries	£530,000	£0	£0	£530,000	£483,817.05	
<i>Overtime</i>							
1(1)(b)(i)	Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv)	Discretionary	£70,000	£0	£0	£70,000	£72,083.77	
1(1)(c)	Allowances	£25,000	£0	£0	£25,000	£34,626.03	
1(1)(d)	Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e)	Pension Contributions	£1,000	£0	£0	£1,000	£12,504.12	
Total Personal Emoluments		£626,000	£0	£0	£626,000	£603,030.97	
<i>Industrial Wages</i>							
1(2)		£0	£0	£0	£0	£0.00	
Total Industrial Wages		£0	£0	£0	£0	£0.00	
TOTAL PAYROLL		£626,000	£0	£0	£626,000	£603,030.97	£22,969.03
<u>OTHER CHARGES</u>							
<i>Office Expenses</i>							
2(1)(a)	General Expenses	£3,000	£0	£0	£3,000	£922.25	
2(1)(b)	Electricity and Water	£5,000	£0	£0	£5,000	£3,000.00	
2(1)(c)	Telephone Service	£8,000	£0	£0	£8,000	£17,534.37	
2(1)(d)	Printing and Stationery	£14,000	£0	£0	£14,000	£13,992.76	
2(1)(e)	Office Cleaning	£4,000	£0	£0	£4,000	£25.00	
Total Office Expenses		£34,000	£0	£0	£34,000	£35,474.38	
<i>Operational Expenses</i>							
2(2)(a)	Publications	£3,000	£0	£0	£3,000	£1,821.68	
2(2)(b)	Computer and Office Equipment	£7,000	£0	£0	£7,000	£5,371.37	
2(2)(c)	Training and Conferences	£1,000	£0	£0	£1,000	£0.00	
Total Operational Expenses		£11,000	£0	£0	£11,000	£7,193.05	
2(3)	Secondment	£194,000	£0	£0	£194,000	£194,340.16	
Total		£194,000	£0	£0	£194,000	£194,340.16	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
9 :- FINANCIAL SECRETARY'S OFFICE							
2(4)	Supervision of Financial Businesses (Anti-Money Laundering)	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(5)	Relief Cover	£16,000	£0	£0	£16,000	£12,581.42	
Total		£16,000	£0	£0	£16,000	£12,581.42	
2(6)	Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£0	£0	£3,468.96	
Total		£0	£0	£0	£0	£3,468.96	
TOTAL OTHER CHARGES		£256,000	£0	£0	£256,000	£253,057.97	£2,942.03

9 :- FINANCIAL SECRETARY'S OFFICE

SUMMARY

Personal Emoluments	£626,000	£0	£0	£626,000	£603,030.97	£22,969.03
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£626,000	£0	£0	£626,000	£603,030.97	£22,969.03
Other Charges	£256,000	£0	£0	£256,000	£253,057.97	£2,942.03
TOTAL FINANCIAL SECRETARY'S OFFICE	£882,000	£0	£0	£882,000	£856,088.94	£25,911.06

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
10 :- DRUG & ALCOHOL AWARENESS & REHABILITATION SERVICES						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£49,000	£0	£0	£49,000	£49,213.60	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£0	£0	£0	£0	£554.62	
1(1)(c) Allowances	£0	£0	£0	£0	£0.00	
1(1)(d) Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Personal Emoluments	£50,000	£0	£0	£50,000	£49,768.22	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£50,000	£0	£0	£50,000	£49,768.22	£231.78
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£5,000	£0	£0	£5,000	£3,406.86	
2(1)(b) Electricity and Water	£17,000	£0	£0	£17,000	£15,400.00	
2(1)(c) Telephone Service	£5,000	£0	£0	£5,000	£7,698.62	
2(1)(d) Printing and Stationery	£2,000	£0	£0	£2,000	£3,632.17	
2(1)(e) Computer and Office Equipment	£1,000	£0	£0	£1,000	£318.14	
<i>Contracted Services</i>						
2(1)(f) Office Cleaning	£19,000	£0	£0	£19,000	£19,001.05	
2(1)(g) Security Expenses	£41,000	£0	£0	£41,000	£42,740.23	
Total Office Expenses	£90,000	£0	£0	£90,000	£92,197.07	
<i>Operational Expenses</i>						
2(2)(a) Hardware, Uniform and Linen	£5,000	£0	£0	£5,000	£1,546.06	
2(2)(b) Provisions	£46,000	£0	£0	£46,000	£24,593.48	
2(2)(c) Laundry Expenses	£1,000	£0	£0	£1,000	£0.00	
2(2)(d) Cleaning Expenses	£4,000	£0	£0	£4,000	£3,238.33	
2(2)(e) Books and Subscriptions	£1,000	£0	£0	£1,000	£919.55	
2(2)(f) Training Courses and Official Travel	£20,000	£0	£0	£20,000	£22,941.87	
2(2)(g) Registration Fees	£1,000	£0	£0	£1,000	£681.00	
2(2)(h) Drug Awareness	£40,000	£0	£0	£40,000	£15,245.00	
2(2)(i) Motor Vehicle Expenses	£2,000	£0	£0	£2,000	£392.00	
2(2)(j) Insurance	£9,000	£0	£0	£9,000	£8,240.00	
2(2)(k) Maintenance Works	£5,000	£0	£0	£5,000	£1,213.44	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
10 :- DRUG & ALCOHOL AWARENESS & REHABILITATION SERVICES							
2(2)(l)	Contingencies	£1,000	£0	£0	£1,000	£30.00	
2(2)(m)	Youth Service	£1,000	£0	£0	£1,000	£0.00	
2(2)(n)	Overseas Placements	£1,000	£0	£0	£1,000	£0.00	
2(2)(o)	Complementary Therapies	£5,000	£0	£0	£5,000	£0.00	
Total Operational Expenses		£142,000	£0	£0	£142,000	£79,040.73	
2(3)	Secondment	£553,000	£0	£0	£553,000	£445,493.01	
Total		£553,000	£0	£0	£553,000	£445,493.01	
2(4)	Contribution to Gibraltar Development Corporation - Staff Services	£47,000	£0	£0	£47,000	£54,702.28	
Total		£47,000	£0	£0	£47,000	£54,702.28	
2(5)	Relief Cover	£38,000	£0	£0	£38,000	£106,601.28	
Total		£38,000	£0	£0	£38,000	£106,601.28	
TOTAL OTHER CHARGES		£870,000	£0	£0	£870,000	£778,034.37	£91,965.63

10 :- DRUG & ALCOHOL AWARENESS & REHABILITATION SERVICES

SUMMARY

Personal Emoluments	£50,000	£0	£0	£50,000	£49,768.22	£231.78
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£50,000	£0	£0	£50,000	£49,768.22	£231.78
Other Charges	£870,000	£0	£0	£870,000	£778,034.37	£91,965.63
TOTAL DRUG & ALCOHOL AWARENESS & REHABILITATION SERVICES	£920,000	£0	£0	£920,000	£827,802.59	£92,197.41

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
11 :- PUBLIC SERVICE SUPPORT UNIT						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£510,000	£0	£0	£510,000	£343,724.15	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£25,000	£0	£0	£25,000	£37,181.98	
1(1)(c) Allowances	£50,000	£0	£0	£50,000	£3,764.24	
1(1)(d) Temporary Assistance	£1,000	£0	£0	£1,000	£0.00	
1(1)(e) Pension Contributions	£50,000	£0	£0	£50,000	£13,622.44	
Total Personal Emoluments	£636,000	£0	£0	£636,000	£398,292.81	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£636,000	£0	£0	£636,000	£398,292.81	£237,707.19
<u>OTHER CHARGES</u>						
2(1) Gibraltar Development Corporation - Additional Contribution	£860,000	£0	£0	£860,000	£794,035.32	
Total	£860,000	£0	£0	£860,000	£794,035.32	
TOTAL OTHER CHARGES	£860,000	£0	£0	£860,000	£794,035.32	£65,964.68
11 :- PUBLIC SERVICE SUPPORT UNIT						
SUMMARY						
Personal Emoluments	£636,000	£0	£0	£636,000	£398,292.81	£237,707.19
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£636,000	£0	£0	£636,000	£398,292.81	£237,707.19
Other Charges	£860,000	£0	£0	£860,000	£794,035.32	£65,964.68
TOTAL PUBLIC SERVICE SUPPORT UNIT	£1,496,000	£0	£0	£1,496,000	£1,192,328.13	£303,671.87

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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12 :- OFFICE OF THE DEPUTY CHIEF MINISTER

PAYROLL

Personal Emoluments - Ministry

1(1)(a) Salaries	£200,000	£0	£0	£200,000	£202,330.25
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Overtime

1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00
1(1)(b)(iv) Discretionary	£60,000	£0	£0	£60,000	£55,589.07
1(1)(c) Allowances	£6,000	£0	£0	£6,000	£4,376.17
1(1)(d) Pension Contributions	£1,000	£0	£0	£1,000	£0.00

Total Personal Emoluments - Ministry	£267,000	£0	£0	£267,000	£262,295.49
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Personal Emoluments - Archives

1(1)(e) Salaries	£100,000	£0	£0	£100,000	£100,810.08
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Overtime

1(1)(f)(i) Conditioned	£0	£0	£0	£0	£0.00
1(1)(f)(ii) Emergency	£0	£0	£0	£0	£0.00
1(1)(f)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00
1(1)(f)(iv) Discretionary	£15,000	£0	£0	£15,000	£16,836.63
1(1)(g) Allowances	£1,000	£0	£0	£1,000	£213.89
1(1)(h) Pension Contributions	£1,000	£0	£0	£1,000	£0.00

Total Personal Emoluments - Archives	£117,000	£0	£0	£117,000	£117,860.60
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Industrial Wages

1(2)	£0	£0	£0	£0	£0.00
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Total Industrial Wages	£0	£0	£0	£0	£0.00
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TOTAL PAYROLL	£384,000	£0	£0	£384,000	£380,156.09	£3,843.91
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OTHER CHARGES

Office Expenses

2(1)(a) General Expenses	£3,000	£0	£0	£3,000	£2,448.39
2(1)(b) Electricity and Water	£0	£0	£0	£0	£0.00
2(1)(c) Telephone Service	£11,000	£0	£0	£11,000	£9,032.04
2(1)(d) Printing and Stationery	£4,000	£0	£0	£4,000	£3,446.16

Total Office Expenses	£18,000	£0	£0	£18,000	£14,926.59
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Overseas Offices

2(2)(a) London Office - Gibraltar Strand Management Company Limited	£1,200,000	£0	£0	£1,200,000	£1,214,139.09
2(2)(b) Brussels Office	£260,000	£0	£0	£260,000	£209,047.91

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
12 :- OFFICE OF THE DEPUTY CHIEF MINISTER							
2(2)(c)	Hong Kong Office	£450,000	£0	£0	£450,000	£415,185.70	
2(2)(d)	UK Parliamentary Consultancy	£65,000	£0	£0	£65,000	£60,263.20	
Total Overseas Offices		£1,975,000	£0	£0	£1,975,000	£1,898,635.90	
2(3)	Government Communication, Information and Lobbying	£350,000	£0	£0	£350,000	£256,630.78	
Total		£350,000	£0	£0	£350,000	£256,630.78	
2(4)	Lands Advertising and Official Notices	£100,000	£0	£0	£100,000	£84,942.00	
Total		£100,000	£0	£0	£100,000	£84,942.00	
2(5)	Archives - General Expenses	£35,000	£0	£0	£35,000	£31,778.22	
Total		£35,000	£0	£0	£35,000	£31,778.22	
2(6)	Self Determination Seminar and Promotion	£100,000	£0	£0	£100,000	£61,489.50	
Total		£100,000	£0	£0	£100,000	£61,489.50	
2(7)	Frontier Monitoring Expenses	£815,000	£0	£0	£815,000	£686,768.75	
Total		£815,000	£0	£0	£815,000	£686,768.75	
2(8)	Land and Property Management	£100,000	£0	£0	£100,000	£91,188.69	
Total		£100,000	£0	£0	£100,000	£91,188.69	
2(9)	Work in relation to the planned UK departure from the EU	£200,000	£0	£0	£200,000	£72,220.07	
Total		£200,000	£0	£0	£200,000	£72,220.07	
2(10)	Commonwealth Foundation Membership	£18,000	£0	£0	£18,000	£16,380.00	
Total		£18,000	£0	£0	£18,000	£16,380.00	
2(11)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES		£3,712,000	£0	£0	£3,712,000	£3,214,960.50	£497,039.50

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
12 :- OFFICE OF THE DEPUTY CHIEF MINISTER						
12 :- OFFICE OF THE DEPUTY CHIEF MINISTER						
SUMMARY						
Personal Emoluments	£384,000	£0	£0	£384,000	£380,156.09	£3,843.91
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£384,000	£0	£0	£384,000	£380,156.09	£3,843.91
Other Charges	£3,712,000	£0	£0	£3,712,000	£3,214,960.50	£497,039.50
TOTAL OFFICE OF THE DEPUTY CHIEF MINISTER	£4,096,000	£0	£0	£4,096,000	£3,595,116.59	£500,883.41

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
13 :- CIVIL AVIATION						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£107,000	£0	£0	£107,000	£107,740.00	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£0	£0	£0	£0	£0.00	
1(1)(c) Allowances	£0	£0	£0	£0	£0.00	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Gratuities	£27,000	£0	£0	£27,000	£26,765.25	
1(1)(f) Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Personal Emoluments	£135,000	£0	£0	£135,000	£134,505.25	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£135,000	£0	£0	£135,000	£134,505.25	£494.75
<u>OTHER CHARGES</u>						
<i>Running of Airport</i>						
2(1)(a) Contribution towards Aerodrome Running Expenses	£2,500,000	£0	£0	£2,500,000	£2,458,355.61	
2(1)(b) Contracted Services: Aviation Security	£82,000	£0	£0	£82,000	£81,399.96	
Total Running of Airport	£2,582,000	£0	£0	£2,582,000	£2,539,755.57	
2(2) General Expenses	£7,000	£0	£0	£7,000	£9,016.05	
Total	£7,000	£0	£0	£7,000	£9,016.05	
2(3) Regulatory Support	£96,000	£0	£0	£96,000	£99,152.58	
Total	£96,000	£0	£0	£96,000	£99,152.58	
2(4) Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES	£2,686,000	£0	£0	£2,686,000	£2,647,924.20	£38,075.80

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
13 :- CIVIL AVIATION						
13 :- CIVIL AVIATION						
SUMMARY						
Personal Emoluments	£135,000	£0	£0	£135,000	£134,505.25	£494.75
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£135,000	£0	£0	£135,000	£134,505.25	£494.75
Other Charges	£2,686,000	£0	£0	£2,686,000	£2,647,924.20	£38,075.80
TOTAL CIVIL AVIATION	£2,821,000	£0	£0	£2,821,000	£2,782,429.45	£38,570.55

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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14 :- ENVIRONMENT

PAYROLL

Personal Emoluments - Ministry

1(1)(a)	Salaries	£69,000	£0	£0	£69,000	£70,420.93
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Overtime

1(1)(b)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(1)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00
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1(1)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(b)(iv)	Discretionary	£15,000	£0	£0	£15,000	£12,046.09
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1(1)(c)	Allowances	£2,000	£0	£0	£2,000	£1,313.36
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1(1)(d)	Pension Contributions	£4,000	£0	£0	£4,000	£4,169.28
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Total Personal Emoluments - Ministry		£90,000	£0	£0	£90,000	£87,949.66
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Personal Emoluments - Environment

1(1)(e)	Salaries	£760,000	£0	£0	£760,000	£762,494.42
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Overtime

1(1)(f)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(1)(f)(ii)	Emergency	£0	£0	£0	£0	£0.00
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1(1)(f)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(f)(iv)	Discretionary	£40,000	£0	£0	£40,000	£42,014.68
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1(1)(g)	Allowances	£23,000	£0	£0	£23,000	£22,022.59
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1(1)(h)	Pension Contributions	£31,000	£0	£0	£31,000	£31,694.73
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Total Personal Emoluments - Environment		£854,000	£0	£0	£854,000	£858,226.42
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Personal Emoluments - Cemeteries

1(1)(i)	Salaries	£135,000	£0	£0	£135,000	£134,843.36
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Overtime

1(1)(j)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(1)(j)(ii)	Emergency	£0	£0	£0	£0	£0.00
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1(1)(j)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(j)(iv)	Discretionary	£110,000	£0	£80,410	£190,410	£195,299.21
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1(1)(k)	Allowances	£5,000	£0	£0	£5,000	£1,258.64
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1(1)(l)	Pension Contributions	£1,000	£0	£0	£1,000	£0.00
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Total Personal Emoluments - Cemeteries		£251,000	£0	£80,410	£331,410	£331,401.21
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Personal Emoluments - Cleansing Section

1(1)(m)	Salaries	£190,000	£0	£0	£190,000	£180,938.05
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Overtime

1(1)(n)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(1)(n)(ii)	Emergency	£0	£0	£0	£0	£0.00
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HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
14 :- ENVIRONMENT						
1(1)(n)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(n)(iv) Discretionary	£25,000	£0	£0	£25,000	£25,558.25	
1(1)(o) Allowances	£2,000	£0	£0	£2,000	£4,508.26	
1(1)(p) Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Personal Emoluments - Cleansing Section	£218,000	£0	£0	£218,000	£211,004.56	
Personal Emoluments - Enforcement						
1(1)(q) Salaries	£185,000	£0	£1,225	£186,225	£190,124.98	
Overtime						
1(1)(r)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(r)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(r)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(r)(iv) Discretionary	£60,000	£0	£8,650	£68,650	£68,647.34	
1(1)(s) Allowances	£20,000	£0	£0	£20,000	£19,206.47	
1(1)(t) Pension Contributions	£5,000	£0	£0	£5,000	£6,703.29	
Total Personal Emoluments - Enforcement	£270,000	£0	£9,875	£279,875	£284,682.08	
Industrial Wages - Cleansing Section						
1(2)(a) Basic Wages	£19,000	£0	£0	£19,000	£19,518.36	
Overtime						
1(2)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(2)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(2)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(b)(iv) Discretionary	£1,000	£0	£0	£1,000	£1,035.55	
1(2)(c) Allowances	£0	£0	£0	£0	£0.00	
1(2)(d) Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Industrial Wages - Cleansing Section	£21,000	£0	£0	£21,000	£20,553.91	
Industrial Wages - Cemeteries						
1(2)(e) Basic Wages	£216,000	£0	£940	£216,940	£217,969.01	
Overtime						
1(2)(f)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(2)(f)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(2)(f)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(f)(iv) Discretionary	£146,000	£0	£0	£146,000	£146,410.18	
1(2)(g) Allowances	£0	£0	£0	£0	£0.00	
1(2)(h) Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Industrial Wages - Cemeteries	£363,000	£0	£940	£363,940	£364,379.19	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
14 :- ENVIRONMENT						
Industrial Wages - Apes Management						
1(2)(i) Basic Wages	£47,000	£0	£0	£47,000	£48,006.74	
Overtime						
1(2)(j)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(2)(j)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(2)(j)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(j)(iv) Discretionary	£38,000	£0	£1,775	£39,775	£40,830.89	
1(2)(k) Allowances	£10,000	£0	£0	£10,000	£7,772.93	
1(2)(l) Pension Contributions	£8,000	£0	£0	£8,000	£8,161.48	
Total Industrial Wages - Apes Management	£103,000	£0	£1,775	£104,775	£104,772.04	
TOTAL PAYROLL	£2,170,000	£0	£93,000	£2,263,000	£2,262,969.07	£30.93

OTHER CHARGES

Office Expenses

2(1)(a)(i) General Expenses - Ministry	£10,000	£0	£0	£10,000	£12,568.98	
2(1)(a)(ii) General Expenses - Environment	£10,000	£0	£0	£10,000	£14,843.09	
2(1)(a)(iii) General Expenses - Enforcement	£40,000	£0	£0	£40,000	£40,590.06	
2(1)(a)(iv) General Expenses - Diving Section	£5,000	£0	£0	£5,000	£4,064.27	
2(1)(b) Electricity and Water	£3,000	£0	£0	£3,000	£2,819.33	
2(1)(c) Telephone Service	£35,000	£0	£0	£35,000	£30,590.95	
2(1)(d) Printing and Stationery	£10,000	£0	£0	£10,000	£9,950.30	
2(1)(e) Cleansing Section - Rent and Service Charges	£3,000	£0	£0	£3,000	£2,903.86	

Contracted Services

2(1)(f) Office Cleaning - Government Cleaning Scheme	£8,000	£0	£0	£8,000	£5,504.76	
2(1)(g) Maintenance of Air Conditioning Units	£3,000	£0	£0	£3,000	£384.92	
Total Office Expenses	£127,000	£0	£0	£127,000	£124,220.52	

2(2) Cemeteries Expenses	£17,000	£0	£0	£17,000	£17,090.18	
Total	£17,000	£0	£0	£17,000	£17,090.18	

Natural Environment and Animal Welfare

2(3)(a) Public Awareness Programme	£10,000	£0	£0	£10,000	£9,834.84	
2(3)(b) Upper Rock Maintenance	£216,000	£0	£0	£216,000	£173,460.72	
2(3)(c) Public Health	£15,000	£0	£0	£15,000	£10,085.25	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
14 :- ENVIRONMENT							
Contracted Services							
2(3)(d)	Environmental Health - Environmental Agency Ltd	£1,683,000	£0	£0	£1,683,000	£1,754,100.51	
2(3)(e)	Air Quality Monitoring - Environmental Agency Ltd	£418,000	£0	£0	£418,000	£462,890.91	
2(3)(f)	Natural History - Trust for Natural History and Helping Hand Trust	£40,000	£0	£0	£40,000	£38,067.77	
2(3)(g)(i)	Wildlife Ltd: Running of Alameda Gardens	£1,213,000	£0	£0	£1,213,000	£1,122,298.59	
2(3)(h)	Apes Management Expenses, Health Care and Food	£380,000	£0	£0	£380,000	£377,827.39	
2(3)(i)	Animal Welfare and Conservation - Animal Welfare Centre	£156,000	£0	£0	£156,000	£112,379.40	
2(3)(j)	Control of Seagulls	£230,000	£0	£0	£230,000	£230,730.95	
2(3)(k)	Surveillance, Monitoring and Other Compliance with Environmental Directives	£295,000	£0	£0	£295,000	£294,519.81	
2(3)(l)	Automated Public Toilets - Call Centre Charges	£6,000	£0	£0	£6,000	£5,400.00	
2(3)(m)	Obligations under Radiation Regulations 2004	£10,000	£0	£0	£10,000	£10,528.00	
2(3)(n)	Conservation Measures	£15,000	£0	£0	£15,000	£12,819.31	
2(3)(o)	Environmental Security Services	£150,000	£0	£0	£150,000	£77,995.23	
2(3)(p)	ICCAT, Waste and Other Associated Costs	£116,000	£0	£0	£116,000	£118,731.31	
2(3)(q)	Upkeep of Cemeteries - Greenarc Ltd	£105,000	£0	£0	£105,000	£104,898.00	
Total Natural Environment and Animal Welfare		£5,058,000	£0	£0	£5,058,000	£4,916,567.99	
Public Highways - Cleansing and Plants							
2(4)(a)	Protective Clothing	£4,000	£0	£0	£4,000	£4,433.65	
2(4)(b)	Litter Control and Cleaning Expenses	£1,000	£0	£0	£1,000	£0.00	
2(4)(c)	Upkeep of Public Places - Materials and Sundry Costs	£85,000	£0	£0	£85,000	£91,030.68	
Contracted Services							
2(4)(d)	Cleaning of Streets and Public Places	£5,500,000	£0	£572,260	£6,072,260	£6,099,176.03	
2(4)(e)	Upkeep of Planted Areas	£742,000	£0	£0	£742,000	£739,806.48	
2(4)(f)	Commonwealth Park	£300,000	£0	£0	£300,000	£269,802.90	
Total Public Highways - Cleansing and Plants		£6,632,000	£0	£572,260	£7,204,260	£7,204,249.74	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
14 :- ENVIRONMENT							
2(5)	Contribution to Gibraltar Development Corporation - Staff Services	£306,000	£0	£0	£306,000	£305,223.02	
Total		£306,000	£0	£0	£306,000	£305,223.02	
2(6)	Relief Cover	£1,000	£0	£0	£1,000	£6,072.09	
Total		£1,000	£0	£0	£1,000	£6,072.09	
2(7)	Contract Officer	£0	£0	£0	£0	£98,426.81	
Total		£0	£0	£0	£0	£98,426.81	
2(8)	Secondment	£0	£0	£34,240	£34,240	£75,616.99	
Total		£0	£0	£34,240	£34,240	£75,616.99	
TOTAL OTHER CHARGES		£12,141,000	£0	£606,500	£12,747,500	£12,747,467.34	£32.66

14 :- ENVIRONMENT

SUMMARY

Personal Emoluments	£1,683,000	£0	£90,285	£1,773,285	£1,773,263.93	£21.07
Industrial Wages	£487,000	£0	£2,715	£489,715	£489,705.14	£9.86
Total Payroll	£2,170,000	£0	£93,000	£2,263,000	£2,262,969.07	£30.93
Other Charges	£12,141,000	£0	£606,500	£12,747,500	£12,747,467.34	£32.66
TOTAL ENVIRONMENT	£14,311,000	£0	£699,500	£15,010,500	£15,010,436.41	£63.59

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
15 :- UTILITIES						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£0	£0	£0	£0	£0.00	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00
<u>OTHER CHARGES</u>						
<i>Electricity - Contributions from the Consolidated Fund to the Gibraltar Electricity Authority</i>						
2(1)(a) Contribution from Revenues Received	£27,851,000	£0	£0	£27,851,000	£27,512,344.78	
2(1)(b) Contribution from Revenues Received - Commercial Works	£3,800,000	£0	£640,900	£4,440,900	£4,813,229.04	
2(1)(c) Additional Contribution	£16,952,000	£0	£3,415,000	£20,367,000	£20,367,000.00	
Total Electricity - Contributions from the Consolidated Fund to the Gibraltar Electricity Authority	£48,603,000	£0	£4,055,900	£52,658,900	£52,692,573.82	
2(2) Public Lighting	£275,000	£0	£0	£275,000	£253,179.69	
Total	£275,000	£0	£0	£275,000	£253,179.69	
<i>Water</i>						
2(3) Contribution in Lieu of Water Tariff Increases - AquaGib Ltd	£231,000	£0	£0	£231,000	£238,368.10	
Total Water	£231,000	£0	£0	£231,000	£238,368.10	
2(4)(a) Salt Water System: Contract - AquaGib Ltd	£5,800,000	£0	£0	£5,800,000	£5,785,762.66	
2(4)(b) Salt Water System: Additional Maintenance Charges	£5,000	£0	£0	£5,000	£0.00	
Total	£5,805,000	£0	£0	£5,805,000	£5,785,762.66	
TOTAL OTHER CHARGES	£54,914,000	£0	£4,055,900	£58,969,900	£58,969,884.27	£15.73

15 :- UTILITIES

SUMMARY

Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£54,914,000	£0	£4,055,900	£58,969,900	£58,969,884.27	£15.73
TOTAL UTILITIES	£54,914,000	£0	£4,055,900	£58,969,900	£58,969,884.27	£15.73

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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16 :- COLLECTION AND DISPOSAL OF REFUSE

PAYROLL

Personal Emoluments

1(1)	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£0	£0	£0	£0	£0.00	
Industrial Wages						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00

OTHER CHARGES

Refuse Services - Collection Services provided by Gibraltar Industrial Cleaners Ltd

2(1)(a)(i) Wages	£1,950,000	£0	£0	£1,950,000	£1,888,476.23	
2(1)(a)(ii) Overtime	£600,000	£0	£0	£600,000	£834,379.91	
2(1)(a)(iii) Allowances	£73,000	£0	£0	£73,000	£66,212.35	
2(1)(a)(iv) Employer's Contributions	£371,000	£0	£0	£371,000	£377,978.58	
2(1)(a)(v) Other Costs	£155,000	£0	£0	£155,000	£127,413.53	
Total Refuse Services - Collection Services provided by Gibraltar Industrial Cleaners Ltd	£3,149,000	£0	£0	£3,149,000	£3,294,460.60	

Refuse Disposal - Contracted Services

2(1)(b)(i) Disposal of Refuse	£1,685,000	£0	£0	£1,685,000	£1,539,449.79	
2(1)(b)(ii) Disposal of Other Items	£1,820,000	£0	£0	£1,820,000	£1,675,646.74	
Total Refuse Disposal - Contracted Services	£3,505,000	£0	£0	£3,505,000	£3,215,096.53	
TOTAL OTHER CHARGES	£6,654,000	£0	£0	£6,654,000	£6,509,557.13	£144,442.87

16 :- COLLECTION AND DISPOSAL OF REFUSE

SUMMARY

Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£6,654,000	£0	£0	£6,654,000	£6,509,557.13	£144,442.87
TOTAL COLLECTION AND DISPOSAL OF REFUSE	£6,654,000	£0	£0	£6,654,000	£6,509,557.13	£144,442.87

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
17 :- UPPER ROCK TOURIST SITES AND BEACHES						
<u>PAYROLL</u>						
<i>Personal Emoluments - Sites</i>						
1(1)(a) Salaries	£927,000	£0	(£16,925)	£910,075	£905,446.61	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£275,000	£0	(£32,785)	£242,215	£241,960.26	
1(1)(c) Allowances	£127,000	£0	(£10,685)	£116,315	£114,614.81	
1(1)(d) Temporary Assistance	£400,000	£0	(£56,135)	£343,865	£343,861.04	
1(1)(e) Pension Contributions	£157,000	£0	(£26,285)	£130,715	£129,763.83	
Total Personal Emoluments - Sites	£1,886,000	£0	(£142,815)	£1,743,185	£1,735,646.55	
<i>Personal Emoluments - Upper Rock and Beaches Department</i>						
1(1)(f) Salaries	£262,000	£0	£0	£262,000	£244,837.23	
<i>Overtime</i>						
1(1)(g)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(g)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(g)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(g)(iv) Discretionary	£44,000	£0	£0	£44,000	£35,812.99	
1(1)(h) Allowances	£12,000	£0	£0	£12,000	£5,555.03	
1(1)(i) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(j) Pension Contributions	£45,000	£0	£0	£45,000	£41,411.32	
Total Personal Emoluments - Upper Rock and Beaches Department	£363,000	£0	£0	£363,000	£327,616.57	
<i>Industrial Wages - Sites</i>						
1(2)(a) Basic Wages	£171,000	£0	£0	£171,000	£168,687.33	
<i>Overtime</i>						
1(2)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(2)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(2)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(b)(iv) Discretionary	£80,000	£0	(£5,911)	£74,089	£68,288.12	
1(2)(c) Allowances	£9,000	£0	(£523)	£8,477	£8,476.43	
1(2)(d) Pension Contributions	£28,000	£0	(£2,335)	£25,665	£24,718.62	
Total Industrial Wages - Sites	£288,000	£0	(£8,769)	£279,231	£270,170.50	
TOTAL PAYROLL	£2,537,000	£0	(£151,584)	£2,385,416	£2,333,433.62	£51,982.38

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
17 :- UPPER ROCK TOURIST SITES AND BEACHES						
OTHER CHARGES						
Office Expenses - Sites						
2(1)(a) General Expenses	£5,000	£0	£5,130	£10,130	£10,129.28	
2(1)(b) Electricity and Water	£40,000	£0	£0	£40,000	£41,889.41	
2(1)(c) Telephone Service	£10,000	£0	£16,135	£26,135	£26,134.55	
2(1)(d) Printing and Stationery	£12,000	£0	£10,685	£22,685	£22,683.00	
Contracted Services						
2(1)(e) Office Cleaning - Government Cleaning Scheme	£15,000	£0	£0	£15,000	£12,237.19	
2(1)(f) Security Services CCTV	£3,000	£0	£3,222	£6,222	£6,993.04	
2(1)(g) Upkeep of Plants	£2,000	£0	£0	£2,000	£2,100.00	
Total Office Expenses - Sites	£87,000	£0	£35,172	£122,172	£122,166.47	
Operational Expenses						
2(2)(a) Transport Expenses	£4,000	£0	£3,827	£7,827	£7,826.33	
2(2)(b) Repairs and Maintenance	£60,000	£0	£77,290	£137,290	£137,289.41	
2(2)(c) Uniforms	£12,000	£0	£0	£12,000	£12,031.21	
Total Operational Expenses	£76,000	£0	£81,117	£157,117	£157,146.95	
Contribution to Gibraltar Development Corporation						
2(3)(a) Staff Services	£435,000	£0	£32,785	£467,785	£499,989.99	
2(3)(b) Temporary Assistance	£305,000	£0	£0	£305,000	£272,792.26	
Total Contribution to Gibraltar Development Corporation	£740,000	£0	£32,785	£772,785	£772,782.25	
2(4) Contracted Services: Site Security	£180,000	£0	£0	£180,000	£165,649.74	
Total	£180,000	£0	£0	£180,000	£165,649.74	
Operational Expenses - Beaches Expenses						
2(5)(a) General Expenses	£12,000	£0	£0	£12,000	£15,636.26	
2(5)(b) Telephone Service	£2,000	£0	£0	£2,000	£669.00	
2(5)(c) Uniforms	£5,000	£0	£0	£5,000	£4,975.13	
2(5)(d) Training	£13,000	£0	£0	£13,000	£10,292.75	
2(5)(e) Vehicle Expenses	£5,000	£0	£0	£5,000	£10,600.22	
2(5)(f) Repairs and Maintenance	£10,000	£0	£0	£10,000	£18,254.38	
Total Operational Expenses - Beaches Expenses	£47,000	£0	£0	£47,000	£60,427.74	
GASA Bathing Pavilion						
2(6)(a) General Expenses	£15,000	£0	£0	£15,000	£14,729.51	
Total GASA Bathing Pavilion	£15,000	£0	£0	£15,000	£14,729.51	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
17 :- UPPER ROCK TOURIST SITES AND BEACHES							
2(7)	Secondment	£25,000	£0	£1,720	£26,720	£28,874.40	
Total		£25,000	£0	£1,720	£26,720	£28,874.40	
2(8)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(9)	Losses of Public Funds	£0	£0	£790	£790	£789.89	
Total		£0	£0	£790	£790	£789.89	
TOTAL OTHER CHARGES		£1,171,000	£0	£151,584	£1,322,584	£1,322,566.95	£17.05

17 :- UPPER ROCK TOURIST SITES AND BEACHES

SUMMARY

Personal Emoluments	£2,249,000	£0	(£142,815)	£2,106,185	£2,063,263.12	£42,921.88
Industrial Wages	£288,000	£0	(£8,769)	£279,231	£270,170.50	£9,060.50
Total Payroll	£2,537,000	£0	(£151,584)	£2,385,416	£2,333,433.62	£51,982.38
Other Charges	£1,171,000	£0	£151,584	£1,322,584	£1,322,566.95	£17.05
TOTAL UPPER ROCK TOURIST SITES AND BEACHES	£3,708,000	£0	£0	£3,708,000	£3,656,000.57	£51,999.43

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
18 :- EDUCATION						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£21,600,000	£0	£0	£21,600,000	£21,271,366.86	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£40,000	£0	£0	£40,000	£31,756.55	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£13,000	£0	£0	£13,000	£10,681.70	
1(1)(c) Allowances	£170,000	£0	£0	£170,000	£223,249.80	
<i>Temporary Assistance</i>						
1(1)(d)(i) Specialists	£500,000	£0	£0	£500,000	£617,622.47	
1(1)(d)(ii) Special Needs Learning Support Assistants	£600,000	£0	£0	£600,000	£845,273.28	
1(1)(d)(iii) Cover for Maternity/Parternity	£900,000	£0	£0	£900,000	£731,183.90	
1(1)(d)(iv) Temporary Cover	£1,385,000	£0	£580	£1,385,580	£1,601,002.54	
1(1)(d)(v) Prison Enterprise	£10,000	£0	£0	£10,000	£5,062.11	
1(1)(e) Adult Education	£110,000	£0	£0	£110,000	£107,500.95	
1(1)(f) Pension Contributions	£850,000	£0	£0	£850,000	£945,228.10	
Total Personal Emoluments	£26,178,000	£0	£580	£26,178,580	£26,389,928.26	
<i>Industrial Wages</i>						
1(2)(a) Basic Wages	£2,600,000	£0	£0	£2,600,000	£2,391,553.98	
<i>Overtime</i>						
1(2)(b)(i) Conditioned	£130,000	£0	£0	£130,000	£129,208.51	
1(2)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(2)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(b)(iv) Discretionary	£25,000	£0	£0	£25,000	£27,819.51	
1(2)(c) Allowances	£33,000	£0	£0	£33,000	£30,681.75	
1(2)(d) Pension Contributions	£150,000	£0	£0	£150,000	£147,376.25	
Total Industrial Wages	£2,938,000	£0	£0	£2,938,000	£2,726,640.00	
TOTAL PAYROLL	£29,116,000	£0	£580	£29,116,580	£29,116,568.26	£11.74
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£6,000	£0	£0	£6,000	£5,744.61	
2(1)(b) Electricity and Water	£6,000	£0	£0	£6,000	£5,783.32	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
18 :- EDUCATION							
2(1)(c)	Telephone Service	£21,000	£0	£0	£21,000	£20,453.04	
2(1)(d)	Printing and Stationery	£7,000	£0	£0	£7,000	£6,987.28	
2(1)(e)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£23,000	£0	£0	£23,000	£22,833.00	
Total Office Expenses		£63,000	£0	£0	£63,000	£61,801.25	
School Expenses							
2(2)(a)	Electricity and Water	£275,000	£0	£0	£275,000	£256,833.81	
2(2)(b)	Telephone Service	£85,000	£0	£0	£85,000	£79,155.66	
2(2)(c)	Refreshments in Schools	£24,000	£0	£0	£24,000	£26,810.92	
2(2)(d)	Books and Equipment	£1,100,000	£0	£0	£1,100,000	£1,067,763.79	
2(2)(e)	Visits of School Children from Abroad	£1,000	£0	£0	£1,000	£0.00	
2(2)(f)	Examination Expenses	£400,000	£0	£0	£400,000	£495,743.55	
2(2)(g)	Educational Field Trips	£110,000	£0	£0	£110,000	£125,681.98	
2(2)(h)	Transport of School Children	£81,000	£0	£0	£81,000	£88,922.90	
2(2)(i)	In-Service Education	£70,000	£0	£0	£70,000	£65,794.34	
2(2)(j)	Cleaning Materials and Sundry Expenses	£105,000	£0	£0	£105,000	£105,470.08	
2(2)(k)	Information Technology Equipment - Insurance	£7,000	£0	£0	£7,000	£6,977.00	
Contracted Services							
2(2)(l)	School Lunch Supervision	£1,024,000	£0	£0	£1,024,000	£1,057,996.76	
2(2)(m)	Electrical Services - Gibraltar Electricity Authority	£322,000	£0	£0	£322,000	£291,299.53	
2(2)(n)	Lift Maintenance	£24,000	£0	£0	£24,000	£22,475.13	
2(2)(o)	Intruder Alarm	£18,000	£0	£0	£18,000	£27,566.25	
Special Needs							
2(2)(p)(i)	Assistance to Pupils	£36,000	£0	£0	£36,000	£28,023.83	
2(2)(p)(ii)	Maintenance of Equipment	£6,000	£0	£0	£6,000	£5,755.00	
2(2)(q)	Hot Lunches for Schools	£1,000	£0	£0	£1,000	£0.00	
2(2)(r)	Electronic Data Communication	£74,000	£0	£0	£74,000	£74,100.00	
Total School Expenses		£3,763,000	£0	£0	£3,763,000	£3,826,370.53	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
18 :- EDUCATION							
<i>Bleak House Expenses</i>							
2(3)(a)	General Expenses	£10,000	£0	£0	£10,000	£9,524.32	
2(3)(b)	Electricity and Water	£4,000	£0	£0	£4,000	£2,312.56	
2(3)(c)	Telephone Service	£3,000	£0	£0	£3,000	£2,364.92	
2(3)(d)	Printing and Stationery	£2,000	£0	£0	£2,000	£1,925.40	
Total Bleak House Expenses		£19,000	£0	£0	£19,000	£16,127.20	
2(4)	Gibraltar College	£50,000	£0	£0	£50,000	£37,788.18	
Total		£50,000	£0	£0	£50,000	£37,788.18	
<i>Scholarships</i>							
2(5)(a)	Mandatory	£17,846,000	£0	£0	£17,846,000	£15,568,918.43	
2(5)(b)	Discretionary	£878,000	£0	£0	£878,000	£959,165.17	
Total Scholarships		£18,724,000	£0	£0	£18,724,000	£16,528,083.60	
2(6)	Teachers' Centre Running Expenses	£6,000	£0	£0	£6,000	£5,583.62	
Total		£6,000	£0	£0	£6,000	£5,583.62	
2(7)	Teacher Training Expenses	£50,000	£0	£0	£50,000	£51,506.76	
Total		£50,000	£0	£0	£50,000	£51,506.76	
2(8)	Special Education Abroad	£34,000	£0	£0	£34,000	£16,572.51	
Total		£34,000	£0	£0	£34,000	£16,572.51	
2(9)	Nurseries	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(10)	Training and Development Courses	£450,000	£0	£0	£450,000	£448,080.17	
Total		£450,000	£0	£0	£450,000	£448,080.17	
2(11)	Contract Officers	£80,000	£0	£0	£80,000	£0.00	
Total		£80,000	£0	£0	£80,000	£0.00	
2(12)	Student Support	£15,000	£0	£0	£15,000	£13,624.45	
Total		£15,000	£0	£0	£15,000	£13,624.45	
2(13)	Postage Expenses	£5,000	£0	£0	£5,000	£4,421.64	
Total		£5,000	£0	£0	£5,000	£4,421.64	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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18 :- EDUCATION

2(14)	Project Search	£2,000	£0	(£580)	£1,420	£0.00
Total		£2,000	£0	(£580)	£1,420	£0.00
2(15)	Contribution to Gibraltar Development Corporation - Staff Services	£66,000	£0	£0	£66,000	£78,358.80
Total		£66,000	£0	£0	£66,000	£78,358.80
2(16)	Relief Cover	£51,000	£0	£0	£51,000	£30,447.94
Total		£51,000	£0	£0	£51,000	£30,447.94
2(17)	Ex-Gratia Payments	£0	£0	£0	£0	£25.00
Total		£0	£0	£0	£0	£25.00
TOTAL OTHER CHARGES		£23,379,000	£0	(£580)	£23,378,420	£21,118,791.65
£2,259,628.35						
18 :- EDUCATION SUMMARY						
Personal Emoluments	£26,178,000	£0	£580	£26,178,580	£26,389,928.26	(£211,348.26)
Industrial Wages	£2,938,000	£0	£0	£2,938,000	£2,726,640.00	£211,360.00
Total Payroll	£29,116,000	£0	£580	£29,116,580	£29,116,568.26	£11.74
Other Charges	£23,379,000	£0	(£580)	£23,378,420	£21,118,791.65	£2,259,628.35
TOTAL EDUCATION	£52,495,000	£0	£0	£52,495,000	£50,235,359.91	£2,259,640.09

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
19 :- HERITAGE						
<u>PAYROLL</u>						
<i>Personal Emoluments - Heritage</i>						
1(1)(a) Salaries	£43,000	£0	£21,600	£64,600	£67,993.74	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£3,000	£0	£0	£3,000	£708.78	
1(1)(c) Allowances	£2,000	£0	£0	£2,000	£879.39	
1(1)(d) Pension Contributions	£6,000	£0	£0	£6,000	£6,015.12	
Total Personal Emoluments - Heritage	£54,000	£0	£21,600	£75,600	£75,597.03	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£54,000	£0	£21,600	£75,600	£75,597.03	£2.97
<u>OTHER CHARGES</u>						
<i>Office Expenses - Ministry</i>						
2(1)(a) General Expenses	£2,000	£0	£0	£2,000	£2,051.22	
2(1)(b) Printing and Stationery	£1,000	£0	£0	£1,000	£886.59	
Total Office Expenses - Ministry	£3,000	£0	£0	£3,000	£2,937.81	
<i>Heritage Expenses and Activities</i>						
2(2)(a) Gibraltar Heritage Trust Grant	£103,000	£0	£0	£103,000	£104,190.00	
2(2)(b) Garrison Library Trust	£230,000	£0	£1,640	£231,640	£234,763.42	
Total Heritage Expenses and Activities	£333,000	£0	£1,640	£334,640	£338,953.42	
2(3) Maintenance of Monuments and Heritage Sites	£20,000	£0	£0	£20,000	£19,961.10	
Total	£20,000	£0	£0	£20,000	£19,961.10	
2(4) Contribution to Gibraltar Development Corporation - Staff Services	£70,000	£0	£0	£70,000	£68,793.02	
Total	£70,000	£0	£0	£70,000	£68,793.02	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
19 :- HERITAGE							
2(5)	Contracted Services - Heritage	£1,095,000	£0	£91,410	£1,186,410	£1,186,407.78	
Total		£1,095,000	£0	£91,410	£1,186,410	£1,186,407.78	
2(6)	World Heritage Site Expenses	£50,000	£0	£0	£50,000	£47,989.98	
Total		£50,000	£0	£0	£50,000	£47,989.98	
2(7)	Re-enactment Society	£23,000	£0	£0	£23,000	£23,000.00	
Total		£23,000	£0	£0	£23,000	£23,000.00	
2(8)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES		£1,595,000	£0	£93,050	£1,688,050	£1,688,043.11	£6.89

19 :- HERITAGE

SUMMARY

Personal Emoluments	£54,000	£0	£21,600	£75,600	£75,597.03	£2.97
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£54,000	£0	£21,600	£75,600	£75,597.03	£2.97
Other Charges	£1,595,000	£0	£93,050	£1,688,050	£1,688,043.11	£6.89
TOTAL HERITAGE	£1,649,000	£0	£114,650	£1,763,650	£1,763,640.14	£9.86

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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20 :- TECHNICAL SERVICES

PAYROLL

Personal Emoluments - General

1(1)(a)	Salaries	£552,000	£0	£0	£552,000	£514,352.70
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Overtime

1(1)(b)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(1)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00
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1(1)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(b)(iv)	Discretionary	£29,000	£0	£0	£29,000	£15,724.08
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1(1)(c)	Allowances	£12,000	£0	£0	£12,000	£6,987.12
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1(1)(d)	Temporary Assistance	£3,000	£0	£0	£3,000	£0.00
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1(1)(e)	Pension Contributions	£12,000	£0	£0	£12,000	£7,117.39
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Total Personal Emoluments - General		£608,000	£0	£0	£608,000	£544,181.29
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Personal Emoluments - Engineering and Design

1(1)(f)	Salaries	£760,000	£0	£0	£760,000	£720,280.56
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Overtime

1(1)(g)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(1)(g)(ii)	Emergency	£1,000	£0	£0	£1,000	£20,927.20
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1(1)(g)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(g)(iv)	Discretionary	£50,000	£0	£0	£50,000	£87,743.98
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1(1)(h)	Allowances	£20,000	£0	£0	£20,000	£52,490.87
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1(1)(i)	Temporary Assistance	£1,000	£0	£0	£1,000	£0.00
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1(1)(j)	Pension Contributions	£25,000	£0	£0	£25,000	£19,905.93
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Total Personal Emoluments - Engineering and Design		£857,000	£0	£0	£857,000	£901,348.54
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Personal Emoluments - Highways

1(1)(k)	Salaries	£324,000	£0	£0	£324,000	£287,926.11
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Overtime

1(1)(l)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(1)(l)(ii)	Emergency	£1,000	£0	£0	£1,000	£20,947.01
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1(1)(l)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(l)(iv)	Discretionary	£20,000	£0	£0	£20,000	£16,994.29
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1(1)(m)	Allowances	£18,000	£0	£0	£18,000	£28,202.85
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HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
20 :- TECHNICAL SERVICES							
1(1)(n)	Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(o)	Pension Contributions	£13,000	£0	£0	£13,000	£11,932.50	
Total Personal Emoluments - Highways		£376,000	£0	£0	£376,000	£366,002.76	
Personal Emoluments - Sewers							
1(1)(p)	Salaries	£370,000	£0	£0	£370,000	£341,425.55	
Overtime							
1(1)(q)(i)	Conditioned	£0	£0	£0	£0	£0.00	
1(1)(q)(ii)	Emergency	£1,000	£0	£1,530	£2,530	£72,937.48	
1(1)(q)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(q)(iv)	Discretionary	£50,000	£0	£0	£50,000	£34,983.69	
1(1)(r)	Allowances	£42,000	£0	£0	£42,000	£47,880.88	
1(1)(s)	Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(t)	Pension Contributions	£8,000	£0	£0	£8,000	£6,369.56	
Total Personal Emoluments - Sewers		£471,000	£0	£1,530	£472,530	£503,597.16	
Industrial Wages - Engineering and Design							
1(2)(a)	Basic Wages	£20,000	£0	£0	£20,000	£19,518.36	
Overtime							
1(2)(b)(i)	Conditioned	£0	£0	£0	£0	£0.00	
1(2)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00	
1(2)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(b)(iv)	Discretionary	£1,000	£0	£0	£1,000	£865.39	
1(2)(c)	Allowances	£0	£0	£0	£0	£0.00	
1(2)(d)	Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Industrial Wages - Engineering and Design		£22,000	£0	£0	£22,000	£20,383.75	
TOTAL PAYROLL		£2,334,000	£0	£1,530	£2,335,530	£2,335,513.50	£16.50

OTHER CHARGES

Office Expenses

2(1)(a)	General Expenses	£15,000	£0	£0	£15,000	£12,432.50	
2(1)(b)	Electricity and Water	£15,000	£0	£0	£15,000	£10,635.78	
2(1)(c)	Telephone Service	£32,000	£0	£0	£32,000	£28,568.40	
2(1)(d)	Printing and Stationery	£4,000	£0	£0	£4,000	£2,325.51	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
20 :- TECHNICAL SERVICES						
2(1)(e) Rent and Services Charges	£11,000	£0	£0	£11,000	£10,296.34	
Contracted Services						
2(1)(f) Office Cleaning - Government Cleaning Scheme	£50,000	£0	£0	£50,000	£48,474.85	
2(1)(g) Payroll Services	£0	£0	£0	£0	£0.00	
Total Office Expenses	£127,000	£0	£0	£127,000	£112,733.38	
Operational Expenses						
2(2)(a) Protective Clothing	£8,000	£0	£0	£8,000	£6,028.72	
2(2)(b) Office Equipment and Drawing Materials	£6,000	£0	£0	£6,000	£4,507.39	
2(2)(c) Computer Running Expenses	£10,000	£0	£0	£10,000	£9,459.64	
2(2)(d) Materials Laboratory	£7,000	£0	£0	£7,000	£5,910.00	
Garages and Workshops						
2(2)(e)(i) Electricity and Water	£15,000	£0	£0	£15,000	£9,177.06	
2(2)(e)(ii) Telephone Service	£4,000	£0	£0	£4,000	£3,788.98	
2(2)(e)(iii) Cleaning Services	£24,000	£0	£0	£24,000	£26,731.89	
2(2)(e)(iv) Fuel and Lubricants	£200,000	£0	£26,790	£226,790	£226,787.13	
2(2)(e)(v) Materials and Outsourcing of Mechanical Works	£200,000	£0	£0	£200,000	£204,474.64	
2(2)(e)(vi) Other Costs	£10,000	£0	£0	£10,000	£14,151.98	
2(2)(f) Highways Inspectorate	£4,000	£0	£0	£4,000	£2,893.05	
2(2)(g) Sewers Inspectorate	£4,000	£0	£0	£4,000	£3,669.55	
2(2)(h) Maintenance of Public Clocks	£7,000	£0	£0	£7,000	£7,389.83	
2(2)(i) Contracted Service: Cleaning of Street Gullies	£120,000	£0	£0	£120,000	£124,250.00	
Total Operational Expenses	£619,000	£0	£26,790	£645,790	£649,219.86	
Services provided by Gibraltar Mechanical and Electrical Services Ltd						
2(3)(a) Salaries	£140,000	£0	£0	£140,000	£139,275.64	
2(3)(b) Wages	£250,000	£0	£4,150	£254,150	£261,311.30	
2(3)(c) Overtime	£230,000	£0	£0	£230,000	£231,557.33	
2(3)(d) Allowances	£29,000	£0	£0	£29,000	£31,391.98	
2(3)(e) Employer's Contribution	£35,000	£0	£0	£35,000	£33,995.15	
2(3)(f) Bonus Payments	£5,000	£0	£0	£5,000	£2,000.00	
Total Services provided by Gibraltar Mechanical and Electrical Services Ltd	£689,000	£0	£4,150	£693,150	£699,531.40	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
20 :- TECHNICAL SERVICES						
2(4) Compensation and Legal Costs	£1,000	£0	£0	£1,000	£6,430.00	
Total	£1,000	£0	£0	£1,000	£6,430.00	
2(5) Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES	£1,437,000	£0	£30,940	£1,467,940	£1,467,914.64	£25.36

20 :- TECHNICAL SERVICES

SUMMARY

Personal Emoluments	£2,312,000	£0	£1,530	£2,313,530	£2,315,129.75	(£1,599.75)
Industrial Wages	£22,000	£0	£0	£22,000	£20,383.75	£1,616.25
Total Payroll	£2,334,000	£0	£1,530	£2,335,530	£2,335,513.50	£16.50
Other Charges	£1,437,000	£0	£30,940	£1,467,940	£1,467,914.64	£25.36
TOTAL TECHNICAL SERVICES	£3,771,000	£0	£32,470	£3,803,470	£3,803,428.14	£41.86

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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21 :- DRIVER AND VEHICLE LICENSING

PAYROLL

Personal Emoluments

1(1)(a)	Salaries	£756,000	£0	(£21,680)	£734,320	£636,407.47
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Overtime

1(1)(b)(i)	Conditioned	£0	£0	£0	£0	£0.00
1(1)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00
1(1)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
1(1)(b)(iv)	Discretionary	£60,000	£0	£0	£60,000	£54,425.06
1(1)(c)	Allowances	£20,000	£0	£0	£20,000	£16,896.80
1(1)(d)	Pension Contributions	£30,000	£0	£0	£30,000	£26,178.87

Total Personal Emoluments		£866,000	£0	(£21,680)	£844,320	£733,908.20
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Industrial Wages

1(2)		£0	£0	£0	£0	£0.00
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Total Industrial Wages		£0	£0	£0	£0	£0.00
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TOTAL PAYROLL		£866,000	£0	(£21,680)	£844,320	£733,908.20	£110,411.80
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OTHER CHARGES

Office Expenses

2(1)(a)	General Expenses	£7,000	£0	£0	£7,000	£4,441.38
2(1)(b)	Electricity and Water	£11,000	£0	£0	£11,000	£9,374.66
2(1)(c)	Telephone Service	£10,000	£0	£0	£10,000	£8,055.40
2(1)(d)	Printing and Stationery	£20,000	£0	£0	£20,000	£27,257.26
2(1)(e)	Certificate of Professional Competence	£15,000	£0	£0	£15,000	£11,298.00
2(1)(f)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£20,000	£0	£0	£20,000	£20,340.80

Total Office Expenses		£83,000	£0	£0	£83,000	£80,767.50
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Operational Expenses

2(2)(a)	Repairs and Maintenance	£12,000	£0	£0	£12,000	£6,350.11
2(2)(b)	Uniforms	£6,000	£0	£0	£6,000	£5,382.15
2(2)(c)	Driving Licences	£13,000	£0	£17,080	£30,080	£36,893.93
2(2)(d)	Membership Fees - European Licensing Authorities	£5,000	£0	£0	£5,000	£7,105.36
2(2)(e)	Professional Fees	£2,000	£0	£0	£2,000	£1,440.00
2(2)(f)	Postage Expenses	£5,000	£0	£0	£5,000	£2,870.20

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
21 :- DRIVER AND VEHICLE LICENSING							
2(2)(g)	Blue Badge Scheme	£1,000	£0	£0	£1,000	£2,027.70	
2(2)(h)	IT Programming Expenses	£1,000	£0	£0	£1,000	£0.00	
Total Operational Expenses		£45,000	£0	£17,080	£62,080	£62,069.45	
2(3)	Training and Related Expenses	£3,000	£0	£0	£3,000	£573.00	
Total		£3,000	£0	£0	£3,000	£573.00	
2(4)	Road Safety Campaign Expenses	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(5)	Incentive Scheme - Importation of Hybrid Vehicles	£50,000	£0	£0	£50,000	£41,900.00	
Total		£50,000	£0	£0	£50,000	£41,900.00	
2(6)	Tachograph Cards	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
Contribution to Gibraltar Development Corporation - Staff Services							
2(7)(a)	Main Office	£48,000	£0	£4,600	£52,600	£57,564.72	
2(7)(b)	Transport Inspectors	£549,000	£0	£0	£549,000	£551,798.60	
Total Contribution to Gibraltar Development Corporation - Staff Services		£597,000	£0	£4,600	£601,600	£609,363.32	
2(8)	Supply Driving and Vehicle Examiners	£32,000	£0	£0	£32,000	£38,597.37	
Total		£32,000	£0	£0	£32,000	£38,597.37	
2(9)	Consultancy Service	£50,000	£0	£0	£50,000	£49,999.92	
Total		£50,000	£0	£0	£50,000	£49,999.92	
2(10)	E-Reg Conference	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(11)	Relief Cover	£47,000	£0	£0	£47,000	£48,344.15	
Total		£47,000	£0	£0	£47,000	£48,344.15	
2(12)	Losses of Public Funds	£0	£0	£0	£0	£36.50	
Total		£0	£0	£0	£0	£36.50	
TOTAL OTHER CHARGES		£910,000	£0	£21,680	£931,680	£931,651.21	£28.79

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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21 :- DRIVER AND VEHICLE LICENSING

21 :- DRIVER AND VEHICLE LICENSING

SUMMARY

Personal Emoluments	£866,000	£0	(£21,680)	£844,320	£733,908.20	£110,411.80
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£866,000	£0	(£21,680)	£844,320	£733,908.20	£110,411.80
Other Charges	£910,000	£0	£21,680	£931,680	£931,651.21	£28.79
TOTAL DRIVER AND VEHICLE LICENSING	£1,776,000	£0	£0	£1,776,000	£1,665,559.41	£110,440.59

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
22 :- TOWN PLANNING AND BUILDING CONTROL						
<u>PAYROLL</u>						
<i>Personal Emoluments - Ministry</i>						
1(1)(a) Salaries	£251,000	£0	£0	£251,000	£192,270.80	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£25,000	£0	£0	£25,000	£24,213.65	
1(1)(c) Allowances	£5,000	£0	£0	£5,000	£6,435.45	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£11,000	£0	£0	£11,000	£7,983.34	
Total Personal Emoluments - Ministry	£292,000	£0	£0	£292,000	£230,903.24	
<i>Personal Emoluments - General</i>						
1(1)(f) Salaries	£680,000	£0	£0	£680,000	£726,311.00	
<i>Overtime</i>						
1(1)(g)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(g)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(g)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(g)(iv) Discretionary	£60,000	£0	£0	£60,000	£52,029.06	
1(1)(h) Allowances	£11,000	£0	£0	£11,000	£10,944.71	
1(1)(i) Temporary Assistance	£20,000	£0	£0	£20,000	£23,286.10	
1(1)(j) Pension Contributions	£20,000	£0	£0	£20,000	£29,885.61	
Total Personal Emoluments - General	£791,000	£0	£0	£791,000	£842,456.48	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£1,083,000	£0	£0	£1,083,000	£1,073,359.72	£9,640.28

OTHER CHARGES

Office Expenses - Ministry

2(1)(a) General Expenses	£4,000	£0	£0	£4,000	£3,918.08	
2(1)(b) Electricity and Water	£5,000	£0	£0	£5,000	£5,022.57	
2(1)(c) Telephone Service	£10,000	£0	£0	£10,000	£11,040.47	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
22 :- TOWN PLANNING AND BUILDING CONTROL							
2(1)(d)	Printing and Stationery	£1,000	£0	£0	£1,000	£1,046.66	
2(1)(e)	Office Rent and Services Charges	£35,000	£0	£0	£35,000	£31,455.88	
2(1)(f)	Publications	£1,000	£0	£0	£1,000	£266.00	
2(1)(g)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£7,000	£0	£0	£7,000	£8,101.52	
Total Office Expenses - Ministry		£63,000	£0	£0	£63,000	£60,851.18	
Office Expenses - General							
2(2)(a)	General Expenses	£6,000	£0	£0	£6,000	£4,108.71	
2(2)(b)	Electricity and Water	£6,000	£0	£0	£6,000	£3,326.16	
2(2)(c)	Telephone Service	£14,000	£0	£0	£14,000	£14,081.15	
2(2)(d)	Printing and Stationery	£8,000	£0	£0	£8,000	£4,172.37	
2(2)(e)	Office Rent and Services Charges	£203,000	£0	£0	£203,000	£147,096.25	
2(2)(f)	Vehicle Maintenance / Insurance	£1,000	£0	£0	£1,000	£55.00	
2(2)(g)	Books and Subscriptions	£3,000	£0	£0	£3,000	£1,566.00	
2(2)(h)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£8,000	£0	£0	£8,000	£6,864.00	
Total Office Expenses - General		£249,000	£0	£0	£249,000	£181,269.64	
Operational Expenses							
2(3)(a)	Protective Clothing	£3,000	£0	£0	£3,000	£237.18	
2(3)(b)	Town Planning Geographical Information System	£40,000	£0	£0	£40,000	£40,633.00	
2(3)(c)	Temporary Consultancy Services	£0	£0	£0	£0	£0.00	
Total Operational Expenses		£43,000	£0	£0	£43,000	£40,870.18	
2(4)	Conferences / Development and Planning Commission Expenses	£15,000	£0	£0	£15,000	£15,002.50	
Total		£15,000	£0	£0	£15,000	£15,002.50	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
22 :- TOWN PLANNING AND BUILDING CONTROL							
2(5)	Contribution to Gibraltar Development Corporation - Staff Services	£73,000	£0	£0	£73,000	£66,512.88	
Total		£73,000	£0	£0	£73,000	£66,512.88	
2(6)	Secondment	£83,000	£0	£0	£83,000	£76,238.37	
Total		£83,000	£0	£0	£83,000	£76,238.37	
2(7)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES		£527,000	£0	£0	£527,000	£440,744.75	£86,255.25

22 :- TOWN PLANNING AND BUILDING CONTROL

SUMMARY

Personal Emoluments	£1,083,000	£0	£0	£1,083,000	£1,073,359.72	£9,640.28
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£1,083,000	£0	£0	£1,083,000	£1,073,359.72	£9,640.28
Other Charges	£527,000	£0	£0	£527,000	£440,744.75	£86,255.25
TOTAL TOWN PLANNING AND BUILDING CONTROL	£1,610,000	£0	£0	£1,610,000	£1,514,104.47	£95,895.53

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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23 :- STATISTICS OFFICE

PAYROLL

Personal Emoluments

1(1)(a) Salaries	£305,000	£0	£0	£305,000	£296,849.70
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Overtime

1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00
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1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00
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1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(b)(iv) Discretionary	£10,000	£0	£0	£10,000	£10,757.86
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1(1)(c) Allowances	£5,000	£0	£0	£5,000	£3,655.06
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1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00
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1(1)(e) Pension Contributions	£7,000	£0	£0	£7,000	£4,786.98
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Total Personal Emoluments	£327,000	£0	£0	£327,000	£316,049.60
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Industrial Wages

1(2)	£0	£0	£0	£0	£0.00
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Total Industrial Wages	£0	£0	£0	£0	£0.00
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TOTAL PAYROLL	£327,000	£0	£0	£327,000	£316,049.60	£10,950.40
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OTHER CHARGES

Office Expenses

2(1)(a) General Expenses	£5,000	£0	£0	£5,000	£4,997.56
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2(1)(b) Electricity and Water	£2,000	£0	£0	£2,000	£1,075.86
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2(1)(c) Telephone Service	£4,000	£0	£0	£4,000	£2,477.31
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2(1)(d) Printing and Stationery	£5,000	£0	£0	£5,000	£4,995.19
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2(1)(e) Statistical Surveys	£22,000	£0	£0	£22,000	£22,042.20
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2(1)(f) Computer Running Expenses	£1,000	£0	£0	£1,000	£989.62
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2(1)(g) Contracted Services: Office Cleaning - Government Cleaning Scheme	£5,000	£0	£0	£5,000	£3,744.00
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Total Office Expenses	£44,000	£0	£0	£44,000	£40,321.74
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2(2) Postage Expenses	£2,000	£0	£0	£2,000	£377.52
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Total	£2,000	£0	£0	£2,000	£377.52
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2(3) Relief Cover	£18,000	£0	£0	£18,000	£6,715.55
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Total	£18,000	£0	£0	£18,000	£6,715.55
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HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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23 :- STATISTICS OFFICE

2(4)	Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£0	£0	£6,937.92
Total		£0	£0	£0	£0	£6,937.92
TOTAL OTHER CHARGES		£64,000	£0	£0	£64,000	£54,352.73
						£9,647.27

23 :- STATISTICS OFFICE

SUMMARY

Personal Emoluments	£327,000	£0	£0	£327,000	£316,049.60	£10,950.40
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£327,000	£0	£0	£327,000	£316,049.60	£10,950.40
Other Charges	£64,000	£0	£0	£64,000	£54,352.73	£9,647.27
TOTAL STATISTICS OFFICE	£391,000	£0	£0	£391,000	£370,402.33	£20,597.67

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
24 :- ECONOMIC DEVELOPMENT						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£1,240,000	£0	£0	£1,240,000	£819,511.71	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£8,000	£0	£0	£8,000	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£15,000	£0	£0	£15,000	£16,878.67	
1(1)(c) Allowances	£52,000	£0	£0	£52,000	£39,339.30	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£52,000	£0	£0	£52,000	£36,204.30	
Total Personal Emoluments	£1,367,000	£0	£0	£1,367,000	£911,933.98	
<i>Industrial Wages</i>						
1(2)(a) Basic Wages	£48,000	£0	£0	£48,000	£50,478.21	
<i>Overtime</i>						
1(2)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(2)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(2)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(b)(iv) Discretionary	£1,000	£0	£0	£1,000	£0.00	
1(2)(c) Allowances	£0	£0	£0	£0	£0.00	
1(2)(d) Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Industrial Wages	£50,000	£0	£0	£50,000	£50,478.21	
TOTAL PAYROLL	£1,417,000	£0	£0	£1,417,000	£962,412.19	£454,587.81
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£60,000	£0	£0	£60,000	£54,806.60	
2(1)(b) Electricity and Water	£8,000	£0	£0	£8,000	£5,560.40	
2(1)(c) Telephone Service	£37,000	£0	£0	£37,000	£34,116.52	
2(1)(d) Printing and Stationery	£14,000	£0	£0	£14,000	£9,794.59	
2(1)(e) Office Rent and Service Charges	£3,000	£0	£0	£3,000	£3,113.65	
2(1)(f) Database and Website Expenses	£5,000	£0	£0	£5,000	£3,584.50	
2(1)(g) Audit Fees	£15,000	£0	£0	£15,000	£67,295.00	
2(1)(h) Contract Officer	£102,000	£0	£0	£102,000	£109,938.67	
2(1)(i) Security and Messenger Services	£18,000	£0	£0	£18,000	£16,045.55	
2(1)(j) Contracted Services: Office Cleaning - Government Cleaning Scheme	£31,000	£0	£0	£31,000	£30,128.76	
Total Office Expenses	£293,000	£0	£0	£293,000	£334,384.24	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
24 :- ECONOMIC DEVELOPMENT						
Operational Expenses						
2(2)(a) Maintenance of Equipment	£5,000	£0	£0	£5,000	£770.00	
2(2)(b) Transport Expenses	£1,000	£0	£0	£1,000	£99.40	
Total Operational Expenses	£6,000	£0	£0	£6,000	£869.40	
Gibraltar Development Corporation						
2(3)(a) Contribution from Revenues Received	£711,000	£0	£0	£711,000	£186,468.87	
2(3)(b) Additional Contribution	£12,432,000	£0	£0	£12,432,000	£12,358,000.00	
2(3)(c) Staff Services	£486,000	£0	£0	£486,000	£652,483.81	
Total Gibraltar Development Corporation	£13,629,000	£0	£0	£13,629,000	£13,196,952.68	
2(4) Workers Hostels Running Expenses	£280,000	£0	£0	£280,000	£353,840.38	
Total	£280,000	£0	£0	£280,000	£353,840.38	
Services provided by Gibraltar General Support Services Ltd						
2(5)(a) Salaries	£170,000	£0	£0	£170,000	£173,097.42	
2(5)(b) Wages	£340,000	£0	£0	£340,000	£341,899.31	
2(5)(c) Overtime	£180,000	£0	£0	£180,000	£220,590.15	
2(5)(d) Allowances	£35,000	£0	£0	£35,000	£34,854.84	
2(5)(e) Employer's Contributions	£123,000	£0	£0	£123,000	£126,167.35	
2(5)(f) Materials	£5,000	£0	£0	£5,000	£3,009.24	
2(5)(g) Other Costs	£81,000	£0	£0	£81,000	£62,326.42	
Total Services provided by Gibraltar General Support Services Ltd	£934,000	£0	£0	£934,000	£961,944.73	
Services provided by Gibraltar Cleansing Services Ltd						
2(6)(a) Wages	£218,000	£0	£0	£218,000	£224,073.97	
2(6)(b) Overtime	£50,000	£0	£0	£50,000	£55,118.12	
2(6)(c) Allowances	£25,000	£0	£0	£25,000	£24,561.88	
2(6)(d) Employer's Contributions	£62,000	£0	£0	£62,000	£62,981.89	
Total Services provided by Gibraltar Cleansing Services Ltd	£355,000	£0	£0	£355,000	£366,735.86	
2(7) Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES	£15,498,000	£0	£0	£15,498,000	£15,214,727.29	£283,272.71

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
24 :- ECONOMIC DEVELOPMENT						
24 :- ECONOMIC DEVELOPMENT						
SUMMARY						
Personal Emoluments	£1,367,000	£0	£0	£1,367,000	£911,933.98	£455,066.02
Industrial Wages	£50,000	£0	£0	£50,000	£50,478.21	(£478.21)
Total Payroll	£1,417,000	£0	£0	£1,417,000	£962,412.19	£454,587.81
Other Charges	£15,498,000	£0	£0	£15,498,000	£15,214,727.29	£283,272.71
TOTAL ECONOMIC DEVELOPMENT	£16,915,000	£0	£0	£16,915,000	£16,177,139.48	£737,860.52

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
25 :- PROCUREMENT OFFICE						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£278,000	£0	£0	£278,000	£248,684.53	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£10,000	£0	£0	£10,000	£7,493.26	
1(1)(c) Allowances	£9,000	£0	£0	£9,000	£9,451.91	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Personal Emoluments	£298,000	£0	£0	£298,000	£265,629.70	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£298,000	£0	£0	£298,000	£265,629.70	£32,370.30
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£6,000	£0	£0	£6,000	£4,275.91	
2(1)(b) Electricity and Water	£2,000	£0	£0	£2,000	£1,661.78	
2(1)(c) Telephone Service	£3,000	£0	£0	£3,000	£3,314.15	
2(1)(d) Printing and Stationery	£1,000	£0	£0	£1,000	£958.50	
2(1)(e) Office Rent and Service Charges	£6,000	£0	£0	£6,000	£5,515.85	
2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme	£4,000	£0	£0	£4,000	£3,744.00	
Total Office Expenses	£22,000	£0	£0	£22,000	£19,470.19	
2(2) Contribution to Gibraltar Development Corporation - Staff Services	£28,000	£0	£0	£28,000	£6,442.68	
Total	£28,000	£0	£0	£28,000	£6,442.68	
2(3) Relief Cover	£34,000	£0	£0	£34,000	£5,535.68	
Total	£34,000	£0	£0	£34,000	£5,535.68	
TOTAL OTHER CHARGES	£84,000	£0	£0	£84,000	£31,448.55	£52,551.45

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
25 :- PROCUREMENT OFFICE						
25 :- PROCUREMENT OFFICE						
SUMMARY						
Personal Emoluments	£298,000	£0	£0	£298,000	£265,629.70	£32,370.30
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£298,000	£0	£0	£298,000	£265,629.70	£32,370.30
Other Charges	£84,000	£0	£0	£84,000	£31,448.55	£52,551.45
TOTAL PROCUREMENT OFFICE	£382,000	£0	£0	£382,000	£297,078.25	£84,921.75

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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26 :- HOUSING - ADMINISTRATION

PAYROLL

Personal Emoluments

1(1)(a)	Salaries	£520,000	£0	(£39,960)	£480,040	£431,008.65
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Overtime

1(1)(b)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(1)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00
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1(1)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(b)(iv)	Discretionary	£10,000	£0	£0	£10,000	£1,301.96
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1(1)(c)	Allowances	£55,000	£0	£0	£55,000	£27,369.40
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1(1)(d)	Temporary Assistance	£0	£0	£0	£0	£0.00
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1(1)(e)	Pension Contributions	£35,000	£0	£0	£35,000	£20,683.88
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Total Personal Emoluments		£620,000	£0	(£39,960)	£580,040	£480,363.89
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Industrial Wages

1(2)(a)	Basic Wages	£25,000	£0	£0	£25,000	£25,181.82
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Overtime

1(2)(b)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(2)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00
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1(2)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(2)(b)(iv)	Discretionary	£0	£0	£0	£0	£423.09
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1(2)(c)	Allowances	£0	£0	£0	£0	£0.00
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1(2)(d)	Pension Contributions	£0	£0	£0	£0	£0.00
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Total Industrial Wages		£25,000	£0	£0	£25,000	£25,604.91
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TOTAL PAYROLL		£645,000	£0	(£39,960)	£605,040	£505,968.80	£99,071.20
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OTHER CHARGES

Office Expenses

2(1)(a)	General Expenses	£10,000	£0	£0	£10,000	£6,224.55
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2(1)(b)	Electricity and Water	£4,000	£0	£0	£4,000	£3,194.01
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2(1)(c)	Telephone Service	£15,000	£0	£0	£15,000	£14,848.53
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2(1)(d)	Printing and Stationery	£15,000	£0	£0	£15,000	£12,609.29
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2(1)(e)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£21,000	£0	£0	£21,000	£21,235.40
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Total Office Expenses		£65,000	£0	£0	£65,000	£58,111.78
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HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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26 :- HOUSING - ADMINISTRATION

Operational Expenses

2(2)(a)	Housing Legal Expenses	£10,000	£0	£0	£10,000	£11,143.81
2(2)(b)	Computer Running Expenses	£25,000	£0	£0	£25,000	£37,485.03
2(2)(c)	Government Tenants - Rosia Dale Maintenance Charges	£5,000	£0	£0	£5,000	£2,550.00
2(2)(d)	Estates - Staircase Lighting	£180,000	£0	£0	£180,000	£186,539.94
2(2)(e)	Electrical Services - Gibraltar Electricity Authority	£564,000	£0	£39,960	£603,960	£611,328.51
2(2)(f)	Decanting Expenses	£16,000	£0	£0	£16,000	£4,660.15
2(2)(g)	Transport Expenses	£1,000	£0	£0	£1,000	£875.67
2(2)(h)	Service Charges - Government Leaseholds	£58,000	£0	£0	£58,000	£61,507.56
2(2)(i)	Office Rent and Service Charges	£21,000	£0	£0	£21,000	£21,506.57
2(2)(j)	Postage Expenses	£40,000	£0	£0	£40,000	£22,610.42
2(2)(k)	Contracted Services: Security Services	£17,000	£0	£0	£17,000	£20,289.56

Total Operational Expenses	£937,000	£0	£39,960	£976,960	£980,497.22
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2(3)	Contribution to the Housing Works Agency	£7,707,000	£0	£0	£7,707,000	£7,655,000.00
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Total	£7,707,000	£0	£0	£7,707,000	£7,655,000.00
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2(4)	Contribution to Gibraltar Development Corporation - Staff Services	£132,000	£0	£0	£132,000	£146,318.58
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Total	£132,000	£0	£0	£132,000	£146,318.58
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2(5)	Rates on Government Housing Stock	£1,300,000	£0	£0	£1,300,000	£1,358,029.41
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Total	£1,300,000	£0	£0	£1,300,000	£1,358,029.41
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2(6)	Relief Cover	£67,000	£0	£0	£67,000	£45,811.84
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Total	£67,000	£0	£0	£67,000	£45,811.84
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2(7)	Losses of Public Funds	£0	£0	£0	£0	£61.59
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Total	£0	£0	£0	£0	£61.59
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HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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26 :- HOUSING - ADMINISTRATION

2(8) Ex-Gratia Payments	£0	£0	£0	£0	£4,106.19	
Total	£0	£0	£0	£0	£4,106.19	
TOTAL OTHER CHARGES	£10,208,000	£0	£39,960	£10,247,960	£10,247,936.61	£23.39

26 :- HOUSING - ADMINISTRATION

SUMMARY

Personal Emoluments	£620,000	£0	(£39,960)	£580,040	£480,363.89	£99,676.11
Industrial Wages	£25,000	£0	£0	£25,000	£25,604.91	(£604.91)
Total Payroll	£645,000	£0	(£39,960)	£605,040	£505,968.80	£99,071.20
Other Charges	£10,208,000	£0	£39,960	£10,247,960	£10,247,936.61	£23.39
TOTAL HOUSING - ADMINISTRATION	£10,853,000	£0	£0	£10,853,000	£10,753,905.41	£99,094.59

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
27 :- EQUALITY						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£335,000	£0	£0	£335,000	£303,508.67	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£20,000	£0	£0	£20,000	£16,403.59	
1(1)(c) Allowances	£14,000	£0	£0	£14,000	£22,504.21	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£7,487.22	
1(1)(e) Pension Contributions	£8,000	£0	£0	£8,000	£7,161.62	
Total Personal Emoluments	£377,000	£0	£0	£377,000	£357,065.31	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£377,000	£0	£0	£377,000	£357,065.31	£19,934.69
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£12,000	£0	£0	£12,000	£10,906.51	
2(1)(b) Electricity and Water	£0	£0	£0	£0	£0.00	
2(1)(c) Telephone Service	£12,000	£0	£0	£12,000	£10,925.39	
2(1)(d) Printing and Stationery	£3,000	£0	£0	£3,000	£1,512.18	
Total Office Expenses	£27,000	£0	£0	£27,000	£23,344.08	
2(2) Grant to Women in Need	£230,000	£0	£0	£230,000	£230,000.00	
Total	£230,000	£0	£0	£230,000	£230,000.00	
2(3) Marriage Counselling	£15,000	£0	£0	£15,000	£15,000.00	
Total	£15,000	£0	£0	£15,000	£15,000.00	
2(4) Equality	£120,000	£0	£0	£120,000	£120,930.06	
Total	£120,000	£0	£0	£120,000	£120,930.06	
2(5) Contribution to Gibraltar Development Corporation: Staff Services	£114,000	£0	£0	£114,000	£110,498.11	
Total	£114,000	£0	£0	£114,000	£110,498.11	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
27 :- EQUALITY							
2(6)	Contributions to Citizens Advice Bureau	£220,000	£0	£0	£220,000	£218,453.69	
Total		£220,000	£0	£0	£220,000	£218,453.69	
2(7)	Shop Mobility Contract	£48,000	£0	£0	£48,000	£48,000.00	
Total		£48,000	£0	£0	£48,000	£48,000.00	
2(8)	MAPPA	£15,000	£0	£0	£15,000	£2,134.07	
Total		£15,000	£0	£0	£15,000	£2,134.07	
2(9)	Relief Cover	£25,000	£0	£0	£25,000	£22,848.00	
Total		£25,000	£0	£0	£25,000	£22,848.00	
TOTAL OTHER CHARGES		£814,000	£0	£0	£814,000	£791,208.01	£22,791.99
27 :- EQUALITY SUMMARY							
Personal Emoluments		£377,000	£0	£0	£377,000	£357,065.31	£19,934.69
Industrial Wages		£0	£0	£0	£0	£0.00	£0.00
Total Payroll		£377,000	£0	£0	£377,000	£357,065.31	£19,934.69
Other Charges		£814,000	£0	£0	£814,000	£791,208.01	£22,791.99
TOTAL EQUALITY		£1,191,000	£0	£0	£1,191,000	£1,148,273.32	£42,726.68

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
28 :- HEALTH						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£0	£0	£0	£0	£0.00	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00

OTHER CHARGES

Contributions from the Consolidated Fund to the Gibraltar Health Authority

2(1)(a)	Contribution from Revenues Received	£61,600,000	£0	£539,320	£62,139,320	£62,407,482.59	
2(1)(b)	Additional Contribution	£51,154,000	£0	£5,329,000	£56,483,000	£56,483,000.00	
Total Contributions from the Consolidated Fund to the Gibraltar Health Authority		£112,754,000	£0	£5,868,320	£118,622,320	118,890,482.59	
2(2)	Hepatitis B Vaccination Programme	£34,000	£0	£0	£34,000	£29,240.80	
Total		£34,000	£0	£0	£34,000	£29,240.80	
Grants							
2(3)(a)	Cancer Relief Centre	£70,000	£0	£0	£70,000	£27,778.61	
2(3)(b)	Cancer Relief Centre Hospice	£250,000	£0	£0	£250,000	£28,810.00	
2(3)(c)	Other Grants	£468,000	£0	£0	£468,000	£468,000.00	
Total Grants		£788,000	£0	£0	£788,000	£524,588.61	
TOTAL OTHER CHARGES		£113,576,000	£0	£5,868,320	£119,444,320	119,444,312.00	£8.00

28 :- HEALTH

SUMMARY

Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£113,576,000	£0	£5,868,320	£119,444,320	£119,444,312.00	£8.00
TOTAL HEALTH	£113,576,000	£0	£5,868,320	£119,444,320	£119,444,312.00	£8.00

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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29 :- GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION

PAYROLL

Personal Emoluments

1(1)	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£0	£0	£0	£0	£0.00	
Industrial Wages						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00

OTHER CHARGES

Contributions from the Consolidated Fund to the Gibraltar Health Authority - Elderly Residential Services Section

2(1)(a)	Contribution from Revenues Received	£1,701,000	£0	£93,380	£1,794,380	£1,794,368.29	
2(1)(b)	Additional Contribution	£21,193,000	£0	£613,000	£21,806,000	£21,806,000.00	
Total Contributions from the Consolidated Fund to the Gibraltar Health Authority - Elderly Residential Services Section		£22,894,000	£0	£706,380	£23,600,380	£23,600,368.29	
TOTAL OTHER CHARGES		£22,894,000	£0	£706,380	£23,600,380	£23,600,368.29	£11.71

29 :- GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION

SUMMARY

Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£22,894,000	£0	£706,380	£23,600,380	£23,600,368.29	£11.71
TOTAL GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION	£22,894,000	£0	£706,380	£23,600,380	£23,600,368.29	£11.71

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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30 :- CARE AGENCY

PAYROLL

Personal Emoluments

1(1)	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£0	£0	£0	£0	£0.00	

Industrial Wages

1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00

OTHER CHARGES

Contributions from the Consolidated Fund to the Care Agency

2(1)(a) Contribution from Revenues Received	£9,000	£0	£0	£9,000	£4,693.36	
2(1)(b) Additional Contribution	£16,897,000	£0	£0	£16,897,000	£15,806,000.00	
Total Contributions from the Consolidated Fund to the Care Agency	£16,906,000	£0	£0	£16,906,000	£15,810,693.36	
TOTAL OTHER CHARGES	£16,906,000	£0	£0	£16,906,000	£15,810,693.36	£1,095,306.64

30 :- CARE AGENCY

SUMMARY

Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£16,906,000	£0	£0	£16,906,000	£15,810,693.36	£1,095,306.64
TOTAL CARE AGENCY	£16,906,000	£0	£0	£16,906,000	£15,810,693.36	£1,095,306.64

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
31 :- POLICING						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£12,320,000	£0	£0	£12,320,000	£12,279,979.79	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£350,000	£0	£0	£350,000	£325,466.48	
1(1)(b)(ii) Emergency	£1,000	£0	£0	£1,000	£18,363.70	
1(1)(b)(iii) Manning Level Maintenance	£300,000	£0	£7,020	£307,020	£395,953.98	
1(1)(b)(iv) Discretionary	£300,000	£0	£268,710	£568,710	£568,705.29	
1(1)(c) Allowances	£645,000	£0	£0	£645,000	£608,248.51	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£584,000	£0	£0	£584,000	£585,634.20	
Total Personal Emoluments	£14,500,000	£0	£275,730	£14,775,730	£14,782,351.95	
<i>Industrial Wages</i>						
1(2)(a) Basic Wages	£81,000	£0	£0	£81,000	£77,765.21	
<i>Overtime</i>						
1(2)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(2)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(2)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(b)(iv) Discretionary	£10,000	£0	£0	£10,000	£6,378.86	
1(2)(c) Allowances	£1,000	£0	£0	£1,000	£1,259.27	
1(2)(d) Pension Contributions	£4,000	£0	£0	£4,000	£3,961.78	
Total Industrial Wages	£96,000	£0	£0	£96,000	£89,365.12	
TOTAL PAYROLL	£14,596,000	£0	£275,730	£14,871,730	£14,871,717.07	£12.93

OTHER CHARGES

Office Expenses - Police

2(1)(a) General Expenses	£65,000	£0	£0	£65,000	£67,180.18	
2(1)(b) Electricity and Water	£67,000	£0	£0	£67,000	£63,349.26	
2(1)(c) Telephone Service	£125,000	£0	£0	£125,000	£105,239.11	
2(1)(d) Printing and Stationery	£20,000	£0	£0	£20,000	£19,615.54	
2(1)(e) Computer Running Expenses	£40,000	£0	£0	£40,000	£55,395.95	
2(1)(f) Office Rent and Service Charges	£7,000	£0	£0	£7,000	£7,152.00	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
31 :- POLICING							
Contracted Services							
2(1)(g)	Office Cleaning - Government Cleaning Scheme	£58,000	£0	£0	£58,000	£56,275.72	
2(1)(h)	Security Services - RGP CCTV Maintenance	£17,000	£0	£0	£17,000	£13,864.71	
2(1)(i)	Security Services - Public CCTV Maintenance	£10,000	£0	£0	£10,000	£10,296.28	
Total Office Expenses - Police		£409,000	£0	£0	£409,000	£398,368.75	
Operational Expenses - Police							
2(2)(a)	Transport Expenses	£100,000	£0	£0	£100,000	£93,205.39	
Motor Boats and Launches							
2(2)(b)(i)	Maintenance	£150,000	£0	£0	£150,000	£144,384.48	
2(2)(b)(ii)	Fuel and Lubricants	£100,000	£0	£0	£100,000	£72,752.92	
2(2)(c)	Investigation Expenses	£200,000	£0	£332,160	£532,160	£532,155.13	
2(2)(d)	Subsistence of Prisoners	£15,000	£0	£0	£15,000	£10,569.84	
2(2)(e)	Uniforms and Equipment	£175,000	£0	£0	£175,000	£211,307.10	
2(2)(f)	Repatriation Expenses	£1,000	£0	£0	£1,000	£35,872.57	
2(2)(g)	Dog Section Costs	£50,000	£0	£0	£50,000	£24,981.51	
Contracted Services							
2(2)(h)	Professional Fees	£20,000	£0	£40,685	£60,685	£68,081.53	
2(2)(i)	Radio Communication System - Gibtelecom Ltd	£130,000	£0	£0	£130,000	£129,956.00	
Total Operational Expenses - Police		£941,000	£0	£372,845	£1,313,845	£1,323,266.47	
2(3)	Training Courses and Conferences	£150,000	£0	£0	£150,000	£146,874.85	
Total		£150,000	£0	£0	£150,000	£146,874.85	
2(4)	Anti Drink Driving Campaign	£6,000	£0	£0	£6,000	£6,000.00	
Total		£6,000	£0	£0	£6,000	£6,000.00	
2(5)	Destruction of Confiscated Tobacco	£1,000	£0	£0	£1,000	£1,000.00	
Total		£1,000	£0	£0	£1,000	£1,000.00	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
31 :- POLICING							
2(6)	Relief Cover	£34,000	£0	£0	£34,000	£27,888.91	
Total		£34,000	£0	£0	£34,000	£27,888.91	
<i>Gibraltar Police Authority</i>							
2(7)(a)	Gibraltar Police Authority Expenses	£69,000	£0	£0	£69,000	£73,542.16	
2(7)(b)	Services provided by Gibraltar Development Corporation	£0	£0	£0	£0	£5,883.27	
Total Gibraltar Police Authority		£69,000	£0	£0	£69,000	£79,425.43	
<i>Gibraltar Co-Ordinating Centre for Criminal Intelligence and Drugs</i>							
2(8)(a)	General Expenses	£2,000	£0	£0	£2,000	£4,093.74	
2(8)(b)	Electricity and Water	£3,000	£0	£0	£3,000	£3,289.64	
2(8)(c)	Telephone Service	£6,000	£0	£0	£6,000	£5,448.06	
2(8)(d)	Printing and Stationery	£1,000	£0	£0	£1,000	£966.07	
2(8)(e)	Office Rent and Service Charges	£60,000	£0	£0	£60,000	£54,499.94	
2(8)(f)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£3,000	£0	£0	£3,000	£3,037.20	
Total Gibraltar Co-Ordinating Centre for Criminal Intelligence and Drugs		£75,000	£0	£0	£75,000	£71,334.65	
<i>Operational Expenses - Gibraltar Co-Ordinating Centre for Criminal Intelligence and Drugs</i>							
2(8)(g)	Computer and Office Equipment Expenses	£3,000	£0	£0	£3,000	£4,519.66	
2(8)(h)	Investigation and Research	£8,000	£0	£0	£8,000	£9,110.00	
2(8)(i)	Travelling Expenses	£18,000	£0	£0	£18,000	£17,907.83	
2(8)(j)	Contribution to Egmont	£6,000	£0	£0	£6,000	£5,038.41	
2(8)(k)	Security Vetting	£9,000	£0	£43,890	£52,890	£54,970.30	
Total Operational Expenses - Gibraltar Co-Ordinating Centre for Criminal Intelligence and Drugs		£44,000	£0	£43,890	£87,890	£91,546.20	
2(9)	Ex-Gratia Payments	£0	£0	£0	£0	£0.00	
Total		£0	£0	£0	£0	£0.00	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
31 :- POLICING							
2(10)	Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£9,585	£9,585	£9,580.23	
Total		£0	£0	£9,585	£9,585	£9,580.23	
TOTAL OTHER CHARGES		£1,729,000	£0	£426,320	£2,155,320	£2,155,285.49	£34.51

31 :- POLICING

SUMMARY

Personal Emoluments	£14,500,000	£0	£275,730	£14,775,730	£14,782,351.95	(£6,621.95)
Industrial Wages	£96,000	£0	£0	£96,000	£89,365.12	£6,634.88
Total Payroll	£14,596,000	£0	£275,730	£14,871,730	£14,871,717.07	£12.93
Other Charges	£1,729,000	£0	£426,320	£2,155,320	£2,155,285.49	£34.51
TOTAL POLICING	£16,325,000	£0	£702,050	£17,027,050	£17,027,002.56	£47.44

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
32 :- PRISON						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£2,050,000	£0	£0	£2,050,000	£2,039,111.37	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£145,000	£0	£0	£145,000	£230,257.84	
1(1)(b)(iv) Discretionary	£2,000	£0	£0	£2,000	£1,625.69	
1(1)(c) Allowances	£472,000	£0	(£18,250)	£453,750	£380,105.33	
1(1)(d) Pension Contributions	£120,000	£0	£0	£120,000	£119,647.69	
Total Personal Emoluments	£2,789,000	£0	(£18,250)	£2,770,750	£2,770,747.92	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£2,789,000	£0	(£18,250)	£2,770,750	£2,770,747.92	£2.08
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£3,000	£0	£0	£3,000	£3,138.55	
2(1)(b) Electricity and Water	£50,000	£0	£0	£50,000	£45,613.97	
2(1)(c) Telephone Service	£13,000	£0	£0	£13,000	£11,203.80	
2(1)(d) Printing and Stationery	£3,000	£0	£0	£3,000	£3,674.45	
Total Office Expenses	£69,000	£0	£0	£69,000	£63,630.77	
<i>Operational Expenses</i>						
2(2)(a) Maintenance of Equipment	£5,000	£0	£0	£5,000	£4,730.65	
2(2)(b) Domestic Equipment	£15,000	£0	£0	£15,000	£15,212.40	
2(2)(c) Facilities Repairs and Upgrading	£10,000	£0	£0	£10,000	£10,604.32	
2(2)(d) Uniforms	£15,000	£0	£0	£15,000	£14,947.53	
2(2)(e) Training Courses	£12,000	£0	£0	£12,000	£11,006.69	
<i>Contracted Services</i>						
2(2)(f) Radio Communications - Gibtelecom Ltd	£16,000	£0	£0	£16,000	£15,504.00	
2(2)(g) Office Cleaning - Government Cleaning Scheme	£16,000	£0	£0	£16,000	£16,495.46	
2(2)(h) Maintenance Agreement	£24,000	£0	£0	£24,000	£9,625.00	
Total Operational Expenses	£113,000	£0	£0	£113,000	£98,126.05	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
32 :- PRISON							
Expenses on Prisoners							
2(3)(a)	Workshop and Rehabilitation of Prisoners	£29,000	£0	£0	£29,000	£39,447.57	
2(3)(b)	Maintenance of Prisoners	£200,000	£0	£18,250	£218,250	£227,238.15	
2(3)(c)	Clothing for Prisoners	£6,000	£0	£0	£6,000	£6,098.91	
2(3)(d)	Prisoners Wage Scheme	£30,000	£0	£0	£30,000	£28,990.00	
Total Expenses on Prisoners		£265,000	£0	£18,250	£283,250	£301,774.63	
2(4)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(5)	Compensation and Legal Fees	£0	£0	£14,800	£14,800	£17,500.00	
Total		£0	£0	£14,800	£14,800	£17,500.00	
TOTAL OTHER CHARGES		£448,000	£0	£33,050	£481,050	£481,031.45	£18.55
32 :- PRISON SUMMARY							
Personal Emoluments		£2,789,000	£0	(£18,250)	£2,770,750	£2,770,747.92	£2.08
Industrial Wages		£0	£0	£0	£0	£0.00	£0.00
Total Payroll		£2,789,000	£0	(£18,250)	£2,770,750	£2,770,747.92	£2.08
Other Charges		£448,000	£0	£33,050	£481,050	£481,031.45	£18.55
TOTAL PRISON		£3,237,000	£0	£14,800	£3,251,800	£3,251,779.37	£20.63

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
33 :- GIBRALTAR LAW COURTS						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£1,435,000	£0	£0	£1,435,000	£1,386,258.90	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£25,000	£0	£0	£25,000	£25,419.36	
1(1)(c) Allowances	£40,000	£0	£0	£40,000	£32,894.08	
1(1)(d) Temporary Assistance	£3,000	£0	£0	£3,000	£0.00	
1(1)(e) Gratuities	£0	£0	£0	£0	£0.00	
1(1)(f) Pension Contributions	£43,000	£0	£0	£43,000	£30,325.78	
Total Personal Emoluments	£1,546,000	£0	£0	£1,546,000	£1,474,898.12	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£1,546,000	£0	£0	£1,546,000	£1,474,898.12	£71,101.88

OTHER CHARGES

Office Expenses

2(1)(a) General Expenses	£25,000	£0	£0	£25,000	£15,923.41	
2(1)(b) Electricity and Water	£40,000	£0	£0	£40,000	£37,152.31	
2(1)(c) Telephone Service	£25,000	£0	£0	£25,000	£18,379.18	
2(1)(d) Printing and Stationery	£10,000	£0	£0	£10,000	£8,820.13	
2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme	£73,000	£0	£0	£73,000	£72,766.95	
Total Office Expenses	£173,000	£0	£0	£173,000	£153,041.98	

Operational Expenses

2(2)(a) Jurors and Witnesses Expenses	£20,000	£0	£0	£20,000	£16,233.94	
2(2)(b) Law Books	£20,000	£0	£0	£20,000	£19,653.60	
2(2)(c) Law Reports Production	£40,000	£0	£0	£40,000	£38,537.50	
2(2)(d) Equipment Maintenance	£40,000	£0	£0	£40,000	£33,386.86	
2(2)(e) Administrative Staff Training	£10,000	£0	£0	£10,000	£0.00	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
33 :- GIBRALTAR LAW COURTS						
2(2)(f) Judicial Conferences and Training	£12,000	£0	£0	£12,000	£9,204.13	
2(2)(g) Independent Expert Fees	£20,000	£0	£0	£20,000	£29,190.00	
2(2)(h) Commonwealth Magistrates' Association	£2,000	£0	£0	£2,000	£1,530.00	
2(2)(i) Court Interpretation and Translation	£15,000	£0	£0	£15,000	£7,876.38	
2(2)(j) Postage Expenses	£15,000	£0	£0	£15,000	£12,863.42	
2(2)(k) Contracted Services: Security Expenses	£72,000	£0	£0	£72,000	£80,868.85	
Total Operational Expenses	£266,000	£0	£0	£266,000	£249,344.68	
2(3) Trial Expenses	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	
2(4) Relief Cover	£78,000	£0	£0	£78,000	£23,122.14	
Total	£78,000	£0	£0	£78,000	£23,122.14	
2(5) Duty Legal Representative Scheme	£0	£0	£0	£0	£10,150.00	
Total	£0	£0	£0	£0	£10,150.00	
2(6) Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£0	£0	£3,468.96	
Total	£0	£0	£0	£0	£3,468.96	
TOTAL OTHER CHARGES	£518,000	£0	£0	£518,000	£439,127.76	£78,872.24

33 :- GIBRALTAR LAW COURTS

SUMMARY

Personal Emoluments	£1,546,000	£0	£0	£1,546,000	£1,474,898.12	£71,101.88
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£1,546,000	£0	£0	£1,546,000	£1,474,898.12	£71,101.88
Other Charges	£518,000	£0	£0	£518,000	£439,127.76	£78,872.24
TOTAL GIBRALTAR LAW COURTS	£2,064,000	£0	£0	£2,064,000	£1,914,025.88	£149,974.12

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
34 :- JUSTICE						
<u>PAYROLL</u>						
<i>Personal Emoluments - Ministry</i>						
1(1)(a) Salaries	£316,000	£0	£90,900	£406,900	£425,331.26	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£2,000	£0	£0	£2,000	£7,125.99	
1(1)(c) Allowances	£1,000	£0	£0	£1,000	£1,339.40	
1(1)(d) Temporary Assistance	£1,000	£0	£0	£1,000	£0.00	
1(1)(e) Pension Contributions	£1,000	£0	£0	£1,000	£7,641.84	
Total Personal Emoluments - Ministry	£321,000	£0	£90,900	£411,900	£441,438.49	
<i>Personal Emoluments - Probation</i>						
1(1)(f) Salaries	£152,000	£0	£0	£152,000	£130,403.57	
<i>Overtime</i>						
1(1)(g)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(g)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(g)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(g)(iv) Discretionary	£7,000	£0	£0	£7,000	£1,050.08	
1(1)(h) Allowances	£0	£0	£0	£0	£0.00	
1(1)(i) Temporary Assistance	£1,000	£0	£0	£1,000	£0.00	
1(1)(j) Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Personal Emoluments - Probation	£161,000	£0	£0	£161,000	£131,453.65	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£482,000	£0	£90,900	£572,900	£572,892.14	£7.86

OTHER CHARGES

Office Expenses - Ministry

2(1)(a) General Expenses	£5,000	£0	£0	£5,000	£4,267.43	
2(1)(b) Electricity and Water	£0	£0	£0	£0	£345.11	
2(1)(c) Telephone Service	£12,000	£0	£0	£12,000	£15,040.87	
2(1)(d) Printing and Stationery	£5,000	£0	£0	£5,000	£8,955.98	
2(1)(e) Office Rent and Service Charges	£3,000	£0	£0	£3,000	£1,125.00	
Total Office Expenses - Ministry	£25,000	£0	£0	£25,000	£29,734.39	

Operational Expenses - Ministry

2(2)(a) Computer and Office Equipment	£2,000	£0	£0	£2,000	£2,221.95	
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HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
34 :- JUSTICE							
2(2)(b)	Consultancy and Professional Fees	£1,000	£0	£0	£1,000	£0.00	
Total Operational Expenses - Ministry		£3,000	£0	£0	£3,000	£2,221.95	
2(3)	Conferences and Travel	£15,000	£0	£0	£15,000	£7,072.63	
Total		£15,000	£0	£0	£15,000	£7,072.63	
2(4)	Contract Officer	£75,000	£0	£32,910	£107,910	£118,493.62	
Total		£75,000	£0	£32,910	£107,910	£118,493.62	
Office Expenses - Probation							
2(5)(a)	General Expenses	£1,000	£0	£0	£1,000	£606.20	
2(5)(b)	Electricity and Water	£1,000	£0	£0	£1,000	£0.00	
2(5)(c)	Telephone Service	£1,000	£0	£0	£1,000	£25.00	
2(5)(d)	Printing and Stationery	£1,000	£0	£0	£1,000	£393.24	
2(5)(e)	Insurance - Employer's Liability - Lifetime Insurance	£1,000	£0	£0	£1,000	£0.00	
Total Office Expenses - Probation		£5,000	£0	£0	£5,000	£1,024.44	
Operational Expenses - Probation							
2(6)(a)	Tools and Equipment	£1,000	£0	£0	£1,000	£204.24	
2(6)(b)	Drug Testing Programme Equipment	£3,000	£0	£0	£3,000	£0.00	
2(6)(c)	Conference and Travel	£5,000	£0	£0	£5,000	£5,381.03	
Total Operational Expenses - Probation		£9,000	£0	£0	£9,000	£5,585.27	
Tribunals							
2(7)(a)	Income Tax	£1,000	£0	£0	£1,000	£0.00	
2(7)(b)	Development Appeals	£1,000	£0	£0	£1,000	£22.50	
2(7)(c)	Housing Tribunal	£1,000	£0	£0	£1,000	£0.00	
Total Tribunals		£3,000	£0	£0	£3,000	£22.50	
2(8)	Relief Cover	£1,000	£0	£0	£1,000	£4,743.75	
Total		£1,000	£0	£0	£1,000	£4,743.75	
TOTAL OTHER CHARGES		£136,000	£0	£32,910	£168,910	£168,898.55	£11.45

34 :- JUSTICE

SUMMARY

Personal Emoluments	£482,000	£0	£90,900	£572,900	£572,892.14	£7.86
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£482,000	£0	£90,900	£572,900	£572,892.14	£7.86
Other Charges	£136,000	£0	£32,910	£168,910	£168,898.55	£11.45
TOTAL JUSTICE	£618,000	£0	£123,810	£741,810	£741,790.69	£19.31

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
35 :- TOURISM						
<u>PAYROLL</u>						
<i>Personal Emoluments - Main Office</i>						
1(1)(a) Salaries	£321,000	£0	£0	£321,000	£325,651.16	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£18,000	£0	£0	£18,000	£28,774.09	
1(1)(c) Allowances	£11,000	£0	£0	£11,000	£11,375.65	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£49,000	£0	£0	£49,000	£50,379.05	
Total Personal Emoluments - Main Office	£399,000	£0	£0	£399,000	£416,179.95	
<i>Personal Emoluments - Terminals</i>						
1(1)(f) Salaries	£44,000	£0	£0	£44,000	£35,176.45	
<i>Overtime</i>						
1(1)(g)(i) Conditioned	£30,000	£0	£0	£30,000	£16,931.13	
1(1)(g)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(g)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(g)(iv) Discretionary	£0	£0	£0	£0	£0.00	
1(1)(h) Allowances	£9,000	£0	£0	£9,000	£6,695.48	
1(1)(i) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(j) Pension Contributions	£7,000	£0	£0	£7,000	£5,980.01	
Total Personal Emoluments - Terminals	£90,000	£0	£0	£90,000	£64,783.07	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£489,000	£0	£0	£489,000	£480,963.02	£8,036.98
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£13,000	£0	£0	£13,000	£10,440.47	
2(1)(b) Electricity and Water	£5,000	£0	£0	£5,000	£3,820.60	
2(1)(c) Telephone Service	£15,000	£0	£0	£15,000	£13,269.15	
2(1)(d) Printing and Stationery	£3,000	£0	£0	£3,000	£2,681.60	
2(1)(e) Office Rent and Service Charges	£6,000	£0	£0	£6,000	£5,400.00	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
35 :- TOURISM						
Contracted Services						
2(1)(f) Office Cleaning - Government Cleaning Scheme	£6,000	£0	£0	£6,000	£5,434.32	
2(1)(g) Upkeep of Plants	£1,000	£0	£0	£1,000	£0.00	
Total Office Expenses	£49,000	£0	£0	£49,000	£41,046.14	
Operational Expenses						
2(2)(a) Transport Expenses	£2,000	£0	£0	£2,000	£1,561.18	
2(2)(b) Repairs and Maintenance	£2,000	£0	£0	£2,000	£1,815.82	
2(2)(c) Uniforms	£7,000	£0	£0	£7,000	£3,613.13	
2(2)(d) Official Functions	£2,000	£0	£0	£2,000	£1,724.18	
2(2)(e) General Embellishment Works	£4,000	£0	£0	£4,000	£2,960.00	
Total Operational Expenses	£17,000	£0	£0	£17,000	£11,674.31	
Marketing, Promotions and Conferences						
2(3)(a) Gibraltar Tourist Board	£1,200,000	£0	£0	£1,200,000	£999,780.81	
2(3)(b) London Office	£50,000	£0	£0	£50,000	£48,397.21	
2(3)(c) Consultancy	£49,000	£0	£0	£49,000	£48,692.88	
Total Marketing, Promotions and Conferences	£1,299,000	£0	£0	£1,299,000	£1,096,870.90	
Gibraltar Tourist Board						
2(4)(a) Hotel Grading	£6,000	£0	£0	£6,000	£8,891.38	
2(4)(b)(i) Contribution to Gibraltar Development Corporation - Staff Services	£220,000	£0	£0	£220,000	£233,536.85	
Total Gibraltar Tourist Board	£226,000	£0	£0	£226,000	£242,428.23	
2(5) Contracted Services: Advertising Management Services	£105,000	£0	£0	£105,000	£99,999.96	
Total	£105,000	£0	£0	£105,000	£99,999.96	
Terminals Expenses						
2(6)(a) General Expenses	£5,000	£0	£0	£5,000	£8,883.27	
2(6)(b) Electricity and Water	£10,000	£0	£0	£10,000	£7,403.57	
2(6)(c) Telephone Service	£5,000	£0	£0	£5,000	£9,556.20	
2(6)(d) Printing and Stationery	£2,000	£0	£0	£2,000	£1,577.87	
2(6)(e) Cleaning Materials	£6,000	£0	£0	£6,000	£6,136.35	
2(6)(f) Uniforms	£2,000	£0	£0	£2,000	£822.37	
2(6)(g) Cruise Liner Inaugural Visits	£3,000	£0	£0	£3,000	£900.00	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
35 :- TOURISM						
2(6)(h) X-Ray Machine Repairs and Maintenance	£1,000	£0	£0	£1,000	£225.00	
2(6)(i) Contribution to Gibraltar Development Corporation - Terminals - Staff Services	£221,000	£0	£0	£221,000	£208,499.77	
Contracted Services						
2(6)(j) Office Cleaning - Government Cleaning Scheme	£40,000	£0	£0	£40,000	£37,918.25	
2(6)(k) Security Services	£100,000	£0	£0	£100,000	£98,820.08	
2(6)(l) Upkeep of Planted Areas	£4,000	£0	£0	£4,000	£2,364.00	
2(6)(m) CCTV Security Services	£2,000	£0	£0	£2,000	£1,041.00	
Total Terminals Expenses	£401,000	£0	£0	£401,000	£384,147.73	
2(7) Literary Festival	£350,000	£0	£0	£350,000	£359,282.74	
Total	£350,000	£0	£0	£350,000	£359,282.74	
2(8) Relief Cover	£120,000	£0	£0	£120,000	£99,998.50	
Total	£120,000	£0	£0	£120,000	£99,998.50	
2(9) Hotel Assistance Scheme	£0	£0	£0	£0	£2,308.74	
Total	£0	£0	£0	£0	£2,308.74	
2(10) Losses of Public Funds	£0	£0	£0	£0	£40.00	
Total	£0	£0	£0	£0	£40.00	
TOTAL OTHER CHARGES	£2,567,000	£0	£0	£2,567,000	£2,337,797.25	£229,202.75
35 :- TOURISM SUMMARY						
Personal Emoluments	£489,000	£0	£0	£489,000	£480,963.02	£8,036.98
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£489,000	£0	£0	£489,000	£480,963.02	£8,036.98
Other Charges	£2,567,000	£0	£0	£2,567,000	£2,337,797.25	£229,202.75
TOTAL TOURISM	£3,056,000	£0	£0	£3,056,000	£2,818,760.27	£237,239.73

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
36 :- EMPLOYMENT						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£765,000	£0	£0	£765,000	£694,494.41	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£45,000	£0	£0	£45,000	£41,942.04	
1(1)(c) Allowances	£26,000	£0	£0	£26,000	£21,103.77	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£72,000	£0	£0	£72,000	£64,436.57	
Total Personal Emoluments	£908,000	£0	£0	£908,000	£821,976.79	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£908,000	£0	£0	£908,000	£821,976.79	£86,023.21
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£10,000	£0	£0	£10,000	£8,768.28	
2(1)(b) Electricity and Water	£5,000	£0	£0	£5,000	£3,259.20	
2(1)(c) Telephone Service	£22,000	£0	£0	£22,000	£20,663.69	
2(1)(d) Printing and Stationery	£16,000	£0	£0	£16,000	£14,213.22	
2(1)(e) Office Rent and Service Charges	£20,000	£0	£0	£20,000	£19,048.65	
<i>Contracted Services</i>						
2(1)(f) Office Cleaning - Government Cleaning Scheme	£17,000	£0	£0	£17,000	£15,431.21	
2(1)(g) Security and Messenger Services	£21,000	£0	£0	£21,000	£17,576.65	
Total Office Expenses	£111,000	£0	£0	£111,000	£98,960.90	
<i>Operational Expenses</i>						
2(2)(a) Maintenance of Equipment	£38,000	£0	£0	£38,000	£12,316.41	
2(2)(b) Transport Expenses	£1,000	£0	£0	£1,000	£343.72	
2(2)(c) Protective Clothing	£1,000	£0	£0	£1,000	£83.30	
2(2)(d) Postage Expenses	£3,000	£0	£0	£3,000	£1,459.46	
2(2)(e) Health and Safety Programme	£1,000	£0	£0	£1,000	£0.00	
Total Operational Expenses	£44,000	£0	£0	£44,000	£14,202.89	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
36 :- EMPLOYMENT							
2(3)	Contribution to Gibraltar Development Corporation - Staff Services	£274,000	£0	£0	£274,000	£285,075.89	
Total		£274,000	£0	£0	£274,000	£285,075.89	
2(4)	Industrial Tribunal Reform	£30,000	£0	£0	£30,000	£23,405.20	
Total		£30,000	£0	£0	£30,000	£23,405.20	
2(5)	Relief Cover	£157,000	£0	£0	£157,000	£114,500.71	
Total		£157,000	£0	£0	£157,000	£114,500.71	
2(6)	Losses of Public Funds	£0	£0	£0	£0	£5.00	
Total		£0	£0	£0	£0	£5.00	
TOTAL OTHER CHARGES		£616,000	£0	£0	£616,000	£536,150.59	£79,849.41
36 :- EMPLOYMENT SUMMARY							
Personal Emoluments		£908,000	£0	£0	£908,000	£821,976.79	£86,023.21
Industrial Wages		£0	£0	£0	£0	£0.00	£0.00
Total Payroll		£908,000	£0	£0	£908,000	£821,976.79	£86,023.21
Other Charges		£616,000	£0	£0	£616,000	£536,150.59	£79,849.41
TOTAL EMPLOYMENT		£1,524,000	£0	£0	£1,524,000	£1,358,127.38	£165,872.62

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
37 :- COMMERCIAL AVIATION						
<u>PAYROLL</u>						
<i>Personal Emoluments - Ministry</i>						
1(1)(a) Salaries	£330,000	£0	£0	£330,000	£259,242.14	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£10,000	£0	£0	£10,000	£18,448.66	
1(1)(c) Allowances	£15,000	£0	£0	£15,000	£21,055.05	
1(1)(d) Temporary Assistance	£2,000	£0	£0	£2,000	£0.00	
1(1)(e) Pension Contributions	£11,000	£0	£0	£11,000	£11,091.12	
Total Personal Emoluments - Ministry	£368,000	£0	£0	£368,000	£309,836.97	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£368,000	£0	£0	£368,000	£309,836.97	£58,163.03

OTHER CHARGES

Office Expenses - Ministry

2(1)(a) General Expenses	£10,000	£0	£0	£10,000	£4,229.37	
2(1)(b) Electricity and Water	£6,000	£0	£0	£6,000	£5,807.19	
2(1)(c) Telephone Service	£15,000	£0	£0	£15,000	£18,201.90	
2(1)(d) Printing and Stationery	£5,000	£0	£0	£5,000	£1,602.17	
2(1)(e) Office Rent and Service Charges	£205,000	£0	£0	£205,000	£200,364.50	
2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme	£11,000	£0	£0	£11,000	£9,595.09	
Total Office Expenses - Ministry	£252,000	£0	£0	£252,000	£239,800.22	

Operational Expenses - Ministry

2(2)(a) Computer and Office Equipment	£3,000	£0	£0	£3,000	£3,723.13	
2(2)(b) Consultancy and Professional Fees	£1,000	£0	£0	£1,000	£0.00	
2(2)(c) Uniforms and Protective Clothing	£1,000	£0	£0	£1,000	£373.74	
Total Operational Expenses - Ministry	£5,000	£0	£0	£5,000	£4,096.87	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
37 :- COMMERCIAL AVIATION							
2(3)	Conferences and Travel	£20,000	£0	£0	£20,000	£17,436.68	
Total		£20,000	£0	£0	£20,000	£17,436.68	
2(4)	Contract Officers	£186,000	£0	£0	£186,000	£242,950.68	
Total		£186,000	£0	£0	£186,000	£242,950.68	
Running of Airport							
2(5)(a)	Gibraltar Airport and Fire Rescue Service	£2,830,000	£0	£0	£2,830,000	£2,651,604.12	
2(5)(b)	Terminal Management Ltd	£148,000	£0	£0	£148,000	£149,589.75	
Total Running of Airport		£2,978,000	£0	£0	£2,978,000	£2,801,193.87	
2(6)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES		£3,442,000	£0	£0	£3,442,000	£3,305,478.32	£136,521.68

37 :- COMMERCIAL AVIATION

SUMMARY

Personal Emoluments	£368,000	£0	£0	£368,000	£309,836.97	£58,163.03
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£368,000	£0	£0	£368,000	£309,836.97	£58,163.03
Other Charges	£3,442,000	£0	£0	£3,442,000	£3,305,478.32	£136,521.68
TOTAL COMMERCIAL AVIATION	£3,810,000	£0	£0	£3,810,000	£3,615,315.29	£194,684.71

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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38 :- PORT

PAYROLL

Personal Emoluments

1(1)	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£0	£0	£0	£0	£0.00	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00

OTHER CHARGES

Contribution from the Consolidated Fund to the Gibraltar Port Authority

2(1)(a)	Contribution from Revenues Received	£7,107,000	£0	£0	£7,107,000	£6,705,000.00	
2(1)(b)	Additional Contribution	£0	£0	£0	£0	£0.00	
Total Contribution from the Consolidated Fund to the Gibraltar Port Authority		£7,107,000	£0	£0	£7,107,000	£6,705,000.00	
TOTAL OTHER CHARGES		£7,107,000	£0	£0	£7,107,000	£6,705,000.00	£402,000.00

38 :- PORT

SUMMARY

Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£7,107,000	£0	£0	£7,107,000	£6,705,000.00	£402,000.00
TOTAL PORT	£7,107,000	£0	£0	£7,107,000	£6,705,000.00	£402,000.00

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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39 :- MARITIME SERVICES

PAYROLL

Personal Emoluments

1(1)(a)	Salaries	£878,000	£0	£0	£878,000	£866,164.68
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Overtime

1(1)(b)(i)	Conditioned	£0	£0	£0	£0	£0.00
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1(1)(b)(ii)	Emergency	£1,000	£0	£12,860	£13,860	£13,859.44
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1(1)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(1)(b)(iv)	Discretionary	£100,000	£0	£31,480	£131,480	£132,492.50
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1(1)(c)	Allowances	£9,000	£0	£0	£9,000	£17,853.87
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1(1)(d)	Temporary Assistance	£0	£0	£0	£0	£0.00
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1(1)(e)	Gratuities	£0	£0	£0	£0	£0.00
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1(1)(f)	Pension Contributions	£67,000	£0	£0	£67,000	£69,958.34
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1(1)(g)	Contribution in Lieu of Gratuity	£1,000	£0	£0	£1,000	£0.00
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Total Personal Emoluments		£1,056,000	£0	£44,340	£1,100,340	£1,100,328.83
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Industrial Wages

1(2)		£0	£0	£0	£0	£0.00
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Total Industrial Wages		£0	£0	£0	£0	£0.00
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TOTAL PAYROLL		£1,056,000	£0	£44,340	£1,100,340	£1,100,328.83	£11.17
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OTHER CHARGES

Office Expenses

2(1)(a)	General Expenses	£4,000	£0	£0	£4,000	£2,539.69
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2(1)(b)	Electricity and Water	£3,000	£0	£0	£3,000	£1,857.23
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2(1)(c)	Telephone Service	£18,000	£0	£0	£18,000	£11,947.49
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2(1)(d)	Printing and Stationery	£6,000	£0	£0	£6,000	£4,351.75
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2(1)(e)	Marine Surveyor's Insurance	£5,000	£0	£0	£5,000	£1,450.00
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2(1)(f)	Rent and Service Charges	£14,000	£0	(£961)	£13,039	£13,038.96
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2(1)(g)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£5,000	£0	£0	£5,000	£4,747.96
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Total Office Expenses		£55,000	£0	(£961)	£54,039	£39,933.08
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Operational Expenses

2(2)(a)	Computer Running Expenses	£21,000	£0	£0	£21,000	£21,280.50
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2(2)(b)	Marketing and Official Visits	£55,000	£0	£0	£55,000	£44,411.87
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2(2)(c)	Red Ensign Conference	£5,000	£0	£0	£5,000	£5,686.90
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HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
39 :- MARITIME SERVICES						
2(2)(d) Survey and Investigation Expenses	£25,000	£0	£0	£25,000	£48,280.60	
2(2)(e) IMO Voluntary Audit Scheme	£5,000	£0	£0	£5,000	£5,440.00	
Total Operational Expenses	£111,000	£0	£0	£111,000	£125,099.87	
2(3) Contribution to Gibraltar Development Corporation - Staff Services	£27,000	£0	(£14,844)	£12,156	£12,155.50	
Total	£27,000	£0	(£14,844)	£12,156	£12,155.50	
2(4) Maritime Accident Investigation Expenses	£50,000	£0	(£7,650)	£42,350	£42,349.59	
Total	£50,000	£0	(£7,650)	£42,350	£42,349.59	
2(5) Relief Cover	£1,000	£0	(£1,000)	£0	£0.00	
Total	£1,000	£0	(£1,000)	£0	£0.00	
TOTAL OTHER CHARGES	£244,000	£0	(£24,455)	£219,545	£219,538.04	£6.96

39 :- MARITIME SERVICES

SUMMARY

Personal Emoluments	£1,056,000	£0	£44,340	£1,100,340	£1,100,328.83	£11.17
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£1,056,000	£0	£44,340	£1,100,340	£1,100,328.83	£11.17
Other Charges	£244,000	£0	(£24,455)	£219,545	£219,538.04	£6.96
TOTAL MARITIME SERVICES	£1,300,000	£0	£19,885	£1,319,885	£1,319,866.87	£18.13

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
40 :- SOCIAL SECURITY						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£900,000	£0	£0	£900,000	£871,765.15	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£50,000	£0	£0	£50,000	£27,737.18	
1(1)(c) Allowances	£20,000	£0	£0	£20,000	£21,690.47	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£36,000	£0	£0	£36,000	£32,940.88	
Total Personal Emoluments	£1,006,000	£0	£0	£1,006,000	£954,133.68	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£1,006,000	£0	£0	£1,006,000	£954,133.68	£51,866.32
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£10,000	£0	£0	£10,000	£9,055.05	
2(1)(b) Electricity and Water	£1,000	£0	£0	£1,000	£612.00	
2(1)(c) Telephone Service	£10,000	£0	£0	£10,000	£9,294.29	
2(1)(d) Printing and Stationery	£6,000	£0	£0	£6,000	£5,594.94	
2(1)(e) Computer and Office Equipment	£11,000	£0	£0	£11,000	£10,396.87	
<i>Contracted Services</i>						
2(1)(f) Office Cleaning - Government Cleaning Scheme	£20,000	£0	£0	£20,000	£19,641.60	
2(1)(g) Security Services	£25,000	£0	£0	£25,000	£24,884.21	
Total Office Expenses	£83,000	£0	£0	£83,000	£79,478.96	
2(2) Postage Expenses	£2,000	£0	£0	£2,000	£1,449.84	
Total	£2,000	£0	£0	£2,000	£1,449.84	
<i>Support to the Disabled</i>						
2(3)(a) Disability Benefit	£1,450,000	£0	£0	£1,450,000	£1,434,754.02	
2(3)(b) Home Help	£34,000	£0	£0	£34,000	£34,000.00	
2(3)(c) Coningencies	£5,000	£0	£0	£5,000	£3,500.00	
Total Support to the Disabled	£1,489,000	£0	£0	£1,489,000	£1,472,254.02	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
40 :- SOCIAL SECURITY							
2(4)	Compensation to Victims of Crime	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(5)	Relief Cover	£69,000	£0	£0	£69,000	£51,833.97	
Total		£69,000	£0	£0	£69,000	£51,833.97	
2(6)	Payment to Social Assistance Fund - Import Duty	£15,200,000	£0	£0	£15,200,000	£7,500,000.00	
Total		£15,200,000	£0	£0	£15,200,000	£7,500,000.00	
2(7)	Contribution to Statutory Benefits Fund	£7,000,000	£0	£0	£7,000,000	£7,000,000.00	
Total		£7,000,000	£0	£0	£7,000,000	£7,000,000.00	
2(8)	Losses of Public Funds	£0	£0	£0	£0	£40.00	
Total		£0	£0	£0	£0	£40.00	
2(9)	Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£0	£0	£13,875.84	
Total		£0	£0	£0	£0	£13,875.84	
TOTAL OTHER CHARGES		£23,844,000	£0	£0	£23,844,000	£16,118,932.63	£7,725,067.37

40 :- SOCIAL SECURITY

SUMMARY

Personal Emoluments	£1,006,000	£0	£0	£1,006,000	£954,133.68	£51,866.32
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£1,006,000	£0	£0	£1,006,000	£954,133.68	£51,866.32
Other Charges	£23,844,000	£0	£0	£23,844,000	£16,118,932.63	£7,725,067.37
TOTAL SOCIAL SECURITY	£24,850,000	£0	£0	£24,850,000	£17,073,066.31	£7,776,933.69

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
41 :- CIVIL CONTINGENCY						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£102,000	£0	£0	£102,000	£89,269.03	
1(1)(b) Overtime	£1,000	£0	£0	£1,000	£327.98	
1(1)(c) Allowances	£1,000	£0	£0	£1,000	£210.00	
1(1)(d) Pension Contributions	£15,000	£0	£0	£15,000	£10,900.18	
Total Personal Emoluments	£119,000	£0	£0	£119,000	£100,707.19	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£119,000	£0	£0	£119,000	£100,707.19	£18,292.81

OTHER CHARGES

2(1) Civil Contingency Planning	£40,000	£0	£0	£40,000	£40,854.23	
Total	£40,000	£0	£0	£40,000	£40,854.23	
2(2) Contract Officers	£68,000	£0	£0	£68,000	£76,879.44	
Total	£68,000	£0	£0	£68,000	£76,879.44	
2(3) Contribution to Gibraltar Development Corporation - Staff Services	£42,000	£0	£0	£42,000	£28,430.11	
Total	£42,000	£0	£0	£42,000	£28,430.11	
2(4) Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES	£151,000	£0	£0	£151,000	£146,163.78	£4,836.22

41 :- CIVIL CONTINGENCY

SUMMARY

Personal Emoluments	£119,000	£0	£0	£119,000	£100,707.19	£18,292.81
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£119,000	£0	£0	£119,000	£100,707.19	£18,292.81
Other Charges	£151,000	£0	£0	£151,000	£146,163.78	£4,836.22
TOTAL CIVIL CONTINGENCY	£270,000	£0	£0	£270,000	£246,870.97	£23,129.03

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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42 :- FIRE AND RESCUE SERVICE

PAYROLL

Personal Emoluments

1(1)(a) Salaries	£3,100,000	£0	£0	£3,100,000	£3,090,539.89
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Overtime

1(1)(b)(i) Conditioned	£630,000	£0	£0	£630,000	£622,512.34
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1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00
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1(1)(b)(iii) Manning Level Maintenance	£500,000	£0	£0	£500,000	£365,992.85
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1(1)(b)(iv) Discretionary	£15,000	£0	£0	£15,000	£22,219.48
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1(1)(c) Allowances	£600,000	£0	£0	£600,000	£569,321.64
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1(1)(d) Pension Contributions	£100,000	£0	£0	£100,000	£119,309.14
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Total Personal Emoluments	£4,945,000	£0	£0	£4,945,000	£4,789,895.34
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Industrial Wages

1(2)(a) Basic Wages	£55,000	£0	£0	£55,000	£34,641.87
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Overtime

1(2)(b)(i) Conditioned	£0	£0	£0	£0	£0.00
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1(2)(b)(ii) Emergency	£0	£0	£0	£0	£0.00
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1(2)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00
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1(2)(b)(iv) Discretionary	£10,000	£0	£0	£10,000	£4,666.70
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1(2)(c) Allowances	£3,000	£0	£0	£3,000	£1,662.63
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1(2)(d) Pension Contributions	£5,000	£0	£0	£5,000	£2,365.49
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Total Industrial Wages	£73,000	£0	£0	£73,000	£43,336.69
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TOTAL PAYROLL	£5,018,000	£0	£0	£5,018,000	£4,833,232.03	£184,767.97
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OTHER CHARGES

Office Expenses

2(1)(a) General Expenses	£15,000	£0	£0	£15,000	£11,569.17
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2(1)(b) Electricity and Water	£33,000	£0	£0	£33,000	£32,326.52
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2(1)(c) Telephone Service	£20,000	£0	£0	£20,000	£12,448.92
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2(1)(d) Printing and Stationery	£5,000	£0	£0	£5,000	£5,041.24
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2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme	£32,000	£0	£0	£32,000	£31,144.00
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Total Office Expenses	£105,000	£0	£0	£105,000	£92,529.85
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Operational Expenses

2(2)(a) Maintenance of Fire and Rescue Equipment	£25,000	£0	£0	£25,000	£29,992.34
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2(2)(b) Fire Precautions	£9,000	£0	£0	£9,000	£9,525.74
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HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
42 :- FIRE AND RESCUE SERVICE						
2(2)(c) Protective Clothing and Uniforms	£45,000	£0	£0	£45,000	£43,184.79	
2(2)(d) Civil Protection	£2,000	£0	£0	£2,000	£0.00	
2(2)(e) Training Courses	£105,000	£0	£0	£105,000	£105,464.82	
2(2)(f) Contracted Services: Radio Communication System - Gibtelecom Ltd	£33,000	£0	£0	£33,000	£28,704.00	
Total Operational Expenses	£219,000	£0	£0	£219,000	£216,871.69	
2(3) Fire Fighting Simulator Expenses	£1,000	£0	£0	£1,000	£42.00	
Total	£1,000	£0	£0	£1,000	£42.00	
2(4) Mobile Command Unit	£7,000	£0	£0	£7,000	£6,333.34	
Total	£7,000	£0	£0	£7,000	£6,333.34	
2(5) Relief Cover	£16,000	£0	£0	£16,000	£12,978.77	
Total	£16,000	£0	£0	£16,000	£12,978.77	
2(6) Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£0	£0	£3,468.96	
Total	£0	£0	£0	£0	£3,468.96	
TOTAL OTHER CHARGES	£348,000	£0	£0	£348,000	£332,224.61	£15,775.39

42 :- FIRE AND RESCUE SERVICE

SUMMARY

Personal Emoluments	£4,945,000	£0	£0	£4,945,000	£4,789,895.34	£155,104.66
Industrial Wages	£73,000	£0	£0	£73,000	£43,336.69	£29,663.31
Total Payroll	£5,018,000	£0	£0	£5,018,000	£4,833,232.03	£184,767.97
Other Charges	£348,000	£0	£0	£348,000	£332,224.61	£15,775.39
TOTAL FIRE AND RESCUE SERVICE	£5,366,000	£0	£0	£5,366,000	£5,165,456.64	£200,543.36

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
43 :- GIBRALTAR UNIVERSITY						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£0	£0	£0	£0	£0.00	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00
<u>OTHER CHARGES</u>						
2(1) Contribution to Gibraltar University	£1,500,000	£0	£0	£1,500,000	£1,500,000.00	
Total	£1,500,000	£0	£0	£1,500,000	£1,500,000.00	
TOTAL OTHER CHARGES	£1,500,000	£0	£0	£1,500,000	£1,500,000.00	£0.00
43 :- GIBRALTAR UNIVERSITY						
<u>SUMMARY</u>						
Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£1,500,000	£0	£0	£1,500,000	£1,500,000.00	£0.00
TOTAL GIBRALTAR UNIVERSITY	£1,500,000	£0	£0	£1,500,000	£1,500,000.00	£0.00

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
44 :- CULTURE						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£260,000	£0	(£15,393)	£244,607	£227,398.96	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£30,000	£0	£0	£30,000	£39,969.56	
1(1)(c) Allowances	£19,000	£0	£0	£19,000	£28,950.07	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£9,000	£0	£0	£9,000	£6,286.59	
Total Personal Emoluments	£318,000	£0	(£15,393)	£302,607	£302,605.18	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£318,000	£0	(£15,393)	£302,607	£302,605.18	£1.82

OTHER CHARGES

Office Expenses

2(1)(a) General Expenses	£4,000	£0	£0	£4,000	£2,890.52	
2(1)(b) Electricity and Water	£6,000	£0	£0	£6,000	£4,747.43	
2(1)(c) Telephone Service	£9,000	£0	£0	£9,000	£7,135.28	
2(1)(d) Printing and Stationery	£1,000	£0	£0	£1,000	£2,138.55	
2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme	£21,000	£0	£0	£21,000	£20,502.60	
Total Office Expenses	£41,000	£0	£0	£41,000	£37,414.38	

Operational Expenses

2(2)(a) Motor Vehicle Expenses	£1,000	£0	£0	£1,000	£0.00	
2(2)(b) Repairs and Maintenance	£5,000	£0	£0	£5,000	£2,210.76	
2(2)(c) Computer and Office Equipment	£3,000	£0	£0	£3,000	£585.21	
2(2)(d) Contracted Services: Security	£21,000	£0	£0	£21,000	£21,241.96	
Total Operational Expenses	£30,000	£0	£0	£30,000	£24,037.93	

Cultural Expenses and Activities

2(3)(a) Cultural Grants	£200,000	£0	£0	£200,000	£197,375.00	
2(3)(b) Mega Concert	£2,100,000	£0	£1,326,510	£3,426,510	£3,426,500.92	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
44 :- CULTURE							
2(3)(c)	Jazz Festival	£50,000	£0	£0	£50,000	£50,235.90	
2(3)(d)	Cavalcade	£30,000	£0	£0	£30,000	£30,478.96	
2(3)(e)	Other Events	£80,000	£0	£0	£80,000	£77,691.68	
2(3)(f)	Magic Festival	£25,000	£0	£0	£25,000	£25,000.00	
2(3)(g)	Gibraltar International Song Festival	£70,000	£0	£0	£70,000	£70,000.00	
2(3)(h)	Maintenance of Armour Decking	£25,000	£0	£0	£25,000	£25,000.00	
Total Cultural Expenses and Activities		£2,580,000	£0	£1,326,510	£3,906,510	£3,902,282.46	
2(4)	Contribution to Gibraltar Development Corporation - Staff Services	£126,000	£0	£0	£126,000	£134,359.60	
Total		£126,000	£0	£0	£126,000	£134,359.60	
Contracted Services							
2(5)(a)	Culture	£2,600,000	£0	£32,463	£2,632,463	£2,641,436.65	
2(5)(b)	Gibraltar Academy of Music and Performing Arts	£110,000	£0	£0	£110,000	£126,052.42	
Total Contracted Services		£2,710,000	£0	£32,463	£2,742,463	£2,767,489.07	
2(6)	Mayoral Expenses	£40,000	£0	£0	£40,000	£35,315.44	
Total		£40,000	£0	£0	£40,000	£35,315.44	
2(7)	Purchase of Cultural Items	£1,000	£0	£0	£1,000	£4,000.00	
Total		£1,000	£0	£0	£1,000	£4,000.00	
2(8)	Premises: Clubs and Associations	£20,000	£0	£0	£20,000	£9,617.80	
Total		£20,000	£0	£0	£20,000	£9,617.80	
2(9)	Relief Cover	£20,000	£0	£0	£20,000	£11,229.42	
Total		£20,000	£0	£0	£20,000	£11,229.42	
2(10)	Ex-Gratia Payments	£0	£0	£0	£0	£1,208.00	
Total		£0	£0	£0	£0	£1,208.00	
TOTAL OTHER CHARGES		£5,568,000	£0	£1,358,973	£6,926,973	£6,926,954.10	£18.90

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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44 :- CULTURE

44 :- CULTURE

SUMMARY

Personal Emoluments	£318,000	£0	(£15,393)	£302,607	£302,605.18	£1.82
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£318,000	£0	(£15,393)	£302,607	£302,605.18	£1.82
Other Charges	£5,568,000	£0	£1,358,973	£6,926,973	£6,926,954.10	£18.90
TOTAL CULTURE	£5,886,000	£0	£1,343,580	£7,229,580	£7,229,559.28	£20.72

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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45 :- BROADCASTING

PAYROLL

Personal Emoluments

1(1)	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£0	£0	£0	£0	£0.00	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00

OTHER CHARGES

2(1)	Contribution to Gibraltar Broadcasting Corporation	£4,700,000	£0	£0	£4,700,000	£4,700,000.00	
Total		£4,700,000	£0	£0	£4,700,000	£4,700,000.00	
TOTAL OTHER CHARGES		£4,700,000	£0	£0	£4,700,000	£4,700,000.00	£0.00

45 :- BROADCASTING

SUMMARY

Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£4,700,000	£0	£0	£4,700,000	£4,700,000.00	£0.00
TOTAL BROADCASTING	£4,700,000	£0	£0	£4,700,000	£4,700,000.00	£0.00

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
46 :- YOUTH						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£338,000	£0	£0	£338,000	£339,158.62	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£1,000	£0	£0	£1,000	£0.00	
1(1)(c) Allowances	£5,000	£0	£0	£5,000	£2,735.33	
1(1)(d) Temporary Assistance	£80,000	£0	£4,350	£84,350	£84,535.35	
1(1)(e) Pension Contributions	£16,000	£0	£0	£16,000	£17,915.83	
Total Personal Emoluments	£440,000	£0	£4,350	£444,350	£444,345.13	
<i>Industrial Wages</i>						
1(2)(a) Basic Wages	£45,000	£0	£0	£45,000	£45,052.68	
<i>Overtime</i>						
1(2)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(2)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(2)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(2)(b)(iv) Discretionary	£1,000	£0	£0	£1,000	£737.67	
1(2)(c) Allowances	£0	£0	£0	£0	£0.00	
1(2)(d) Pension Contributions	£1,000	£0	£2,115	£3,115	£3,318.34	
Total Industrial Wages	£47,000	£0	£2,115	£49,115	£49,108.69	
TOTAL PAYROLL	£487,000	£0	£6,465	£493,465	£493,453.82	£11.18

OTHER CHARGES

Office Expenses

2(1)(a) General Expenses	£11,000	£0	£0	£11,000	£11,051.66	
2(1)(b) Electricity and Water	£10,000	£0	£5,400	£15,400	£15,856.78	
2(1)(c) Telephone Service	£7,000	£0	£0	£7,000	£6,516.69	
2(1)(d) Printing and Stationery	£3,000	£0	£0	£3,000	£2,967.47	
Total Office Expenses	£31,000	£0	£5,400	£36,400	£36,392.60	

Operational Expenses

2(2)(a) Youth Activities	£50,000	£0	£0	£50,000	£49,996.72	
2(2)(b) Youth Grants	£40,000	£0	£0	£40,000	£40,000.00	
2(2)(c) Repairs and Maintenance	£1,000	£0	£0	£1,000	£986.61	

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
46 :- YOUTH							
2(2)(d)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£6,000	£0	£2,380	£8,380	£8,392.95	
Total Operational Expenses		£97,000	£0	£2,380	£99,380	£99,376.28	
2(3)	Training	£8,000	£0	£0	£8,000	£7,999.49	
Total		£8,000	£0	£0	£8,000	£7,999.49	
2(4)	Relief Cover	£1,000	£0	£18,160	£19,160	£19,155.64	
Total		£1,000	£0	£18,160	£19,160	£19,155.64	
2(5)	Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£3,470	£3,470	£3,468.96	
Total		£0	£0	£3,470	£3,470	£3,468.96	
TOTAL OTHER CHARGES		£137,000	£0	£29,410	£166,410	£166,392.97	£17.03
46 :- YOUTH SUMMARY							
Personal Emoluments		£440,000	£0	£4,350	£444,350	£444,345.13	£4.87
Industrial Wages		£47,000	£0	£2,115	£49,115	£49,108.69	£6.31
Total Payroll		£487,000	£0	£6,465	£493,465	£493,453.82	£11.18
Other Charges		£137,000	£0	£29,410	£166,410	£166,392.97	£17.03
TOTAL YOUTH		£624,000	£0	£35,875	£659,875	£659,846.79	£28.21

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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47 :- SPORT AND LEISURE

PAYROLL

Personal Emoluments

1(1)	£0	£0	£0	£0	£0.00	
Total Personal Emoluments	£0	£0	£0	£0	£0.00	
Industrial Wages						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00

OTHER CHARGES

Contributions from the Consolidated Fund to the Gibraltar Sports & Leisure Authority

2(1)(a)	Contribution from Revenues Received	£190,000	£0	£76,560	£266,560	£266,548.34	
2(1)(b)	Additional Contribution	£5,301,000	£0	£2,235,000	£7,536,000	£7,536,000.00	
Total Contributions from the Consolidated Fund to the Gibraltar Sports & Leisure Authority		£5,491,000	£0	£2,311,560	£7,802,560	£7,802,548.34	
TOTAL OTHER CHARGES		£5,491,000	£0	£2,311,560	£7,802,560	£7,802,548.34	£11.66

47 :- SPORT AND LEISURE

SUMMARY

Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£5,491,000	£0	£2,311,560	£7,802,560	£7,802,548.34	£11.66
TOTAL SPORT AND LEISURE	£5,491,000	£0	£2,311,560	£7,802,560	£7,802,548.34	£11.66

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
48 :- FINANCIAL SERVICES						
<u>PAYROLL</u>						
<i>Personal Emoluments - Finance Centre</i>						
1(1)(a) Salaries	£139,000	£0	£0	£139,000	£140,469.46	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£2,000	£0	£0	£2,000	£840.48	
1(1)(c) Allowances	£1,000	£0	£0	£1,000	£896.87	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£6,000	£0	(£590)	£5,410	£5,199.34	
Total Personal Emoluments - Finance Centre	£148,000	£0	(£590)	£147,410	£147,406.15	
<i>Personal Emoluments - Central Register HMGoG</i>						
1(1)(f) Salaries	£60,000	£0	(£17,745)	£42,255	£42,254.96	
<i>Overtime</i>						
1(1)(g)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(g)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(g)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(g)(iv) Discretionary	£1,000	£0	(£420)	£580	£579.54	
1(1)(h) Allowances	£1,000	£0	(£1,000)	£0	£0.00	
1(1)(i) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(j) Pension Contributions	£1,000	£0	(£1,000)	£0	£0.00	
Total Personal Emoluments - Central Register HMGoG	£63,000	£0	(£20,165)	£42,835	£42,834.50	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£211,000	£0	(£20,755)	£190,245	£190,240.65	£4.35

OTHER CHARGES

Office Expenses - Finance Centre

2(1)(a) General Expenses	£12,000	£0	£0	£12,000	£3,637.86
2(1)(b) Electricity and Water	£3,000	£0	£0	£3,000	£2,200.91
2(1)(c) Telephone Service	£12,000	£0	£0	£12,000	£13,442.78

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
48 :- FINANCIAL SERVICES							
2(1)(d)	Printing and Stationery	£6,000	£0	£0	£6,000	£2,166.17	
2(1)(e)	Office Rent and Service Charges	£116,000	£0	£0	£116,000	£112,740.50	
2(1)(f)	Contracted Services: Office Cleaning	£12,000	£0	£0	£12,000	£10,442.98	
Total Office Expenses - Finance Centre		£161,000	£0	£0	£161,000	£144,631.20	
Operational Expenses - Finance Centre							
2(2)(a)	Consultancy and Professional Fees	£20,000	£0	£0	£20,000	£0.00	
Total Operational Expenses - Finance Centre		£20,000	£0	£0	£20,000	£0.00	
2(3)	Consultancy Services	£125,000	£0	£0	£125,000	£203,530.48	
Total		£125,000	£0	£0	£125,000	£203,530.48	
2(4)	Marketing, Promotions and Conferences	£350,000	£0	£0	£350,000	£309,266.04	
Total		£350,000	£0	£0	£350,000	£309,266.04	
2(5)	Company Registration - Companies House (Gib) Ltd - Contracted Service	£1,472,000	£0	£0	£1,472,000	£1,571,746.63	
Total		£1,472,000	£0	£0	£1,472,000	£1,571,746.63	
2(6)	Contribution to Gibraltar Development Corporation - Staff Services	£278,000	£0	£0	£278,000	£277,561.46	
Total		£278,000	£0	£0	£278,000	£277,561.46	
2(7)	Contract Officers - Finance Centre	£437,000	£0	£0	£437,000	£358,489.41	
Total		£437,000	£0	£0	£437,000	£358,489.41	
Financial Services Commission							
2(8)(a)	Subvention	£800,000	£0	£0	£800,000	£775,000.00	
2(8)(b)	Extraordinary Investigation Expenses (i)	£0	£0	£360,155	£360,155	£774,661.00	
Total Financial Services Commission		£800,000	£0	£360,155	£1,160,155	£1,549,661.00	

Note:

(i) An amount of £103,810 was incorrectly charged to subhead 2(8)(b) - Extraordinary Investigation Expenses when it should have been charged to subhead 2(8)(a) – Subvention on 25 January 2019. As the overall expenditure under the Financial Services Commission was unaffected, no adjustment was considered necessary.

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
48 :- FINANCIAL SERVICES							
2(9)	Contribution - Regulatory Outcomes Review GFSC	£300,000	£0	£0	£300,000	£0.00	
Total		£300,000	£0	£0	£300,000	£0.00	
Office Expenses - Central Register HMGoG							
2(10)(a)	General Expenses	£1,000	£0	£0	£1,000	£939.00	
2(10)(b)	Electricity and Water	£0	£0	£0	£0	£0.00	
2(10)(c)	Telephone Service	£0	£0	£0	£0	£0.00	
Total Office Expenses - Central Register HMGoG		£1,000	£0	£0	£1,000	£939.00	
2(11)	OECD and MONEYVAL Membership Fees and Expenses	£60,000	£0	£0	£60,000	£49,309.23	
Total		£60,000	£0	£0	£60,000	£49,309.23	
2(12)	Distributed Ledger Technology Support	£100,000	£0	£0	£100,000	£0.00	
Total		£100,000	£0	£0	£100,000	£0.00	
2(13)	Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES		£4,105,000	£0	£360,155	£4,465,155	£4,465,134.45	£20.55

48 :- FINANCIAL SERVICES

SUMMARY

Personal Emoluments	£211,000	£0	(£20,755)	£190,245	£190,240.65	£4.35
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£211,000	£0	(£20,755)	£190,245	£190,240.65	£4.35
Other Charges	£4,105,000	£0	£360,155	£4,465,155	£4,465,134.45	£20.55
TOTAL FINANCIAL SERVICES	£4,316,000	£0	£339,400	£4,655,400	£4,655,375.10	£24.90

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
49 :- GAMBLING DIVISION						
<u>PAYROLL</u>						
<i>Personal Emoluments - Gambling Division</i>						
1(1)(a) Salaries	£127,000	£0	£0	£127,000	£126,878.32	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£8,000	£0	£0	£8,000	£3,366.11	
1(1)(c) Allowances	£4,000	£0	£0	£4,000	£6,522.19	
1(1)(d) Pension Contributions	£1,000	£0	£0	£1,000	£0.00	
Total Personal Emoluments - Gambling Division	£140,000	£0	£0	£140,000	£136,766.62	
<i>Personal Emoluments - Liaison Department</i>						
1(1)(e) Salaries	£36,000	£0	£0	£36,000	£35,771.87	
<i>Overtime</i>						
1(1)(f)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(f)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(f)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(f)(iv) Discretionary	£1,000	£0	£0	£1,000	£357.28	
1(1)(g) Allowances	£2,000	£0	£0	£2,000	£2,624.45	
1(1)(h) Pension Contributions	£6,000	£0	£0	£6,000	£6,081.19	
Total Personal Emoluments - Liaison Department	£45,000	£0	£0	£45,000	£44,834.79	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£185,000	£0	£0	£185,000	£181,601.41	£3,398.59

OTHER CHARGES

Office Expenses

2(1)(a) General Expenses	£3,000	£0	£0	£3,000	£3,382.03	
2(1)(b) Electricity and Water	£2,000	£0	£0	£2,000	£1,073.13	
2(1)(c) Telephone Service	£5,000	£0	£0	£5,000	£4,134.98	
2(1)(d) Printing and Stationery	£2,000	£0	£0	£2,000	£1,502.35	
2(1)(e) Office Rent and Service Charges	£59,000	£0	£0	£59,000	£49,163.58	
2(1)(f) Contracted Services: Office Cleaning	£4,000	£0	£0	£4,000	£3,817.32	
Total Office Expenses	£75,000	£0	£0	£75,000	£63,073.39	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
49 :- GAMBLING DIVISION						
Operational Expenses						
2(2)(a) Conferences, Training and Official Travel	£35,000	£0	£0	£35,000	£35,214.51	
2(2)(b) Professional Fees	£20,000	£0	£0	£20,000	£14,092.28	
2(2)(c) Computer and Office Equipment Expenses	£1,000	£0	£0	£1,000	£524.00	
Total Operational Expenses	£56,000	£0	£0	£56,000	£49,830.79	
2(3) Business Development	£10,000	£0	£0	£10,000	£8,456.66	
Total	£10,000	£0	£0	£10,000	£8,456.66	
2(4) Contribution to Gibraltar Development Corporation - Staff Services	£669,000	£0	£0	£669,000	£532,908.79	
Total	£669,000	£0	£0	£669,000	£532,908.79	
Gaming Industry Liaison						
2(5)(a) General Expenses	£3,000	£0	£0	£3,000	£1,220.00	
2(5)(b) Electricity and Water	£0	£0	£0	£0	£0.00	
2(5)(c) Telephone Service	£2,000	£0	£0	£2,000	£944.50	
2(5)(d) Printing and Stationery	£2,000	£0	£0	£2,000	£0.00	
Total Gaming Industry Liaison	£7,000	£0	£0	£7,000	£2,164.50	
2(6) Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES	£818,000	£0	£0	£818,000	£656,434.13	£161,565.87

49 :- GAMBLING DIVISION

SUMMARY

Personal Emoluments	£185,000	£0	£0	£185,000	£181,601.41	£3,398.59
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£185,000	£0	£0	£185,000	£181,601.41	£3,398.59
Other Charges	£818,000	£0	£0	£818,000	£656,434.13	£161,565.87
TOTAL GAMBLING DIVISION	£1,003,000	£0	£0	£1,003,000	£838,035.54	£164,964.46

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
50 :- COMMERCE						
<u>PAYROLL</u>						
<i>Personal Emoluments - Ministry</i>						
1(1)(a) Salaries	£429,000	£0	£0	£429,000	£348,068.34	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£3,000	£0	£0	£3,000	£20,045.12	
1(1)(c) Allowances	£5,000	£0	£0	£5,000	£31,896.72	
1(1)(d) Temporary Assistance	£1,000	£0	£0	£1,000	£0.00	
1(1)(e) Pension Contributions	£15,000	£0	£0	£15,000	£10,822.60	
Total Personal Emoluments - Ministry	£453,000	£0	£0	£453,000	£410,832.78	
<i>Personal Emoluments - Office of Fair Trading</i>						
1(1)(f) Salaries	£245,000	£0	£0	£245,000	£242,166.76	
<i>Overtime</i>						
1(1)(g)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(g)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(g)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(g)(iv) Discretionary	£2,000	£0	£0	£2,000	£381.20	
1(1)(h) Allowances	£4,000	£0	£0	£4,000	£3,671.51	
1(1)(i) Pension Contributions	£8,000	£0	£0	£8,000	£11,681.28	
Total Personal Emoluments - Office of Fair Trading	£259,000	£0	£0	£259,000	£257,900.75	
<i>Personal Emoluments - Information Technology and Logistics Department</i>						
1(1)(j) Salaries	£1,227,000	£0	£8,184	£1,235,184	£1,267,554.16	
<i>Overtime</i>						
1(1)(k)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(k)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(k)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(k)(iv) Discretionary	£80,000	£0	£0	£80,000	£87,496.43	
1(1)(l) Allowances	£33,000	£0	£0	£33,000	£32,266.57	
1(1)(m) Pension Contributions	£84,000	£0	£0	£84,000	£88,124.23	
Total Personal Emoluments - Information Technology and Logistics Department	£1,424,000	£0	£8,184	£1,432,184	£1,475,441.39	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
50 :- COMMERCE						
Industrial Wages						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£2,136,000	£0	£8,184	£2,144,184	£2,144,174.92	£9.08

OTHER CHARGES

Office Expenses - Ministry

2(1)(a)	General Expenses	£4,000	£0	£0	£4,000	£8,303.08
2(1)(b)	Electricity and Water	£1,000	£0	£0	£1,000	£0.00
2(1)(c)	Telephone Service	£6,000	£0	£0	£6,000	£5,326.73
2(1)(d)	Printing and Stationery	£3,000	£0	£0	£3,000	£4,861.81
2(1)(e)	Office Rent, Parking Space and Service Charges	£0	£0	£0	£0	£0.00
2(1)(f)	Computer and Office Equipment	£3,000	£0	£0	£3,000	£8,506.32
Total Office Expenses - Ministry		£17,000	£0	£0	£17,000	£26,997.94
2(2)	Consultancy, Professional Fees and Legal Panel	£20,000	£0	£0	£20,000	£15,178.40
Total		£20,000	£0	£0	£20,000	£15,178.40
2(3)	Marketing, Promotions and Conferences	£30,000	£0	£0	£30,000	£76,305.06
Total		£30,000	£0	£0	£30,000	£76,305.06
2(4)	Business Support Office	£5,000	£0	£0	£5,000	£1,572.75
Total		£5,000	£0	£0	£5,000	£1,572.75
2(5)	Gibraltar Business Nurturing Scheme	£10,000	£0	£0	£10,000	£3,551.46
Total		£10,000	£0	£0	£10,000	£3,551.46

Office Expenses - Office of Fair Trading

2(6)(a)	General Expenses	£5,000	£0	£0	£5,000	£4,813.99
2(6)(b)	Electricity and Water	£3,000	£0	£0	£3,000	£1,881.03
2(6)(c)	Telephone Service	£8,000	£0	£0	£8,000	£5,727.08
2(6)(d)	Printing and Stationery	£5,000	£0	£0	£5,000	£2,370.19
2(6)(e)	Office Rent, Parking Space and Service Charges	£60,000	£0	£0	£60,000	£48,539.30

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
50 :- COMMERCE							
2(6)(f)	Training and Moneyval	£5,000	£0	£0	£5,000	£0.00	
2(6)(g)	Product Testing	£1,000	£0	£0	£1,000	£0.00	
2(6)(h)	Inspections	£1,000	£0	£0	£1,000	£0.00	
2(6)(i)	Contribution to Gibraltar Development Corporation - Staff Services	£184,000	£0	£0	£184,000	£191,486.24	
2(6)(j)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£9,000	£0	£0	£9,000	£8,675.31	
Total Office Expenses - Office of Fair Trading		£281,000	£0	£0	£281,000	£263,493.14	
Office Expenses - Information Technology and Logistics Department							
2(7)(a)	General Expenses	£4,000	£0	£0	£4,000	£3,803.28	
2(7)(b)	Electricity and Water	£16,000	£0	£0	£16,000	£12,888.57	
2(7)(c)	Telephone Service	£15,000	£0	£0	£15,000	£16,753.96	
2(7)(d)	Printing and Stationery	£2,000	£0	£0	£2,000	£1,918.71	
2(7)(e)	Computer Expenses	£7,000	£0	£0	£7,000	£6,262.03	
2(7)(f)	Maintenance Agreements and Licenses	£2,100,000	£0	£0	£2,100,000	£2,060,912.22	
Contracted Services							
2(7)(g)	Electronic Data Communication - Gibtelecom	£297,000	£0	£0	£297,000	£222,011.91	
2(7)(h)	Office Cleaning - Government Cleaning Scheme	£11,000	£0	£0	£11,000	£10,059.60	
Total Office Expenses - Information Technology and Logistics Department		£2,452,000	£0	£0	£2,452,000	£2,334,610.28	
2(8)	Uniforms and Protective Clothing	£5,000	£0	£0	£5,000	£4,599.75	
Total		£5,000	£0	£0	£5,000	£4,599.75	
2(9)	Conferences and Travel	£7,000	£0	£0	£7,000	£5,710.31	
Total		£7,000	£0	£0	£7,000	£5,710.31	
2(10)	Relief Cover	£18,000	£0	(£8,184)	£9,816	£7,189.08	
Total		£18,000	£0	(£8,184)	£9,816	£7,189.08	
TOTAL OTHER CHARGES		£2,845,000	£0	(£8,184)	£2,836,816	£2,739,208.17	£97,607.83

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
50 :- COMMERCE						
50 :- COMMERCE						
SUMMARY						
Personal Emoluments	£2,136,000	£0	£8,184	£2,144,184	£2,144,174.92	£9.08
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£2,136,000	£0	£8,184	£2,144,184	£2,144,174.92	£9.08
Other Charges	£2,845,000	£0	(£8,184)	£2,836,816	£2,739,208.17	£97,607.83
TOTAL COMMERCE	£4,981,000	£0	£0	£4,981,000	£4,883,383.09	£97,616.91

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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51 :- POSTAL SERVICES

PAYROLL

Personal Emoluments

1(1)(a)	Salaries	£1,415,000	£0	£0	£1,415,000	£1,398,395.61
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Overtime

1(1)(b)(i)	Conditioned	£480,000	£0	£0	£480,000	£481,541.17
1(1)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00
1(1)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
1(1)(b)(iv)	Discretionary	£2,000	£0	£0	£2,000	£313.11
1(1)(c)	Allowances	£80,000	£0	£0	£80,000	£82,793.44
1(1)(d)	Temporary Assistance	£172,000	£0	(£21,217)	£150,783	£131,855.15
1(1)(e)	Bonus Payments	£330,000	£0	£0	£330,000	£312,911.75
1(1)(f)	Pension Contributions	£43,000	£0	£0	£43,000	£40,438.96

Total Personal Emoluments	£2,522,000	£0	(£21,217)	£2,500,783	£2,448,249.19	
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Industrial Wages

1(2)(a)	Basic Wages	£20,000	£0	£0	£20,000	£20,180.68
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Overtime

1(2)(b)(i)	Conditioned	£9,000	£0	£0	£9,000	£9,285.85
1(2)(b)(ii)	Emergency	£0	£0	£0	£0	£0.00
1(2)(b)(iii)	Manning Level Maintenance	£0	£0	£0	£0	£0.00
1(2)(b)(iv)	Discretionary	£0	£0	£0	£0	£0.00
1(2)(c)	Allowances	£0	£0	£0	£0	£0.00
1(2)(d)	Pension Contributions	£1,000	£0	£0	£1,000	£0.00

Total Industrial Wages	£30,000	£0	£0	£30,000	£29,466.53	
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TOTAL PAYROLL	£2,552,000	£0	(£21,217)	£2,530,783	£2,477,715.72	£53,067.28
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OTHER CHARGES

Office Expenses

2(1)(a)	General Expenses	£20,000	£0	£0	£20,000	£17,050.30
2(1)(b)	Electricity and Water	£20,000	£0	£0	£20,000	£15,930.46
2(1)(c)	Telephone Service	£18,000	£0	£0	£18,000	£15,096.30
2(1)(d)	Printing and Stationery	£29,000	£0	£0	£29,000	£27,081.35
2(1)(e)	Contracted Services: Office Cleaning - Government Cleaning Scheme	£30,000	£0	£0	£30,000	£30,880.20

Total Office Expenses	£117,000	£0	£0	£117,000	£106,038.61	
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HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
51 :- POSTAL SERVICES							
Operational Expenses							
2(2)(a)	Supply of Stamps	£13,000	£0	£0	£13,000	£20,346.00	
2(2)(b)	Postal Stores and Equipment	£9,000	£0	£0	£9,000	£4,975.97	
2(2)(c)	Transport Services	£2,000	£0	£0	£2,000	£1,051.00	
2(2)(d)	Uniforms	£13,000	£0	£0	£13,000	£10,040.75	
2(2)(e)	Commission to Stamp Vendors	£15,000	£0	£0	£15,000	£6,043.70	
2(2)(f)	Security Equipment Expenses	£13,000	£0	£0	£13,000	£5,582.80	
2(2)(g)	Banking and Related Services	£1,000	£0	£0	£1,000	£12.50	
Total Operational Expenses		£66,000	£0	£0	£66,000	£48,052.72	
2(3)	Outgoing Mail and Bulk Mailing	£550,000	£0	£0	£550,000	£471,820.54	
Total		£550,000	£0	£0	£550,000	£471,820.54	
2(4)	Contribution to International Bureau	£80,000	£0	£0	£80,000	£70,802.34	
Total		£80,000	£0	£0	£80,000	£70,802.34	
2(5)(a)	Contracted Services: Gibraltar Philatelic Bureau Ltd	£220,000	£0	£0	£220,000	£212,658.62	
Total		£220,000	£0	£0	£220,000	£212,658.62	
2(6)	Introduction of Post Codes	£1,000	£0	£0	£1,000	£0.00	
Total		£1,000	£0	£0	£1,000	£0.00	
2(7)	Regulatory Authority Fees	£16,000	£0	£0	£16,000	£14,499.34	
Total		£16,000	£0	£0	£16,000	£14,499.34	
2(8)	EPOS	£15,000	£0	£0	£15,000	£15,000.00	
Total		£15,000	£0	£0	£15,000	£15,000.00	
2(9)	Relief Cover	£16,000	£0	£0	£16,000	£125,247.26	
Total		£16,000	£0	£0	£16,000	£125,247.26	
2(10)	Losses of Public Funds	£0	£0	£0	£0	£18.39	
Total		£0	£0	£0	£0	£18.39	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
51 :- POSTAL SERVICES						
2(11) Contribution to Gibraltar Development Corporation - Staff Services	£0	£0	£21,217	£21,217	£38,067.03	
Total	£0	£0	£21,217	£21,217	£38,067.03	
TOTAL OTHER CHARGES	£1,081,000	£0	£21,217	£1,102,217	£1,102,204.85	£12.15

51 :- POSTAL SERVICES

SUMMARY

Personal Emoluments	£2,522,000	£0	(£21,217)	£2,500,783	£2,448,249.19	£52,533.81
Industrial Wages	£30,000	£0	£0	£30,000	£29,466.53	£533.47
Total Payroll	£2,552,000	£0	(£21,217)	£2,530,783	£2,477,715.72	£53,067.28
Other Charges	£1,081,000	£0	£21,217	£1,102,217	£1,102,204.85	£12.15
TOTAL POSTAL SERVICES	£3,633,000	£0	£0	£3,633,000	£3,579,920.57	£53,079.43

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
52 :- GIBRALTAR AUDIT OFFICE						
<u>PAYROLL</u>						
<i>Personal Emoluments</i>						
1(1)(a) Salaries	£968,000	£0	£0	£968,000	£940,214.94	
<i>Overtime</i>						
1(1)(b)(i) Conditioned	£0	£0	£0	£0	£0.00	
1(1)(b)(ii) Emergency	£0	£0	£0	£0	£0.00	
1(1)(b)(iii) Manning Level Maintenance	£0	£0	£0	£0	£0.00	
1(1)(b)(iv) Discretionary	£10,000	£0	£0	£10,000	£4,008.81	
1(1)(c) Allowances	£134,000	£0	£0	£134,000	£141,746.31	
1(1)(d) Temporary Assistance	£0	£0	£0	£0	£0.00	
1(1)(e) Pension Contributions	£43,000	£0	£0	£43,000	£44,112.18	
Total Personal Emoluments	£1,155,000	£0	£0	£1,155,000	£1,130,082.24	
<i>Industrial Wages</i>						
1(2)	£0	£0	£0	£0	£0.00	
Total Industrial Wages	£0	£0	£0	£0	£0.00	
TOTAL PAYROLL	£1,155,000	£0	£0	£1,155,000	£1,130,082.24	£24,917.76
<u>OTHER CHARGES</u>						
<i>Office Expenses</i>						
2(1)(a) General Expenses	£7,000	£0	£0	£7,000	£4,225.03	
2(1)(b) Electricity and Water	£5,000	£0	£0	£5,000	£2,901.29	
2(1)(c) Telephone Service	£5,000	£0	£0	£5,000	£4,199.97	
2(1)(d) Printing and Stationery	£6,000	£0	£0	£6,000	£6,487.04	
2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme	£6,000	£0	£0	£6,000	£5,620.12	
Total Office Expenses	£29,000	£0	£0	£29,000	£23,433.45	
<i>Operational Expenses</i>						
2(2)(a) Audit Training	£15,000	£0	£0	£15,000	£2,968.01	
2(2)(b) Computers and Office Equipment	£22,000	£0	£0	£22,000	£24,868.17	
2(2)(c) Contracted Services: Support of Computer System	£8,000	£0	£0	£8,000	£7,261.33	
Total Operational Expenses	£45,000	£0	£0	£45,000	£35,097.51	
2(3) Professional Audit Fees	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
52 :- GIBRALTAR AUDIT OFFICE						
2(4) Relief Cover	£1,000	£0	£0	£1,000	£0.00	
Total	£1,000	£0	£0	£1,000	£0.00	
TOTAL OTHER CHARGES	£76,000	£0	£0	£76,000	£58,530.96	£17,469.04

52 :- GIBRALTAR AUDIT OFFICE

SUMMARY

Personal Emoluments	£1,155,000	£0	£0	£1,155,000	£1,130,082.24	£24,917.76
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£1,155,000	£0	£0	£1,155,000	£1,130,082.24	£24,917.76
Other Charges	£76,000	£0	£0	£76,000	£58,530.96	£17,469.04
TOTAL GIBRALTAR AUDIT OFFICE	£1,231,000	£0	£0	£1,231,000	£1,188,613.20	£42,386.80

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
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53 :- GIBRALTAR REGULATORY AUTHORITY

PAYROLL

Personal Emoluments

1(1)	£0	£0	£0	£0	£0.00
Total Personal Emoluments	£0	£0	£0	£0	£0.00

Industrial Wages

1(2)	£0	£0	£0	£0	£0.00
Total Industrial Wages	£0	£0	£0	£0	£0.00

TOTAL PAYROLL	£0	£0	£0	£0	£0.00	£0.00
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OTHER CHARGES

2(1)	Contribution to Gibraltar Regulatory Authority	£1,875,000	£0	£0	£1,875,000	£1,875,000.00
Total		£1,875,000	£0	£0	£1,875,000	£1,875,000.00

TOTAL OTHER CHARGES		£1,875,000	£0	£0	£1,875,000	£1,875,000.00	£0.00
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53 :- GIBRALTAR REGULATORY AUTHORITY

SUMMARY

Personal Emoluments	£0	£0	£0	£0	£0.00	£0.00
Industrial Wages	£0	£0	£0	£0	£0.00	£0.00
Total Payroll	£0	£0	£0	£0	£0.00	£0.00
Other Charges	£1,875,000	£0	£0	£1,875,000	£1,875,000.00	£0.00
TOTAL GIBRALTAR REGULATORY AUTHORITY	£1,875,000	£0	£0	£1,875,000	£1,875,000.00	£0.00

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
54 :- SUPPLEMENTARY PROVISION							
1	Supplementary Funding	£9,000,000	£8,800,000	(£17,691,120)	£108,880	£0.00	
TOTAL SUPPLEMENTARY PROVISION		£9,000,000	£8,800,000	(£17,691,120)	£108,880	£0.00	£108,880.00

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
55 :- CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES							
1	Contribution to Government-Owned Companies	£25,000,000	£0	£0	£25,000,000	£25,000,000.00	
TOTAL CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES		£25,000,000	£0	£0	£25,000,000	£25,000,000.00	£0.00

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
56 :- TRANSFER FROM GOVERNMENT SURPLUS							
1	Payment to Social Assistance Fund - Import Duty - Transfer from Government Surplus	£1,000	£24,999,000	£0	£25,000,000	£25,000,000.00	
TOTAL TRANSFER FROM GOVERNMENT SURPLUS		£1,000	£24,999,000	£0	£25,000,000	£25,000,000.00	£0.00

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
57 :- CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND							
1	Contribution to the Improvement and Development Fund	£43,000,000	£13,500,000	£0	£56,500,000	£56,500,000.00	
TOTAL CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND		£43,000,000	£13,500,000	£0	£56,500,000	£56,500,000.00	£0.00

STATEMENT OF UNAUTHORISED EXPENDITURE **FOR THE YEAR ENDED 31 MARCH 2019**

(a) Expenditure not covered by Appropriation (Section 69 of the Gibraltar Constitution Order 2006)

There has been no expenditure incurred that has not been covered by Appropriation Law in the financial year ended 31 March 2019.

(b) Unauthorised use of Savings (Section 45 of the Public Finance (Control and Audit) Act)

There has been no unauthorised use of expenditure savings in the financial year ended 31 March 2019.

GOVERNMENT LIQUID RESERVES
STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund: On-Call Investment Account	£111,758,184.60	100.000	£111,758,184.60	£111,758,184.60
Cash held in Barclays Bank PLC	£657,517.44	100.000	£657,517.44	£657,517.44
Cash held in Natwest Bank	£35,500,589.05	100.000	£35,500,589.05	£35,500,589.05
Cash held in Jyske Bank	£369,387.64	100.000	£369,387.64	£369,387.64
Cash held in Gibraltar International Bank	£1,973,787.84	100.000	£1,973,787.84	£1,973,787.84
Crown Agents General Account	£8,177.12	100.000	£8,177.12	£8,177.12
GRP - GCAL Security Deposit	£3,088,519.16	100.000	£3,088,519.16	£3,088,519.16
Bank of England	£115.45	100.000	£115.45	£115.45
Cash in Hand	£25,340.80	100.000	£25,340.80	£25,340.80
	£153,381,619.10		£153,381,619.10	£153,381,619.10

SUMMARY OF RESERVES

	£'m
Consolidated Fund	£125.28
Improvement and Development Fund	£1.45
Cash Reserves	<u>£126.73</u>
Net Companies Deposits	£22.16
Contingencies Fund	£0.40
Other funds	£4.09
Government Liquid Reserves	<u><u>£153.38</u></u>

DEPOSIT ACCOUNTS AS AT 31 MARCH 2019

Controlling Officers:

Accountant General	£8,350,807.45	
Financial Secretary	£4,971,510.23	
Collector of Customs	£2,013,582.46	
Principal Secretary, Economic Development	£1,451,464.12	
Principal Secretary, Employment	£817,165.00	
Commissioner of Income Tax	£751,869.58	
Chief Technical Officer	£663,534.55	
Principal Secretary, Social Security	£537,313.88	
Principal Housing Officer	£399,392.66	
Principal Secretary, Tourism, Employment, Commercial Aviation and the Port	£217,953.13	
Chief Executive, Gibraltar Courts Service	£210,037.06	
Chief Executive, Environment	£40,224.80	
Senior Executive Officer, Culture	£37,783.67	
Conservation Officer	£27,278.73	
Director of Education	£23,051.67	
Others	£12,302.15	
		£20,525,271.14

Other Governments, Administrations,

Public Corporations or Institutions:

Medical Director, Gibraltar Health Authority	£348,392.70	
Chief Executive Officer, Gibraltar Electricity Authority	£137,942.00	
Chief Executive Officer, Care Agency	£25,420.89	
Chief Executive Officer, Borders and Coastguard Agency	£9,927.11	
		£521,682.70
Government-Owned Companies		£16,814,840.17
Gibraltar Development Corporation-Owned Companies		£5,212,137.08
Municipal Services Deposits		£2,137,563.79
Government Lottery		£389,606.40
Municipal Services Deductions		£203,024.37
Trade Union Fees		£146,759.35
Cheques Unpresented		£145,228.25
Gibraltar Savings Bank-Owned Company		£138,300.12

Balance held by Authorities, Agencies and other Public Corporations:

Gibraltar Health Authority	£1,661.63
Gibraltar Electricity Authority	£1,101.73
Gibraltar Health Authority - Elderly Residential Services Section	£955.67
Borders and Coastguard Agency	£935.98
Gibraltar Sports and Leisure Authority	£803.18
Gibraltar Port Authority	£644.68
Care Agency	£449.87
Housing Works Agency	£269.17
Gibraltar Development Corporation	£42.04

DEPOSIT ACCOUNTS**STATEMENT OF INVESTMENTS ON 31 MARCH 2019**

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Gibraltar International Bank - Deposit Account	£1,137,349.72	100.000	£1,137,349.72	£1,137,349.72
Savings Bank Fund: On-Call Investment Account	£1,452,278.60	100.000	£1,452,278.60	£1,452,278.60
	£2,589,628.32		£2,589,628.32	£2,589,628.32

ADVANCE ACCOUNTS AS AT 31 MARCH 2019

Controlling Officers:

Accountant General	£5,256,749.41 (i)	
Financial Secretary	£4,392,599.57	
Senior Executive Officer, Culture	£742,973.75	
Commissioner of Income Tax	£271,404.94	
Chief Executive, Gibraltar Courts Service	£27,850.83	
Director of Education	£20,104.48	
Others	<u>£55,593.87</u>	
		£10,767,276.85

Other Governments, Administrations, Public Corporations or Institutions:

Chief Executive, Gibraltar Port Authority	£3,705,195.71	
Medical Director, Gibraltar Health Authority	<u>£80,757.13</u>	
		£3,785,952.84
Land Property Services Ltd	£1,604.92	
AquaGib Ltd	<u>£1,426,385.71</u>	
		£1,427,990.63
		<u><u>£15,981,220.32</u></u>

Note:

(i) Includes £3,565,000 in respect of advances made from the Consolidated Fund to the Statutory Benefits Fund.

UNRETIRED IMPRESTS AS AT 31ST MARCH 2019

Principal Secretary, Social Security	£850,200.00
Accountant General	£413,403.00
Commissioner of Income Tax	£200,650.00
Principal Secretary, Operations, Deputy Chief Minister's Office	£98,201.02
Chief Executive Officer, Gibraltar Tourist Board	£72,699.94
Medical Director, Gibraltar Health Authority	£26,560.00
Chief Executive, Gibraltar Courts Service	£20,100.00
Principal Secretary, Tourism, Employment, Commercial Aviation and the Port	£14,350.00
Chief Secretary	£9,080.00
Commissioner of Police	£4,940.00
Collector of Customs	£2,540.00
Elderly Care Manager, Gibraltar Health Authority - Elderly Residential Services Section	£1,400.00
Superintendent of Prison	£1,300.00
Chief Executive Officer, Care Agency	£1,250.00
Chief Executive, Environment	£925.00
Principal Housing Officer	£640.00
Principal Secretary, Immigration and Civil Status	£435.00
Chief Examiner	£430.00
Chief Executive, Technical Services	£375.00
Chief Executive Officer, Gibraltar Electricity Authority	£370.00
Financial Secretary	£300.00
Principal Secretary, Employment	£260.00
Principal Secretary, Economic Development	£200.00
Senior Executive Officer, Culture	£190.00
Chief Executive Officer, Gibraltar Sports and Leisure Authority	£180.00
Human Resources Manager	£150.00
Principal Secretary, Transport, Traffic and Technical Services	£150.00
Senior Executive Officer, Equality	£100.00
Chief Executive Officer, Borders and Coastguard Agency	£100.00
Chief Executive, Gibraltar Port Authority	£100.00
Senior Crown Counsel	£100.00
Chief Statistician	£100.00
Principal Auditor	£100.00
Director of Education	£100.00
Head of Agency, Housing Works Agency	£80.00
Chief Fire Officer	£60.00
	<u>£1,722,118.96</u>

ABSTRACT STATEMENT OF RECEIPTS AND PAYMENTS **FOR THE YEAR ENDED 31 MARCH 2019**

	<u>RECEIPTS</u>	<u>PAYMENTS</u>
Consolidated Fund - Revenue	£708,247,378.65	£0.00
Consolidated Fund - Expenditure	£0.00	£702,412,653.83
Special Funds	£289,758,333.15	£243,588,852.74
Investment Account	£152,971,759.48	£199,716,074.03
Advance Account	£1,339,138,967.56	£1,339,332,669.82
Deposit Account	£1,606,741,298.52	£1,617,087,359.90
Imprest Account	£1,391,139.66	£1,468,825.66
Drafts and Remittances	£65,540,649.66	£65,540,649.66
Gibraltar Development Corporation	£19,535,517.81	£19,536,043.20
Gibraltar Health Authority	£126,465,303.25	£126,464,083.77
Care Agency	£16,633,355.85	£16,634,387.24
Gibraltar Health Authority - Elderly Residential Services Section	£24,423,982.63	£24,424,878.08
Gibraltar Electricity Authority	£56,875,281.60	£56,875,235.32
Gibraltar Sports and Leisure Authority	£8,170,846.39	£8,170,993.45
Gibraltar Port Authority	£7,078,149.19	£7,078,351.65
Housing Works Agency	£7,883,854.99	£7,884,219.87
Borders and Coastguard Agency	£6,895,708.58	£6,896,209.87
Loans Issued to Sundry Entities	£53,200.04	£0.00
Loans Issued by Government	£0.00	£53,200.04
	<hr/>	<hr/>
	£4,437,804,727.01	£4,443,164,688.13
Government Liquid Reserves on 1 April 2018	£158,741,580.22	£0.00
	<hr/>	<hr/>
	£4,596,546,307.23	£4,443,164,688.13
Government Liquid Reserves on 31 March 2019	£0.00	£153,381,619.10
	<hr/>	<hr/>
	<u>£4,596,546,307.23</u>	<u>£4,596,546,307.23</u>

SPECIAL FUNDS SUMMARY FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT	FUND ACCOUNT BALANCE ON 1 APRIL 2018	ADVANCE FROM CONSOLIDATED FUND ON 1 APRIL 2018	RECEIPTS DURING THE YEAR	PAYMENTS DURING THE YEAR	REPAYMENT OF ADVANCE FROM CONSOLIDATED FUND DURING THE YEAR	FUND ACCOUNT BALANCE ON 31 MARCH 2019	ADVANCE FROM CONSOLIDATED FUND ON 31 MARCH 2019	INVESTMENTS ON 31 MARCH 2019	GOVERNMENT LIQUID RESERVES
Improvement and Development Fund	£714,578.77	£0.00	£84,552,702.73	(£83,814,740.85)	£0.00	£1,452,540.65	£0.00	£0.00	£1,452,540.65
Statutory Benefits Fund	(£7,042,818.93)	£7,065,000.00	£43,670,764.21	(£39,394,643.92)	(£3,500,000.00)	(£2,766,698.64)	£3,565,000.00	£798,301.36	£0.00
Social Assistance Fund	£486,668.09	£0.00	£32,500,000.00	(£32,513,035.14)	£0.00	£473,632.95	£0.00	£473,632.95	£0.00
Note Security Fund	£40,743,242.57	£0.00	£20,895,399.48	(£18,431,467.98)	£0.00	£43,207,174.07	£0.00	£43,207,174.07	£0.00
General Sinking Fund	£8,762,825.15	£0.00	£10,000,000.00	(£6,643,091.60)	£0.00	£12,119,733.55	£0.00	£12,119,733.55	£0.00
Supreme Court Fund	£477,823.77	£0.00	£750,018.31	(£13,371.80)	£0.00	£1,214,470.28	£0.00	£1,164,064.61	£50,405.67
Administrator General's Account	£244,362.40	£0.00	£1,221.80	£0.00	£0.00	£245,584.20	£0.00	£245,584.20	£0.00
FSRCC - Deposit Guarantee Fund *	£2,094,302.35	£0.00	£1,071,109.41	£0.00	£0.00	£3,165,411.76	£0.00	£3,165,411.76	£0.00
FSRCC - Resolution Financing Fund **	£2,090,144.68	£0.00	£1,433,629.73	£0.00	£0.00	£3,523,774.41	£0.00	£3,523,774.41	£0.00
HM Customs Centre of Excellence Fund	£0.00	£0.00	£334,499.00	(£294,823.37)	£0.00	£39,675.63	£0.00	£39,675.63	£0.00
Government Trusts Fund	£145,761,257.49	£0.00	£42,052,526.59	(£6,487,216.19)	£0.00	£181,326,567.89	£0.00	£181,073,486.89	£253,081.00
Savings Bank Fund	£194,332,386.34	£7,065,000.00	£237,261,871.26	(£187,592,390.85)	(£3,500,000.00)	£244,001,866.75	£3,565,000.00	£245,810,839.43	£1,756,027.32
	£1,377,597,060.88	£0.00	£113,103,060.51	(£47,345,806.41)	£0.00	£1,443,354,314.98	£0.00	£1,443,354,314.98	£0.00
	£1,571,929,447.22	£7,065,000.00	£350,364,931.77	(£234,938,197.26)	(£3,500,000.00)	£1,687,356,181.73	£3,565,000.00	£1,689,165,154.41	£1,756,027.32

* Financial Services Resolution and Compensation Committee (FSRCC) - Deposit Guarantee Fund

** Financial Services Resolution and Compensation Committee (FSRCC) - Resolution Financing Fund

SPECIAL FUNDS
IMPROVEMENT AND DEVELOPMENT FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Contribution and Loans	£56,500,000.00
Sale of Government Properties and Other Premia	£19,829,205.41
Grants	£0.00
Reimbursements	£8,223,497.32
	<u>£84,552,702.73</u>

PAYMENTS

Works and Equipment	£22,369,364.25	
Projects	<u>£61,445,376.60</u>	
		(£83,814,740.85)
Net Receipts		<u><u>£737,961.88</u></u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Balance held in Government Liquid Reserves	<u><u>£1,452,540.65</u></u>
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FINANCED BY

Fund Account Balance on 1 April 2018	£714,578.77
Net Receipts during the year	<u>£737,961.88</u>
Fund Account Balance on 31 March 2019	<u><u>£1,452,540.65</u></u>

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	ACTUAL REVENUE	OVER/(UNDER) THE ESTIMATE
<u>IMPROVEMENT AND DEVELOPMENT FUND</u>			
<u>SUMMARY OF REVENUE</u>			
101 :- CONTRIBUTION AND LOANS	£43,001,000	£56,500,000.00	£13,499,000.00
102 :- SALE OF GOVERNMENT PROPERTY AND OTHER PREMIA	£23,500,000	£19,829,205.41	(£3,670,794.59)
103 :- GRANTS	£2,000	£0.00	(£2,000.00)
104 :- REIMBURSEMENTS	£5,597,000	£8,223,497.32	£2,626,497.32
	£72,100,000	£84,552,702.73	£12,452,702.73

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	ACTUAL REVENUE	OVER/(UNDER) THE ESTIMATE
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IMPROVEMENT AND DEVELOPMENT FUND - REVENUE

HEAD 101 :- CONTRIBUTION AND LOANS

1 Contribution from Consolidated Fund - Reserve	£43,000,000	£56,500,000.00	£13,500,000.00
2 Loans	£1,000	£0.00	(£1,000.00)
	£43,001,000	£56,500,000.00	£13,499,000.00

HEAD 102 :- SALE OF GOVERNMENT PROPERTY AND OTHER PREMIA

1 Land, Building Sales and Leases and Other Premia (i)	£22,500,000	£18,829,205.41	(£3,670,794.59)
2 Ex MOD Sales (ii)	£1,000,000	£1,000,000.00	£0.00
	£23,500,000	£19,829,205.41	(£3,670,794.59)

HEAD 103 :- GRANTS

1 EU Grant - Competitiveness & Employment Objective Programme (ERDF)	£1,000	£0.00	(£1,000.00)
2 EU Grant - Interreg Territorial Co-Operation	£1,000	£0.00	(£1,000.00)
	£2,000	£0.00	(£2,000.00)

HEAD 104 :- REIMBURSEMENTS

1 Commercial Projects	£1,000	£0.00	(£1,000.00)
2 Residential Projects	£1,000	£0.00	(£1,000.00)
3 Loans Repayments	£54,000	£53,200.04	(£799.96)
4 Interest on Loans	£1,000	£0.00	(£1,000.00)
5 Other Reimbursements	£1,000	£2,964,928.74	£2,963,928.74
6 Receipts in Connection with the Transfer of MOD Electricity Undertakings	£362,000	£362,000.00	£0.00
7 MOD Contribution to Gibraltar Airport Fire and Rescue Service	£977,000	£982,475.51	£5,475.51
8 MOD Contribution towards Relocation Costs - Project Euston	£4,200,000	£3,860,893.03	(£339,106.97)
	£5,597,000	£8,223,497.32	£2,626,497.32

Note:

(i) Revenue collected amounting to £18,829,205.41 includes two repayments of revenue in respect of the previous Financial Year 2017/18 amounting to £140,000 and £51,000.

(ii) An amount of £1,000,000 received on 4 March 2019 was incorrectly charged to Subhead 2 - Ex-MOD Sales when it should have been charged to of Subhead 1 - Land, Building Sales and Leases and Other Premia. As the overall total revenue collected under Head 102 - Sale of Government Property and Other Premia amounting to £19,829,205.41 remained accurate, no adjustment was considered necessary.

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
<u>IMPROVEMENT AND DEVELOPMENT FUND</u>						
<u>SUMMARY OF EXPENDITURE</u>						
101 :- WORKS AND EQUIPMENT	£18,681,000	£3,689,000	£0	£22,370,000	£22,369,364.25	£635.75
102 :- PROJECTS	£53,311,000	£8,136,000	£0	£61,447,000	£61,445,376.60	£1,623.40
	£71,992,000	£11,825,000	£0	£83,817,000	£83,814,740.85	£2,259.15

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE						
101 :- WORKS AND EQUIPMENT						
WORKS AND EQUIPMENT						
1(a) Education - Refurbishment of Educational Facilities and Equipment	£2,000,000	£0	£0	£2,000,000	£2,016,803.24	(£16,803.24)
1(b) Prison	£200,000	£0	£0	£200,000	£117,240.73	£82,759.27
1(c) Post Office	£50,000	£0	£0	£50,000	£37,036.01	£12,963.99
1(d) Technical Services	£65,000	£0	£0	£65,000	£56,511.10	£8,488.90
1(e) Gibraltar Broadcasting Corporation	£500,000	£0	£0	£500,000	£651,363.52	(£151,363.52)
1(f) Contribution to Borders and Coastguard Agency	£40,000	£0	£0	£40,000	£27,000.00	£13,000.00
1(g) Contribution to Gibraltar Electricity Authority	£1,400,000	£0	£0	£1,400,000	£1,281,000.00	£119,000.00
1(h) Contribution to Housing Works Agency	£1,000	£0	£0	£1,000	£0.00	£1,000.00
1(i) Contribution to Gibraltar Health Authority	£1,900,000	£0	£0	£1,900,000	£1,530,000.00	£370,000.00
1(j) Contribution to Gibraltar Health Authority - Elderly Residential Services Section	£400,000	£0	£0	£400,000	£400,000.00	£0.00
1(k) Contribution to Care Agency	£275,000	£0	£0	£275,000	£362,000.00	(£87,000.00)
1(l) Contribution to Gibraltar Port Authority	£300,000	£0	£0	£300,000	£304,000.00	(£4,000.00)
1(m) Contribution to Gibraltar Sports and Leisure Authority	£100,000	£0	£0	£100,000	£192,000.00	(£92,000.00)
1(n) Housing: Works and Repairs	£4,000,000	£3,650,000	£0	£7,650,000	£7,649,496.58	£503.42
<i>Environment and Roads:</i>						
1(o)(i) Environment Projects	£80,000	£0	£0	£80,000	£78,844.76	£1,155.24
1(o)(ii) Rock Safety, Coastal Protection, Retaining Walls & Demolition Works	£750,000	£0	£0	£750,000	£720,701.36	£29,298.64
1(o)(iii) Drains and Sewers	£600,000	£0	£0	£600,000	£599,692.52	£307.48
1(o)(iv) Road Maintenance and Resurfacing	£850,000	£0	£0	£850,000	£849,044.09	£955.91
1(o)(v) Security Bollards	£80,000	£0	£0	£80,000	£98,054.50	(£18,054.50)
1(p) Traffic Enhancements	£12,000	£0	£0	£12,000	£24,920.42	(£12,920.42)
<i>Essential Services - Equipment</i>						
1(q)(i) Royal Gibraltar Police	£250,000	£0	£0	£250,000	£297,822.07	(£47,822.07)
1(q)(ii) Customs Department	£200,000	£0	£0	£200,000	£173,535.94	£26,464.06
1(q)(iii) Fire and Rescue Service	£350,000	£0	£0	£350,000	£281,203.77	£68,796.23
1(q)(iv) Gibraltar Airport Fire and Rescue Service	£2,100,000	£0	£0	£2,100,000	£2,005,021.95	£94,978.05
1(q)(v) Fire and Rescue Service - Turntable Ladder	£1,000	£0	£0	£1,000	£0.00	£1,000.00
1(r) Youth Clubs Refurbishment	£35,000	£0	£0	£35,000	£34,983.33	£16.67

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE						
<i>Tourism:</i>						
1(s)(i) Beaches	£300,000	£39,000	£0	£339,000	£557,460.34	(£218,460.34)
1(s)(ii) Other Sites	£150,000	£0	£0	£150,000	£381,841.71	(£231,841.71)
1(t) Civil Contingency	£40,000	£0	£0	£40,000	£39,567.11	£432.89
1(u) Government Buildings, Works and Structures	£500,000	£0	£0	£500,000	£443,061.00	£56,939.00
1(v) Government Furniture and Equipment	£100,000	£0	£0	£100,000	£106,162.30	(£6,162.30)
1(w) Government Vehicles and Plant	£100,000	£0	£0	£100,000	£77,349.99	£22,650.01
1(x) Other Works	£1,000	£0	£0	£1,000	£0.00	£1,000.00
1(y) Government Computerisation Programme	£950,000	£0	£0	£950,000	£930,285.22	£19,714.78
<i>Launches:</i>						
1(z)(i) Customs	£1,000	£0	£0	£1,000	£0.00	£1,000.00
1(za) Drug & Alcohol Awareness and Rehabilitation	£0	£0	£0	£0	£45,360.69	(£45,360.69)
	£18,681,000	£3,689,000	£0	£22,370,000	£22,369,364.25	£635.75

HEADS AND ITEMS	ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE						
102 :- PROJECTS						
ROADS AND PARKING PROJECTS						
<i>Roads and Tunnel Projects:</i>						
1(a)(i) Tunnels and Roads to North Front	£7,500,000	£0	(£836,296)	£6,663,704	£6,663,664.96	£39.04
1(a)(ii) Highways Resurfacing Programme	£330,000	£0	(£3,170)	£326,830	£326,827.94	£2.06
1(b) GIS Development	£1,000	£0	(£1,000)	£0	£0.00	£0.00
	£7,831,000	£0	(£840,466)	£6,990,534	£6,990,492.90	£41.10
RELOCATION COSTS						
2(a) MOD Lands	£225,000	£0	£0	£225,000	£173,504.34	£51,495.66
2(b)(i) MOD Project Euston	£16,000,000	£2,706,000	£427,570	£19,133,570	£19,133,039.45	£530.55
2(b)(ii) MOD Project Euston - Requested Works	£1,000	£3,860,000	£0	£3,861,000	£3,860,893.03	£106.97
2(c) Other Relocations	£3,800,000	£0	£547,355	£4,347,355	£4,398,844.13	(£51,489.13)
2(d) Port Authority Relocation	£85,000	£0	£22,241	£107,241	£107,240.97	£0.03
	£20,111,000	£6,566,000	£997,166	£27,674,166	£27,673,521.92	£644.08
3 Reclamation Projects	£600,000	£0	(£154,700)	£445,300	£445,296.73	£3.27
	£600,000	£0	(£154,700)	£445,300	£445,296.73	£3.27
OTHER PROJECTS						
4(a) Heritage Building Refurbishments	£40,000	£0	£0	£40,000	£39,330.00	£670.00
4(b) Climate Change and Renewables	£40,000	£0	£0	£40,000	£40,256.75	(£256.75)
4(c) Reef Creation Programme	£15,000	£0	£0	£15,000	£12,713.10	£2,286.90
4(d) Refuse Shelters	£40,000	£0	£0	£40,000	£9,119.00	£30,881.00
4(e) Gorham's Cave Complex Renovation - World Heritage Status	£10,000	£0	£0	£10,000	£10,000.00	£0.00
4(f) Upper Rock Projects - Environment	£150,000	£0	£0	£150,000	£148,418.44	£1,581.56
4(g) Garrison Library	£30,000	£0	£0	£30,000	£29,141.97	£858.03
4(h) Urban Renewal	£50,000	£0	£0	£50,000	£36,095.73	£13,904.27
4(i)(i) Wellington Front: Infrastructure	£130,000	£0	£0	£130,000	£115,244.50	£14,755.50
4(j) Main Sewer	£750,000	£0	£0	£750,000	£747,622.12	£2,377.88
4(k) Sustainable Traffic, Transport and Parking Plan	£420,000	£0	£0	£420,000	£420,685.60	(£685.60)
4(l) Filling of City Centre Paving Stone Gaps	£50,000	£0	£0	£50,000	£18,617.00	£31,383.00
4(m) Sewers Term Maintenance	£150,000	£0	£0	£150,000	£149,878.23	£121.77
4(n)(i) Construction of Car Parks: Conversion of Existing Areas into Car Parks	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(o) Europa Road (South) Widening	£1,000	£0	£0	£1,000	£0.00	£1,000.00

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE							
4(p)	Keightley Way Tunnel Improvement Lighting and Pedestrian Safety	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(q)	Cliff Stabilisation Works Incinerator Site	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(r)	Bus Shelters	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(s)	Gibraltar Development Plan	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(t)	Black Cabs	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(u)	Soft Loans and Repairs to Housing Estates	£125,000	£0	£0	£125,000	£223,552.50	(£98,552.50)
4(v)	Feasibility Studies - New Projects	£100,000	£0	£0	£100,000	£33,018.00	£66,982.00
<i>Frontier:</i>							
4(w)(i)	Frontier Monitoring Project	£50,000	£0	£0	£50,000	£7,876.95	£42,123.05
4(w)(ii)	Infrastructure Works	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(w)(iii)	Repairs to Fence	£10,000	£0	£0	£10,000	£69,430.43	(£59,430.43)
4(x)	Refurbishment of Brussels Office	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(y)	Acquisition of Property	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(z)	Upgrade of Playgrounds	£60,000	£0	£0	£60,000	£59,263.50	£736.50
4(za)	Garrison Gymnasium	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zb)	Island Games Facilities	£14,000,000	£1,570,000	£0	£15,570,000	£17,446,796.18	(£1,876,796.18)
4(zc)	Inflatable Dome for Multi-Use Games Area	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zd)	Bathing Pavilion	£180,000	£0	£0	£180,000	£183,013.16	(£3,013.16)
4(ze)	Boat Moorings	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zf)	Implementation of e-Procurement System	£50,000	£0	£0	£50,000	£45,090.00	£4,910.00
4(zg)	Air Traffic Control Contingency Project	£400,000	£0	£0	£400,000	£122,390.20	£277,609.80
4(zh)	City Hall and Art Gallery Refurbishment	£50,000	£0	£0	£50,000	£106,196.91	(£56,196.91)
4(zi)	Theatre	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zj)	Refurbishment of Girl Guides Hut	£150,000	£0	£0	£150,000	£310,388.11	(£160,388.11)
4(zk)	Statue for Sir Joshua Hassan	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zi)	Ince's Hall	£80,000	£0	£0	£80,000	£80,000.00	£0.00
4(zm)	Refurbishment of Premises for Clubs and Associations	£50,000	£0	£0	£50,000	£43,356.24	£6,643.76
4(zn)	GAMPA	£100,000	£0	£0	£100,000	£129,839.10	(£29,839.10)
4(zo)	Installation of CCTV Cameras	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zp)	Criminal Justice Integrated IT System	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zq)	Infrastructure Provision for Housing Projects	£80,000	£0	£0	£80,000	£0.00	£80,000.00
4(zr)	Urban Wastewater Treatment Plant	£1,000	£0	£0	£1,000	£771,453.93	(£770,453.93)
4(zs)	Waterport and New Eastside Affordable Housing Scheme	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zt)	Relocation of Bus Depot/Technical Services Garage/Calypso	£1,425,000	£0	£0	£1,425,000	£918,348.63	£506,651.37
4(zu)	Infrastructure Provision for New Developments	£900,000	£0	£0	£900,000	£1,128,069.50	(£228,069.50)

HEADS AND ITEMS		ORIGINAL ESTIMATE 2018/19	SUPPLE- MENTARY	VIREMENT	TOTAL AUTHORISED EXPENDITURE	ACTUAL EXPENDITURE	(EXCESS) OR SAVING
IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE							
4(zv)	Completion of Infrastructure Service Corridor (North Front Area)	£1,000,000	£0	£0	£1,000,000	£5,129.30	£994,870.70
4(zw)	New Industrial Units to Relocate Sacarello's/GFI	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zx)	Enabling Works for Annual Fair	£100,000	£0	£0	£100,000	£126,682.61	(£26,682.61)
4(zy)	Jewish Home	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zz)	New Dockyard Road Sewage Pumping Station	£25,000	£0	£0	£25,000	£0.00	£25,000.00
4(zza)	Updating 2008 Infrastructure Review	£50,000	£0	£0	£50,000	£0.00	£50,000.00
4(zzb)	Waste Treatment Facility	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zzc)	Construction of Central Park	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zzd)	Laguna Youth Club	£50,000	£0	£0	£50,000	£2,330.00	£47,670.00
4(zze)	Waterport Demolitions	£600,000	£0	£0	£600,000	£798,300.00	(£198,300.00)
4(zzf)	Infrastructure Provision for Ex-MOD Properties	£1,300,000	£0	£0	£1,300,000	£1,150,982.20	£149,017.80
4(zzg)	Eastgate Customs Search Facility	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zzh)	Works to Buena Vista Estate	£500,000	£0	£0	£500,000	£97,376.87	£402,623.13
4(zzi)	New School Projects	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zzj)	Hot Lunches for Schools	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zzk)	Other Community Projects	£400,000	£0	£0	£400,000	£0.00	£400,000.00
4(zzl)	Old Naval Hospital Conversion and Refurbishment Works	£424,000	£0	£0	£424,000	£427,293.03	(£3,293.03)
4(zzm)	Parliament House	£100,000	£0	£0	£100,000	£0.00	£100,000.00
4(zzn)	Northern Defences	£300,000	£0	£0	£300,000	£181,341.04	£118,658.96
4(zzo)	Mount Misery	£100,000	£0	£0	£100,000	£23,419.79	£76,580.21
4(zzp)	Governor's Parade	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zzq)	Grand Battery	£1,000	£0	£0	£1,000	£0.00	£1,000.00
4(zzr)	e-ID Card System	£10,000	£0	£0	£10,000	£0.00	£10,000.00
4(zzs)	New Passport Issuing System	£35,000	£0	£0	£35,000	£8,237.23	£26,762.77
4(zzt)	Cruise Liner Terminal Ancillary Facilities Refurbishment	£60,000	£0	£0	£60,000	£59,767.20	£232.80
		£24,767,000	£1,570,000	£0	£26,337,000	£26,336,065.05	£934.95
EQUITY FUNDING / FUNDING							
5(a)	Government-Owned Companies	£1,000	£0	(£1,000)	£0	£0.00	£0.00
5(b)	Gibraltar International Bank Ltd	£1,000	£0	(£1,000)	£0	£0.00	£0.00
		£2,000	£0	(£2,000)	£0	£0.00	£0.00
		£53,311,000	£8,136,000	£0	£61,447,000	£61,445,376.60	£1,623.40

SPECIAL FUNDS
STATUTORY BENEFITS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Transfer from the Consolidated Fund - Head 40	£7,000,000.00
Grant by Her Majesty's Government	£74,057.16
Contributions Collected	£36,596,707.05
	<u>£43,670,764.21</u>

PAYMENTS

Contribution to the Gibraltar Health Authority	£519,732.00	
Old Age Pension	£35,457,642.06	
Survivors' Pension	£804,627.01	
Unemployment Benefit	£582,139.49	
Maternity Allowance	£424,643.78	
Maternity Grant	£421,994.00	
Disablement Benefit	£366,070.35	
Widowed Parents' Allowance	£285,417.86	
Death Grant	£185,727.31	
Computerisation of Social Security Benefits	£139,160.00	
Injury Benefits	£75,514.42	
Survivors' Bereavement Allowance	£38,260.18	
Industrial Death Benefit	£10,554.75	
Guardians' Allowance	£2,816.96	
Medical Board Fees	£3,500.00	
	<u>£39,317,800.17</u>	
Spanish Pensions:		
Old Age Pension (Spanish)	£76,843.75	
	<u>(£39,394,643.92)</u>	
Net Receipts		<u>£4,276,120.29</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£776,120.29
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DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£776,120.29</u>

Note:

Arrears of Social Insurance contributions as at the year ended 31 March 2019 amounted to £6,089,879.37, of which 40% - £2,435,951.75 was recoverable by the Statutory Benefits Fund (60% - £3,653,927.62 was recoverable by the Consolidated Fund Revenue Head 5 Subhead 39 Group Practice Medical Scheme).

Abandoned claims amounting to £19,531.63 in respect of Employers' Social Insurance contributions deductions were written-off during the financial year 2018/19.

SPECIAL FUNDS

STATUTORY BENEFITS FUND

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£22,181.07
Net Increase in Investments during the year	£776,120.29
Investments on 31 March 2019	<u>£798,301.36</u>

FINANCED BY

Fund Account Balance on 1 April 2018	£22,181.07
Less amount advanced from the Consolidated Fund as at March 2018	(£7,065,000.00)
	<u>(£7,042,818.93)</u>
Net Receipts during the year	£4,276,120.29
	<u>(£2,766,698.64)</u>
Total advances from the Consolidated Fund as at March 2019	£3,565,000.00
Fund Account Balance on 31 March 2019	<u>£798,301.36</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Crown Agents General Account	£1,333.55	100.000	£1,333.55	£1,333.55
Savings Bank Fund: On-Call Investment Account	£796,967.81	100.000	£796,967.81	£796,967.81
	<u>£798,301.36</u>		<u>£798,301.36</u>	<u>£798,301.36</u>

Note:

The Fund Account balance of £798,301.36 includes an advance of £6,095,000 made during the financial year 2016/17 and £970,000 during the financial year 2017/18, from the Consolidated Fund. These advances are recorded in an advance account under the Consolidated Fund. The total amount advanced to the Statutory Benefits Fund was repaid in two tranches: £3,500,000 during the financial year 2018/19 and £3,565,000 during the financial period 2019/21.

SPECIAL FUNDS
SOCIAL ASSISTANCE FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Payment from the Consolidated Fund - Import Duty - Head 40	£7,500,000.00
Payment from the Consolidated Fund - Import Duty - Transfer from Government Surplus - Head 56	£25,000,000.00
	<u>£32,500,000.00</u>

PAYMENTS

Contribution to Gibraltar Community Care Trust:	
(a) Recurrent	£0.00
(b) Transfer from Government Surplus	£25,000,000.00
Contribution to the Gibraltar Health Authority in respect of Social Assistance to Unemployed Persons	£3,500,000.00
Social Assistance Payments	£1,189,592.04
Child Welfare Grants	£1,036,431.84
Elderly Persons' Minimum Income Guarantee	£852,829.29
Pensioners' Utilities Grant	£553,621.00
Rent Relief	£358,962.81
Elderly Persons' Allowance	£15,592.87
Electricity Credits - Religious Bodies	£6,005.29
	<u>(£32,513,035.14)</u>
Net Payments	<u>(£13,035.14)</u>

INVESTMENT ACCOUNT

<u>INCREASE IN INVESTMENTS</u>	£0.00
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DECREASE IN INVESTMENTS

Net Sale of Investments	(£13,035.14)
Net Decrease in Investments	<u>(£13,035.14)</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£486,668.09
Net Decrease in Investments during the year	(£13,035.14)
Investments on 31 March 2019	<u>£473,632.95</u>

FINANCED BY

Fund Account Balance on 1 April 2018	£486,668.09
Net Payments during the year	(£13,035.14)
Fund Account Balance on 31 March 2019	<u>£473,632.95</u>

SPECIAL FUNDS
SOCIAL ASSISTANCE FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund: On-Call Investment Account	£473,632.95	100.000	£473,632.95	£473,632.95

SPECIAL FUNDS
NOTE SECURITY FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Currency Notes Issued	£20,719,500.00
Redemption Fees	£22,888.13
Interest Earned	£153,011.35
	<u>£20,895,399.48</u>

PAYMENTS

Currency Notes Redeemed	£18,310,500.00
Printing of New Currency Notes and Related Costs	£53,976.83
Currency Notes Storage Fees	£46,865.00
Miscellaneous Expenses	<u>£20,126.15</u>
	(£18,431,467.98)
Net Receipts	<u><u>£2,463,931.50</u></u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£153,011.35
Net Purchase of Investments	<u>£2,310,920.15</u>
	£2,463,931.50

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u><u>£2,463,931.50</u></u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£40,743,242.57
Net Increase in Investments during the year	<u>£2,463,931.50</u>
Investments on 31 March 2019	<u><u>£43,207,174.07</u></u>

FINANCED BY

Fund Account Balance on 1 April 2018	£40,743,242.57
Net Receipts during the year	<u>£2,463,931.50</u>
Fund Account Balance on 31 March 2019	<u><u>£43,207,174.07</u></u>

Note:

Notes in Circulation on 31 March 2019	£42,240,400.00
Reserve	<u>£966,774.07</u>
Fund Account Balance on 31 March 2019	<u><u>£43,207,174.07</u></u>

SPECIAL FUNDS
NOTE SECURITY FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
On-Call Investment Account				
Interest Bearing Account	£31,207,174.07	100.000	£31,207,174.07	£31,207,174.07
On-Call Investment Account				
Non-Interest Bearing Account	£12,000,000.00	100.000	£12,000,000.00	£12,000,000.00
	£43,207,174.07		£43,207,174.07	£43,207,174.07

SPECIAL FUNDS
SAVINGS BANK FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

INCOME AND EXPENDITURE ACCOUNT

INCOME

Return on Investments		£45,497,986.07
Dividend <i>in specie</i> received as a debenture		£9,250,000.00
Early Redemption Charges		£170,383.94
Miscellaneous Receipts		£5,042.67
		<u>£54,923,412.68</u>

EXPENDITURE

Interest Paid :		
Debentures	£39,372,696.00	
On-Call Investment Accounts	£163,058.63	
Ordinary Deposits	£445,278.79	
Bonds	<u>£4,971,010.91</u>	
		£44,952,044.33
New Banking Platform Costs and Annual Licence Fees		£207,151.10
Expansion Costs		£18,050.00
Miscellaneous Expenses		£22,001.60
Management and Other Charges		<u>£582,994.98</u>
		(£45,782,242.01)
Net Income transferred to Reserve Account		<u>£9,141,170.67</u>

DEPOSITS AND WITHDRAWALS ACCOUNT

INCREASE IN DEPOSITS

Debentures	£26,290,890.87	
Bonds	£28,552,528.98	
Ordinary Deposits	£2,099,027.87	
On-Call Investment Accounts	<u>£1,159,456.70</u>	
		£58,101,904.42

DECREASE IN DEPOSITS

Net Increase in Deposits during the year	(£0.00)
	<u>£58,101,904.42</u>

INVESTMENT ADJUSTMENT ACCOUNT

INCREASE IN INVESTMENTS

£0.00

DECREASE IN INVESTMENTS

Net Capital Loss on Investments	(£1,563,564.40)
Net Decrease in Investments transferred to Reserve Account	<u>(£1,563,564.40)</u>

RESERVE ACCOUNT

INCREASE IN RESERVES

Net Income transferred from Income and Expenditure Account	£9,141,170.67
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DECREASE IN RESERVES

Transfer of Surplus to Consolidated Fund	(£0.00)
Net Decrease in Investments transferred from Investment Adjustment Account	(£1,563,564.40)
Net Increase in Reserves during the year	<u>£7,577,606.27</u>

SPECIAL FUNDS

SAVINGS BANK FUND

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018		£1,365,443,683.44
Net Purchase of Investments during the year		£67,329,088.82
		<u>£1,432,772,772.26</u>
Net Decrease in Investments as per Investment Adjustment Account		(£1,563,564.40)
Investments on 31 March 2019		<u>£1,431,209,207.86</u>
Cash in Hand		£12,145,107.12
		<u><u>£1,443,354,314.98</u></u>

FINANCED BY

Debentures

Deposits on 1 April 2018	£900,299,229.84	
Accrued Interest on 1 April 2018	£3,307,220.22	
Net Increase in Deposits	£26,290,890.87	
Increase in Accrued Interest during the year	£43,020.56	
Deposits on 31 March 2019	<u>£929,940,361.49</u>	

On Call Investment Accounts

Deposits on 1 April 2018	£176,207,549.13	
Net Increase in Deposits during the year	£1,159,456.70	
Deposits on 31 March 2019	<u>£177,367,005.83</u>	

Ordinary Deposits

Deposits on 1 April 2018	£90,818,969.11	
Net Increase in Deposits during the year	£2,099,027.87	
Deposits on 31 March 2019	<u>£92,917,996.98</u>	

Bonds

Deposits on 1 April 2018	£169,555,454.38	
Accrued Interest on 1 April 2018	£207,082.08	
Net Increase in Deposits during the year	£28,552,528.98	
Increase in Accrued Interest during the year	£34,722.85	
Deposits on 31 March 2019	<u>£198,349,788.29</u>	
Total Deposits on 31 March 2019		<u>£1,398,575,152.59</u>

Reserve Account

Reserve Account on 1 April 2018	£37,201,556.12	
Net Increase in Reserves during the year	£7,577,606.27	
Reserve Account on 31 March 2019	<u>£44,779,162.39</u>	
Fund Account Balance on 31 March 2019		<u><u>£1,443,354,314.98</u></u>

SPECIAL FUNDS
SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
BMW INTL INVESTMENT BV FRN 17/07/19	£5,000,000.00	99.953 0.243	£4,997,650.00 £12,174.40	£5,009,824.40
LLOYDS BANK FRN 18/07/19	£2,500,000.00	100.074 0.242	£2,501,850.00 £6,053.42	£2,507,903.42
TOYOTA MOTOR FINANCE BV FRN 30/09/19	£2,000,000.00	99.955 0.006	£1,999,100.00 £113.80	£1,999,213.80
ROYAL BANK OF SCOTLAND PLC FRN 15/05/20	£5,000,000.00	100.114 0.136	£5,005,700.00 £6,810.24	£5,012,510.24
ASB FINANCE LTD LONDON FRN 22/05/20	£2,000,000.00	100.117 0.138	£2,002,340.00 £2,755.74	£2,005,095.74
SUMITOMO MITSUI BANKING FRN 07/09/20	£5,000,000.00	99.998 0.078	£4,999,900.00 £3,922.62	£5,003,822.62
DEUTSCHE HYPOTHEKENBANK FRN 22/03/21	£10,000,000.00	99.918 0.027	£9,991,800.00 £2,713.27	£9,994,513.27
NATIONAL AUSTRALIA BANK FRN 24/04/21	£5,000,000.00	99.791 0.225	£4,989,550.00 £11,261.86	£5,000,811.86
BANK OF NOVA SCOTIA FRN 11/06/21	£1,000,000.00	99.911 0.067	£999,110.00 £669.86	£999,779.86
TSB BANK PLC FRN 07/12/22	£5,000,000.00	99.228 0.071	£4,961,400.00 £3,560.98	£4,964,960.98
TORONTO-DOMINION BANK FRN 30/01/23	£5,000,000.00	99.363 0.188	£4,968,150.00 £9,403.81	£4,977,553.81
OVERSEA-CHINESE BANKING FRN 14/03/23	£5,000,000.00	99.096 0.052	£4,954,800.00 £2,592.50	£4,957,392.50
BARCLAYS BANK PLC FRN 09/01/23	£3,700,000.00	99.425 0.249	£3,678,725.00 £9,230.68	£3,687,955.68
STADSHYPOTEK AB FRN 11/01/23	£6,000,000.00	99.135 0.247	£5,948,100.00 £14,800.36	£5,962,900.36
TORONTO-DOMINION BANK FRN 07/06/21	£1,900,000.00	99.971 0.073	£1,899,449.00 £1,390.65	£1,900,839.65
ROYAL BANK OF CANADA FRN 14/09/21	£10,000,000.00	100.076 0.058	£10,007,600.00 £5,790.48	£10,013,390.48
NATIONAL BANK OF CANADA FRN 27/09/21	£4,250,000.00	100.114 0.013	£4,254,845.00 £561.47	£4,255,406.47
ROYAL BANK OF CANADA FRN 08/12/22	£5,000,000.00	99.465 0.068	£4,973,250.00 £3,390.14	£4,976,640.14
EXPORT DEVELOPMENT CANADA FRN 24/05/23	£10,000,000.00	99.960 0.089	£9,996,000.00 £8,940.14	£10,004,940.14
EIB FRN 21/05/21	£9,000,000.00	100.411 0.111	£9,036,990.00 £9,976.56	£9,046,966.56
SANTANDER UK PLC FRN 16/11/22	£9,500,000.00	99.504 0.123	£9,452,880.00 £11,725.02	£9,464,605.02
SKIPTON BUILDING SOCIETY FRN 24/02/24	£3,000,000.00	100.047 0.015	£3,001,410.00 £455.44	£3,001,865.44
BNP PARIBAS 2.375% 20/11/19	£5,000,000.00	100.760 0.852	£5,038,000.00 £42,619.86	£5,080,619.86
FCE BANK PLC 2.759% 13/11/19	£3,500,000.00	100.604 1.043	£3,521,134.48 £36,509.51	£3,557,643.99
Carried forward	£123,350,000.00		£123,387,156.29	£123,387,156.29

SPECIAL FUNDS
SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Brought forward	£123,350,000.00		£123,387,156.29	£123,387,156.29
DEUTSCHE BANK AG 1.875% 28/02/20	£10,000,000.00	99.906 0.159	£9,990,570.58 £15,924.66	£10,006,495.24
FCE BANK PLC 3.25% 19/11/20	£6,000,000.00	102.391 1.175	£6,143,432.16 £70,520.55	£6,213,952.71
UBS AG LONDON 1.25% 10/12/20	£10,000,000.00	99.636 0.380	£9,963,641.98 £38,013.70	£10,001,655.68
DAIMLER INTL FINANCE BV 1.5% 18/08/21	£5,000,000.00	99.777 0.925	£4,988,872.69 £46,232.88	£5,035,105.57
VOLKSWAGEN FIN SERVICES NV 1.875% 07/09/21	£5,000,000.00	99.818 1.166	£4,990,915.21 £58,304.79	£5,049,220.00
FCA BANK SPA IRELAND 1.625% 29/09/21	£10,000,000.00	98.871 0.815	£9,887,114.84 £81,472.60	£9,968,587.44
INVESTEC PLC 4.5% 05/05/22	£5,400,000.00	104.773 4.068	£5,657,738.60 £219,698.63	£5,877,437.23
CREDIT SUISSE GP FUNDING LTD 3% 27/05/2022	£7,000,000.00	102.866 2.532	£7,200,654.44 £177,205.48	£7,377,859.92
VOLKSWAGEN FIN SERVICES NV 1.625% 09/06/22	£5,000,000.00	100.182 1.313	£5,009,121.77 £65,667.81	£5,074,789.58
YORKSHIRE WATER FINANCE 6% 21/08/19	£4,500,000.00	101.874 3.649	£4,584,320.69 £164,219.18	£4,748,539.87
VIRGIN MONEY PLC 2.25% 21/04/20	£1,000,000.00	100.458 2.121	£1,004,575.92 £21,205.48	£1,025,781.40
SKY PLC 2.875% 24/11/20	£9,000,000.00	102.329 1.000	£9,209,601.76 £90,030.82	£9,299,632.58
CLOSE BROTHERS GROUP PLC 2.75% 26/04/23	£10,000,000.00	100.497 1.179	£10,049,696.59 £117,857.14	£10,167,553.73
YORKSHIRE BUILDING SOC 4.125% 20/11/24	£9,725,000.00	101.048 1.480	£9,826,912.74 £143,976.63	£9,970,889.37
BAT INTERNATIONAL FINANCE PLC 1.75% 05/07/21	£10,000,000.00	100.327 1.290	£10,032,664.14 £128,972.60	£10,161,636.74
LLOYDS BANK GBP CALL A/C	£13,690,837.64	100.000 0.014	£13,690,837.64 £1,877.64	£13,692,715.28
BANK OF NEW YORK GBP A/C	£4,723.86	100.000	£4,723.86	£4,723.86
STERLING FUTURE SETTLEMENTS ACCOUNT (1)	(£4,749,719.18)	100.000	(£4,749,719.18)	(£4,749,719.18)
GOVERNMENT OF GIBRALTAR MONTHLY INCOME DEBENTURES ISSUED ON 1 OCTOBER 2014	£147,700,000.00	100.000 0.510	£147,700,000.00 £752,663.01	£148,452,663.01
GOVERNMENT OF GIBRALTAR DEBENTURE ISSUED ON 1 SEPTEMBER 2014	£100,000,000.00	100.000 2.992	£100,000,000.00 £2,991,780.82	£102,991,780.82
CREDIT FINANCE COMPANY LTD DEBENTURE ISSUED ON 1 MARCH 2019 (4)	£9,250,000.00	100.000 0.510	£9,250,000.00 £47,137.05	£9,297,137.05
CREDIT FINANCE COMPANY LTD REDEEMABLE PREFERENCE SHARES	£400,000,000.00	100.000	£400,000,000.00	£400,000,000.00
VISA - SHAREHOLDING (2)	£7.92	4831398.737	£382,646.78	£382,646.78
GSBA LTD - ORDINARY SHARES	£11,000,000.00	100.000	£11,000,000.00	£11,000,000.00
GIBTELECOM LTD - ORDINARY SHARES (3)	£15,000.00	503985.271	£75,597,790.66	£75,597,790.66
Carried forward	£907,885,850.24		£990,036,031.63	£990,036,031.63

SPECIAL FUNDS
SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Brought forward	£907,885,850.24		£990,036,031.63	£990,036,031.63
BANK OF ENGLAND	£40,883,321.30	100.000 0.007	£40,883,321.30 £2,822.63	£40,886,143.93
BARCLAYS BANK PLC	£79,656,200.42	100.000 0.045	£79,656,200.42 £35,503.45	£79,691,703.87
NATIONAL WESTMINSTER OFFSHORE LTD	£182,510,295.07	100.000 0.005	£182,510,295.07 £8,341.22	£182,518,636.29
JYSKE BANK	£21,032,107.69	100.000 0.104	£21,032,107.69 £21,805.40	£21,053,913.09
GIBRALTAR INTERNATIONAL BANK	£95,727,948.68	100.000 0.059	£95,727,948.68 £56,440.51	£95,784,389.19
KLEINWORT HAMBROS BANK	£20,218,191.23	100.000 0.002	£20,218,191.23 £498.53	£20,218,689.76
MONEYCORP BANK	£1,018,402.68	100.000 0.127	£1,018,402.68 £1,297.42	£1,019,700.10
	£1,348,932,317.31		£1,431,209,207.86	£1,431,209,207.86

Notes:

(1) The sterling future settlements account reflects the following trades transacted in March 2019 with settlement in April 2019. This amount includes an element of accrued interest:

Yorkshire Water Finance 6% 21/08/19

(2) The Visa shareholding shown above is based on a re-valuation as at 31 March 2019 of its 230 Series C preference shares in Visa Inc.

(3) The Savings Bank Fund has paid and holds the beneficial interest in 15,000 Ordinary Shares (7,500 Class A and 7,500 Class B) of £1 each in Gibtelecom Ltd, with the legal interest in these shares being held by the Government.

(4) On 1 March 2019, Credit Finance Company Limited declared an interim dividend of £9.25m payable to the Gibraltar Development Corporation, being the shareholder of all of the thirty million ordinary shares in the company. However, the Gibraltar Development Corporation waived the right to this dividend directing that any dividend on surpluses earned to date be paid to the Gibraltar Savings Bank, being the shareholder of all of the four hundred million redeemable preference shares in Credit Finance Company Limited. Credit Finance Company Limited resolved that the dividend be paid *in specie* in the form of a debenture issued on 1 March 2019 by Credit Finance Company Limited to the Gibraltar Savings Bank, with monthly interest payable at 6% per annum and redeemable at par on 1 January 2029.

SPECIAL FUNDS
GENERAL SINKING FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Contribution from Consolidated Fund Charges - Head 05 £10,000,000.00

PAYMENTS

Payment of Public Debt Interest (£6,643,091.60)
Net Receipts £3,356,908.40

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments £3,356,908.40

DECREASE IN INVESTMENTS

Net Increase in Investments (0.00)
£3,356,908.40

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £8,762,825.15
Net Increase in Investments during the year £3,356,908.40
Investments on 31 March 2019 £12,119,733.55

FINANCED BY

Fund Account Balance on 1 April 2018 £8,762,825.15
Net Receipts during the year £3,356,908.40
Fund Account Balance on 31 March 2019 £12,119,733.55

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund: On-Call Investment Account	£12,119,733.55	100.000	£12,119,733.55	£12,119,733.55

SPECIAL FUNDS
SUPREME COURT FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Miscellaneous Receipts	£490,981.50
Deposits by way of Security	£254,480.00
Interest Earned	£4,279.20
Exchange Rate Adjustment	£277.61
	<u>£750,018.31</u>

PAYMENTS

Miscellaneous Payments	(£13,371.80)
Net Receipts	<u>£736,646.51</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£4,279.20
Net Purchase of Investments	£732,089.70
Exchange Rate Adjustment	£277.61
	<u>£736,646.51</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£736,646.51</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£427,418.10
Net Increase in Investments during the year	£736,646.51
Investments on 31 March 2019	<u>£1,164,064.61</u>
Balance held in Government Liquid Reserves	£50,405.67
	<u>£1,214,470.28</u>

FINANCED BY

Fund Account Balance on 1 April 2018	£477,823.77
Net Receipts during the year	£736,646.51
Fund Account Balance on 31 March 2019	<u>£1,214,470.28</u>

SPECIAL FUNDS
SUPREME COURT FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
Fixed Term Monthly Income Debentures	£40,000.00	100.000	£40,000.00	£40,000.00
Monthly Income Debentures	£900.00	100.000	£900.00	£900.00
Ordinary Deposits	£631,905.50	100.000	£631,905.50	£631,905.50
NatWest Bank - Euro Call Account Plus	£442,155.13	100.000	£442,155.13	£442,155.13
NatWest Bank - Dollar Call Account Plus	£49,103.98	100.000	£49,103.98	£49,103.98
	£1,164,064.61		£1,164,064.61	£1,164,064.61

SPECIAL FUNDS
ADMINISTRATOR GENERAL'S ACCOUNT
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Interest Earned	£1,221.80
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PAYMENTS

	(£0.00)
Net Receipts	<u>£1,221.80</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£1,221.80
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DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£1,221.80</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£244,362.40
Net Increase in Investments during the year	<u>£1,221.80</u>
Investments on 31 March 2019	<u>£245,584.20</u>

FINANCED BY

Fund Account Balance on 1 April 2018	£244,362.40
Net Receipts during the year	<u>£1,221.80</u>
Fund Account Balance on 31 March 2019	<u>£245,584.20</u>

SPECIAL FUNDS
ADMINISTRATOR GENERAL'S ACCOUNT
STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
BERT V FREED Savings Bank Fund - Ordinary Deposits	£172.98	100.000	£172.98	£172.98
OSCAR LIMA Savings Bank Fund - Ordinary Deposits	£704.13	100.000	£704.13	£704.13
SHIRLEY ELVIN Savings Bank Fund - Ordinary Deposits	£1,172.46	100.000	£1,172.46	£1,172.46
FRANCISCO G BERNAL Savings Bank Fund - Ordinary Deposits	£509.39	100.000	£509.39	£509.39
HEINRICH A NOLLE Savings Bank Fund - Ordinary Deposits	£256.86	100.000	£256.86	£256.86
NELLIE E JUDSON Savings Bank Fund - Ordinary Deposits	£439.97	100.000	£439.97	£439.97
JOYCE BILLINGTON Savings Bank Fund - Ordinary Deposits	£383.67	100.000	£383.67	£383.67
KONSTANTY SZYDUK Savings Bank Fund - Ordinary Deposits	£149.56	100.000	£149.56	£149.56
ERNEST C DEAN Savings Bank Fund - Ordinary Deposits	£1,315.28	100.000	£1,315.28	£1,315.28
MARIA L CHAMBERLAND Savings Bank Fund - Ordinary Deposits	£102.24	100.000	£102.24	£102.24
GORDON MCTEAR Savings Bank Fund - Ordinary Deposits	£84.39	100.000	£84.39	£84.39
Carried Forward	£5,290.93		£5,290.93	£5,290.93

SPECIAL FUNDS
ADMINISTRATOR GENERAL'S ACCOUNT
STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Brought Forward	£5,290.93		£5,290.93	£5,290.93
LEWIS HENRY REILLY Savings Bank Fund - Ordinary Deposits	£49.50	100.000	£49.50	£49.50
RAFAELA BAREA Savings Bank Fund - Ordinary Deposits	£2,243.13	100.000	£2,243.13	£2,243.13
MARIA LOPEZ BENITEZ Savings Bank Fund - Ordinary Deposits	£42,827.99	100.000	£42,827.99	£42,827.99
EMMA DUARTE Savings Bank Fund - Ordinary Deposits	£29,272.78	100.000	£29,272.78	£29,272.78
MAGDALENA MARTINEZ Savings Bank Fund - Ordinary Deposits	£9,338.54	100.000	£9,338.54	£9,338.54
STANLEY LONG Savings Bank Fund - Ordinary Deposits	£3,128.56	100.000	£3,128.56	£3,128.56
JUANA TERESA BALDOMINOS MARTIN Savings Bank Fund - Ordinary Deposits	£1,703.77	100.000	£1,703.77	£1,703.77
EUGRACIA GUILLIANO LOBATO Savings Bank Fund - Ordinary Deposits	£4,309.06	100.000	£4,309.06	£4,309.06
GILA SUTCLIFFE LLOYD-OWEN Savings Bank Fund - Ordinary Deposits	£122,774.43	100.000	£122,774.43	£122,774.43
MANUEL MELERO Savings Bank Fund - Ordinary Deposits	£24,645.51	100.000	£24,645.51	£24,645.51
	£245,584.20		£245,584.20	£245,584.20

SPECIAL FUNDS
FINANCIAL SERVICES RESOLUTION AND COMPENSATION COMMITTEE (FSRCC)
DEPOSIT GUARANTEE FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Miscellaneous Receipts	£1,061,118.00
Interest Earned (a)	£9,991.41
	<u>£1,071,109.41</u>

PAYMENTS

	(£0.00)
Net Receipts	<u>£1,071,109.41</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£1,061,118.00
Interest Earned	£9,991.41
	<u>£1,071,109.41</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£1,071,109.41</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£2,094,302.35
Net Increase in Investments during the year	£1,071,109.41
Investments on 31 March 2019	<u>£3,165,411.76</u>

FINANCED BY

Fund Account Balance on 1 April 2018	£2,094,302.35
Net Receipts during the year	£1,071,109.41
Fund Account Balance on 31 March 2019	<u>£3,165,411.76</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Bank of England - Fixed Term Deposit	£3,165,247.86	100.000	£3,165,247.86	£3,165,411.76
		0.005	£163.90	
	<u>£3,165,247.86</u>		<u>£3,165,411.76</u>	<u>£3,165,411.76</u>

Note:

(a) Total Interest Earned for the year amounted to £13,321.92. The Government of Gibraltar credited £3,330.51 to the Consolidated Fund Revenue Head 6 Subhead 1 - Consolidated Fund Interest.

SPECIAL FUNDS
FINANCIAL SERVICES RESOLUTION AND COMPENSATION COMMITTEE (FSRCC)
RESOLUTION FINANCING FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Miscellaneous Receipts	£1,423,177.00
Interest Earned (a)	£10,452.73
	<u>£1,433,629.73</u>

PAYMENTS

	(£0.00)
Net Receipts	<u>£1,433,629.73</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£1,423,177.00
Interest Earned	£10,452.73
	<u>£1,433,629.73</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£1,433,629.73</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£2,090,144.68
Net Increase in Investments during the year	£1,433,629.73
Investments on 31 March 2019	<u>£3,523,774.41</u>

FINANCED BY

Fund Account Balance on 1 April 2018	£2,090,144.68
Net Receipts during the year	£1,433,629.73
Fund Account Balance on 31 March 2019	<u>£3,523,774.41</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Bank of England - Fixed Term Deposit	£3,523,591.95	100.000	£3,523,591.95	£3,523,774.41
	£3,523,591.95	0.005	£182.46	£3,523,774.41

Note:

(a) Total Interest Earned for the year amounted to £13,937.02. The Government of Gibraltar credited £3,484.29 to the Consolidated Fund Revenue Head 6 Subhead 1 - Consolidated Fund Interest.

SPECIAL FUNDS
HM CUSTOMS CENTRE OF EXCELLENCE FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Miscellaneous Receipts	£320,928.68
Exchange Rate Adjustment	£13,570.32
	<u>£334,499.00</u>

PAYMENTS

Miscellaneous Payments	£294,633.63
Bank Charges	£189.74
	<u>(£294,823.37)</u>
Net Receipts	<u>£39,675.63</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£26,105.31
Exchange Rate Adjustment	£13,570.32
	<u>£39,675.63</u>

DECREASE IN INVESTMENTS

	<u>(£0.00)</u>
Net Increase in Investments	<u>£39,675.63</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£0.00
Net Increase in Investments during the year	£39,675.63
Investments on 31 March 2019	<u>£39,675.63</u>

FINANCED BY

Fund Account Balance on 1 April 2018	£0.00
Net Receipts during the year	£39,675.63
Fund Account Balance on 31 March 2019	<u>£39,675.63</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Gibraltar International Bank - Current Account	£39,675.63	100.000	£39,675.63	£39,675.63

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

RECEIPTS

Gibraltar Guaranteed Superannuation Fund Pension Scheme Sub-Fund	£18,745,485.62
Admiralty Marshal Sub-Fund	£8,141,985.10
Gibraltar Provident Trust (No.2) Pension Scheme Sub-Fund	£6,050,129.91
Gibraltar Provident Trust (No.3) Pension Scheme Sub-Fund	£4,833,328.48
Commissioner of Police - Confiscated Monies Sub-Fund	£886,216.84
Financial Secretary re: Purchase of Carbon Credits by Gibraltar Electricity Authority Sub-Fund	£615,687.84
Gibraltar Defence Estates and General Services Ltd (GDEGSL) Pension Scheme Sub-Fund	£614,839.52
Gibraltar Defence Estates and General Services Ltd (GDEGSL - AFRS) Pension Scheme Sub-Fund	£595,263.47
8% Pension Rights and Gratuity Transfers - Bond 2 Sub-Fund	£513,702.04
Gibraltar Defence Estates and General Services Ltd (GMES) Pension Scheme Sub-Fund	£386,202.39
8% Gibraltar Provident Trust Fund - Bond 1 Sub-Fund	£331,213.81
Care Agency - Service Users' Disability Allowances Sub-Fund	£104,000.02
Gibraltar Pension Annuity Trust Scheme Sub-Fund	£78,583.76
Youth Clubs - Donations Sub-Fund	£42,642.21
Accountant General on behalf of Sundry Beneficiaries Sub-Fund	£40,184.34
Care Agency - Donations Sub-Fund	£22,486.68
Accountant General on behalf of Notre Dame School Snoezelen	£20,558.60
Collector of Customs - Confiscated Monies Sub-Fund	£18,520.20
Care Agency - Residents' Savings Sub-Fund	£3,440.48
Gibraltar Defence Estates and General Services Ltd (Safety-Net Employees) Sub-Fund	£3,090.87
Accountant General on behalf of Unclaimed Deceased Persons Debentures Sub-Fund	£1,228.31
Public Trustee Sub-Fund	£1,132.01
Gibraltar Shiprepair Ltd Provident Trust Fund Sub-Fund	£699.71
Gratuities, Pensions, Wages, Salaries and Group Life Insurance Benefits Unclaimed Sub-Fund	£488.75
Overseas Service Aid Scheme Pension Sub-Fund	£257.52
Gibraltar Health Authority Gratuities Sub-Fund	£250.26
Gibraltar National Archives - Donations Sub-Fund	£202.41
Deck Cadet Training Course Sub-Fund	£194.22
8 1/4% John Mackintosh Homes Provident Trust Fund Bond Sub-Fund	£185.79
Accountant General on behalf of Gibraltar Building Society Beneficiaries Sub-Fund	£125.85
Hargraves Project Sub-Fund	£49.53
King George V Hospital - Patients' Property Sub-Fund	£38.47
Matron Giraldi Prize Fund Sub-Fund	£34.61
St Mary's First School - Donations Sub-Fund	£29.74
King George V Hospital - Lord Thompson's Bequest Sub-Fund	£21.43
Gibraltar Grand Piano Sub-Fund	£11.58
St Bernard's Hospital - Humphrey's Ltd Challenge Cup Sub-Fund	£4.86
St Martin's School - Donations Sub-Fund	£3.82
Hebrew School - Musical Instrument Bursary Sub-Fund	£2.25
Hebrew School - Donations Sub-Fund	£1.93
Professional Darts Corporation (Escrow Account) Sub-Fund	£1.30
St Anne's Middle School - Musical Instrument Bursary Sub-Fund	£0.06
carried forward	£42,052,526.59

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FUND ACCOUNT

	brought forward	£42,052,526.59
<u>PAYMENTS</u>		
Gibraltar Guaranteed Superannuation Fund Pension Scheme Sub-Fund	£1,876,595.46	
Admiralty Marshal Sub-Fund	£282,929.34	
Gibraltar Provident Trust (No.2) Pension Scheme Sub-Fund	£2,076,055.98	
Gibraltar Provident Trust (No.3) Pension Scheme Sub-Fund	£1,000,872.37	
Commissioner of Police - Confiscated Monies Sub-Fund	£47,275.33	
Gibraltar Defence Estates and General Services Ltd (GDEGSL) Pension Scheme Sub-Fund	£82,140.86	
8% Pension Rights and Gratuity Transfers - Bond 2 Sub-Fund	£470,016.01	
8% Gibraltar Provident Trust Fund - Bond 1 Sub-Fund	£215,054.98	
Care Agency - Service Users' Disability Allowances Sub-Fund	£31,599.69	
Gibraltar Pension Annuity Trust Scheme Sub-Fund	£45,170.79	
Youth Clubs - Donations Sub-Fund	£51,075.44	
Accountant General on behalf of Sundry Beneficiaries Sub-Fund	£72,189.11	
Care Agency - Donations Sub-Fund	£26,344.82	
Collector of Customs - Confiscated Monies Sub-Fund	£103,856.64	
Care Agency - Residents' Savings Sub-Fund	£11,251.73	
Public Trustee Sub-Fund	£602.88	
Gibraltar Shiprepair Ltd Provident Trust Fund Sub-Fund	£4,235.43	
Gibraltar Health Authority Gratuities Sub-Fund	£85,618.86	
8 1/4% John Mackintosh Homes Provident Trust Fund Bond Sub-Fund	£3,783.50	
St Mary's First School - Donations Sub-Fund	£546.97	
		(£6,487,216.19)
	Net Receipts	£35,565,310.40

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£30,188,483.69
Interest Earned	£2,626,511.34
Return on Investment	£1,499,296.19
Net Capital Gain	£595,917.18
Exchange Rate Adjustment	£527,309.52
	<u>£35,437,517.92</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£35,437,517.92</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£145,635,968.97
Net Increase in Investments during the year	<u>£35,437,517.92</u>
Investments on 31 March 2019	£181,073,486.89
Balance held in Government Liquid Reserves	£253,081.00
	<u>£181,326,567.89</u>

FINANCED BY

Fund Account Balance on 1 April 2018	£145,761,257.49
Net Receipts during the year	<u>£35,565,310.40</u>
Fund Account Balance on 31 March 2019	<u>£181,326,567.89</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

SUMMARY OF INVESTMENTS BY SUB-FUND	NOMINAL VALUE	VALUE WITH ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Gibraltar Guaranteed Superannuation Fund Pension Scheme	£77,897,189.13	£77,897,189.13	£77,897,189.13
Gibraltar Provident Trust (No.2) Pension Scheme	£34,734,924.81	£45,792,196.59	£45,792,196.59
Gibraltar Provident Trust (No.3) Pension Scheme	£16,686,711.05	£24,290,850.05	£24,290,850.05
Admiralty Marshal	£7,963,282.87	£7,963,282.87	£7,963,282.87
Gibraltar Defence Estates and General Services Ltd (GDEGSL) Pension Scheme	£6,461,784.68	£6,461,784.68	£6,461,784.68
Financial Secretary re: Purchase of Carbon Credits by Gibraltar Electricity Authority	£3,844,922.97	£3,844,922.97	£3,844,922.97
8% Pension Rights and Gratuity Transfers - Bond 2	£3,788,307.85	£3,788,307.85	£3,788,307.85
8% Gibraltar Provident Trust Fund - Bond 1	£3,291,623.92	£3,291,623.92	£3,291,623.92
Gibraltar Defence Estates and General Services Ltd (GMES) Pension Scheme	£2,377,597.62	£2,377,597.62	£2,377,597.62
Gibraltar Defence Estates and General Services Ltd (GDEGSL - AFRS) Pension Scheme	£1,876,997.52	£1,876,997.52	£1,876,997.52
Commissioner of Police - Confiscated Monies	£1,790,926.24	£1,790,926.24	£1,790,926.24
Gibraltar Pension Annuity Trust Scheme	£392,410.27	£392,410.27	£392,410.27
Accountant General on behalf of Unclaimed Deceased Persons Debentures	£246,892.35	£246,892.35	£246,892.35
Care Agency - Donations	£179,906.69	£179,906.69	£179,906.69
Gibraltar Defence Estates and General Services Ltd (Safety-Net Employees)	£156,220.71	£156,220.71	£156,220.71
Gibraltar Shiprepair Ltd Provident Trust Fund	£138,149.83	£138,149.83	£138,149.83
Public Trustee	£98,366.57	£98,366.57	£98,366.57
Gratuities, Pensions, Wages, Salaries and Group Life Insurance Benefits Unclaimed	£98,240.59	£98,240.59	£98,240.59
Care Agency - Service Users' Disability Allowances	£72,400.33	£72,400.33	£72,400.33
Overseas Service Aid Scheme Pension	£51,760.85	£51,760.85	£51,760.85
Youth Clubs - Donations	£42,242.51	£42,242.51	£42,242.51
Deck Cadet Training Course	£39,038.39	£39,038.39	£39,038.39
8 1/4% John Mackintosh Homes Provident Trust Fund Bond	£36,712.05	£36,712.05	£36,712.05
Care Agency - Residents' Savings	£36,699.08	£36,699.08	£36,699.08
Collector of Customs - Confiscated Monies	£30,249.83	£30,249.83	£30,249.83
Accountant General on behalf of Gibraltar Building Society Beneficiaries	£25,310.58	£25,310.58	£25,310.58
Accountant General on behalf of Notre Dame School Snoezelen	£20,558.60	£20,558.60	£20,558.60
Hargraves Project	£9,956.39	£9,956.39	£9,956.39
King George V Hospital - Patients' Property	£7,733.93	£7,733.93	£7,733.93
St Mary's First School - Donations	£5,871.09	£5,871.09	£5,871.09
Gibraltar Grand Piano	£2,326.93	£2,326.93	£2,326.93
Matron Giraldi Prize Fund	£2,148.43	£2,148.43	£2,148.43
King George V Hospital - Lord Thompson's Bequest	£1,318.93	£1,318.93	£1,318.93
St Martin's School - Donations	£767.75	£767.75	£767.75
Gibraltar National Archives - Donations	£534.15	£534.15	£534.15
Accountant General on behalf of Sundry Beneficiaries	£492.43	£492.43	£492.43
Hebrew School - Musical Instrument Bursary	£451.85	£451.85	£451.85
Hebrew School - Donations	£388.86	£388.86	£388.86
St Bernard's Hospital - Humphrey's Ltd Challenge Cup	£383.34	£383.34	£383.34
Professional Darts Corporation (Escrow Account)	£262.23	£262.23	£262.23
St Anne's Middle School - Musical Instrument Bursary	£11.91	£11.91	£11.91
	£162,412,076.11	£181,073,486.89	£181,073,486.89

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR GUARANTEED SUPERANNUATION FUND PENSION
SCHEME: SUB-FUND

RECEIPTS

Pension Contributions	£17,049,666.67
Interest Earned	£1,695,818.95
	<u>£18,745,485.62</u>

PAYMENTS

Miscellaneous Payments	£1,813,210.46
Administration Charges	£63,385.00
	<u>(£1,876,595.46)</u>
Net Receipts	<u>£16,868,890.16</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£15,071,032.17
Interest Earned	£1,695,818.95
	<u>£16,766,851.12</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£16,766,851.12</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£61,130,338.01
Net Increase in Investments during the year	£16,766,851.12
Investments on 31 March 2019	<u>£77,897,189.13</u>
Balance held in Government Liquid Reserves	£174,776.76
	<u>£78,071,965.89</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£61,203,075.73
Net Receipts during the year	£16,868,890.16
Sub-Fund Account Balance on 31 March 2019	<u>£78,071,965.89</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Bonds	£77,897,189.13	100.000	£77,897,189.13	£77,897,189.13

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND

RECEIPTS

Pension Contributions	£4,710,771.83
Return on Investments	£991,243.24
Net Capital Gain	£348,114.84
	<u>£6,050,129.91</u>

PAYMENTS

Miscellaneous Payments	£1,964,724.79	
Crown Agents Management Charges	£95,651.19	
Administration Fees	£15,680.00	
	<u>(£2,076,055.98)</u>	
Net Receipts		<u>£3,974,073.93</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£2,627,498.71
Return on Investments	£991,243.24
Net Capital Gain	£348,114.84
	<u>£3,966,856.79</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£3,966,856.79</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£41,825,339.80
Net Increase in Investments during the year	£3,966,856.79
Investments on 31 March 2019	<u>£45,792,196.59</u>
Balance held in Government Liquid Reserves	£24,428.87
	<u>£45,816,625.46</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£41,842,551.53
Net Receipts during the year	£3,974,073.93
Sub-Fund Account Balance on 31 March 2019	<u>£45,816,625.46</u>

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2019**

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Royal Bank of Scotland FRN 15/05/20	£1,300,000.00	100.114 0.136	£1,301,482.00 £1,770.66	£1,303,252.66
Bank of Montreal FRN 20/07/20	£1,800,000.00	100.054 0.215	£1,800,972.00 £3,861.70	£1,804,833.70
L-Bank BW Foerderbank FRN 18/05/21	£1,000,000.00	99.934 0.128	£999,340.00 £1,279.14	£1,000,619.14
Bank of Nova Scotia FRN 11/06/21	£1,700,000.00	99.911 0.067	£1,698,487.00 £1,138.76	£1,699,625.76
Export Development Canada FRN 15/11/21	£1,750,000.00	100.020 0.115	£1,750,350.00 £2,003.86	£1,752,353.86
Aust & NZ Banking Group FRN 24/01/22	£1,700,000.00	100.407 0.251	£1,706,919.00 £4,260.40	£1,711,179.40
Lloyds Bank FRN 18/07/19	£750,000.00	100.074 0.242	£750,555.00 £1,816.03	£752,371.03
European Investment Bank FRN 16/04/19	£3,000,000.00	100.020 0.238	£3,000,600.00 £7,137.82	£3,007,737.82
Svenska Handelsbanken AB 2.375% 18/01/22	£900,000.00	102.902 0.468	£926,118.00 £4,216.44	£930,334.44
UK Government 1.75% 07/09/22	£1,170,000.00	103.712 0.114	£1,213,430.40 £1,335.33	£1,214,765.73
UK Government 3.75% 07/09/19	£345,000.00	101.321 0.245	£349,557.45 £843.75	£350,401.20
UK Government 3.75% 07/09/20	£1,500,000.00	104.419 0.245	£1,566,285.00 £3,668.48	£1,569,953.48
UK Government 2% 07/09/25	£3,000,000.00	107.738 0.130	£3,232,140.00 £3,913.04	£3,236,053.04
Carried Forward	£19,915,000.00		£20,333,481.26	£20,333,481.26

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2019**

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Brought Forward	£19,915,000.00		£20,333,481.26	£20,333,481.26
Transport for London 2.125% 24/04/25	£1,000,000.00	103.776 1.985	£1,037,760.00 £19,852.74	£1,057,612.74
UK Gov. 1.875% Indexed 22/11/22 (i)	£180,000.00	117.545 0.920	£291,237.01 £1,655.48	£292,892.49
MONKS INVEST TR	£26,700.00	8.380	£223,746.00	£223,746.00
BP Common Stock \$0.25	£86,314.00	5.585	£482,063.69	£482,063.69
Anglo American Common 0.54945 USD	£15,787.00	20.535	£324,186.05	£324,186.05
DIPLOMA PLC	£20,010.00	14.580	£291,745.80	£291,745.80
Persimmon Ordinary 10p	£8,240.00	21.700	£178,808.00	£178,808.00
Smith & Nephew Common Stock USD 0.2	£8,570.00	15.230	£130,521.10	£130,521.10
GlaxoSmithKline Ordinary 25p	£10,225.00	15.968	£163,272.80	£163,272.80
ITV Ordinary 10p	£225,300.00	1.271	£286,356.30	£286,356.30
Compass Group Ordinary 11.05	£13,624.00	18.045	£245,845.08	£245,845.08
Barclays Ordinary 25p	£113,293.00	1.547	£175,241.61	£175,241.61
Aviva Ordinary 25p	£85,905.00	4.124	£354,272.22	£354,272.22
Ediston Property Investment Company PLC Ordinary 100p	£443,250.00	1.035	£458,763.75	£458,763.75
Allianz Technology Trust PLC Ordinary 25p	£10,600.00	15.300	£162,180.00	£162,180.00
Blackrock Smaller Companies Trust Ordinary 25p	£30,610.00	13.650	£417,826.50	£417,826.50
Carried Forward	£22,193,428.00		£25,578,815.39	£25,578,815.39

New Index-linked gilts issued from September 2005 employ the three-month indexation lag structure

(i) Index Ratio 1.376480

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2019**

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Brought Forward	£22,193,428.00		£25,578,815.39	£25,578,815.39
IMPAX ENVIRONMEN	£65,504.00	2.870	£187,996.48	£187,996.48
ishares FTSE 100 UCITS ETF Inc	£1,118,661.00	7.190	£8,043,172.59	£8,043,172.59
ishares FTSE 250 UCITS ETF	£27,419.00	18.194	£498,861.29	£498,861.29
HICL Ordinary 0.01	£242,436.00	1.559	£377,957.72	£377,957.72
XD accrued / interest receivable			£13,056.46	£13,056.46
Lloyds Bank Provident 2 Call Account	£9,555,060.63	1.000 0.051	£9,555,060.63 £4,859.85	£9,559,920.48
Bank of New York Pounds Sterling	£509,354.17	1.000	£509,354.17	£509,354.17
Savings Bank Fund - Bonds	£1,023,062.01	1.000	£1,023,062.01	£1,023,062.01
	£34,734,924.81		£45,792,196.59	£45,792,196.59

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND

RECEIPTS

Pension Contributions		£4,077,473.19
Return on Investments		£508,052.95
Net Capital Gain		£247,802.34
		<u>£4,833,328.48</u>

PAYMENTS

Miscellaneous Payments	£896,343.94	
Administration Fees	£54,792.95	
Crown Agents Management Charges	£49,735.48	
	<u></u>	(£1,000,872.37)
Net Receipts		<u>£3,832,456.11</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments		£3,057,133.77
Return on Investments		£508,052.95
Net Capital Gain		£247,802.34
		<u>£3,812,989.06</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£3,812,989.06</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018		£20,477,860.99
Net Increase in Investments during the year		£3,812,989.06
	Investments on 31 March 2019	<u>£24,290,850.05</u>
Balance held in Government Liquid Reserves		£52,381.47
		<u>£24,343,231.52</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018		£20,510,775.41
Net Receipts during the year		£3,832,456.11
	Sub-Fund Account Balance on 31 March 2019	<u>£24,343,231.52</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Royal Bank of Scotland PLC FRN 15/05/20	£700,000.00	100.114 0.136	£700,798.00 £953.42	£701,751.42
Bank of Montreal FRN 20/07/20	£1,200,000.00	100.054 0.215	£1,200,648.00 £2,574.47	£1,203,222.47
L-Bank BW Foerderbank FRN 18/06/21	£600,000.00	99.934 0.128	£599,604.00 £767.49	£600,371.49
Bank of Nova Scotia FRN 11/06/21	£800,000.00	99.911 0.067	£799,288.00 £535.90	£799,823.90
Export Development Canada FRN 15/11/21	£700,000.00	100.020 0.115	£700,140.00 £801.55	£700,941.55
Aust & NZ Banking Group FRN 24/01/22	£800,000.00	100.407 0.251	£803,256.00 £2,004.89	£805,260.89
Lloyds Bank FRN 18/07/19	£250,000.00	100.074 0.242	£250,185.00 £605.34	£250,790.34
European Investment Bank FRN 16/04/19	£1,000,000.00	100.020 0.238	£1,000,200.00 £2,379.27	£1,002,579.27
Svenska Handelsbanken AB 2.375% 18/01/22	£400,000.00	102.902 0.468	£411,608.00 £1,873.97	£413,481.97
UK Government 3.75% 07/09/20	£1,155,220.00	104.419 0.245	£1,206,269.17 £2,825.26	£1,209,094.43
UK Government 1.75% 07/09/22	£1,430,000.00	103.712 0.114	£1,483,081.60 £1,632.07	£1,484,713.67
Transport for London 2.125% 24/04/25	£700,000.00	103.776 1.985	£726,432.00 £13,896.92	£740,328.92
Carried Forward	£9,735,220.00		£9,912,360.32	£9,912,360.32

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Brought Forward	£9,735,220.00		£9,912,360.32	£9,912,360.32
UK Gov. 1.875% Indexed 22/11/22 (i)	£92,500.00	117.545 0.920	£149,663.47 £850.73	£150,514.20
MONKS INVEST TR	£23,000.00	8.380	£192,740.00	£192,740.00
BP Common Stock \$0.25	£37,318.00	5.585	£208,421.04	£208,421.04
Anglo American Common 0.54945 USD	£9,582.00	20.535	£196,766.37	£196,766.37
DIPLOMA PLC	£18,320.00	14.580	£267,105.60	£267,105.60
Persimmon Ordinary 10p	£2,640.00	21.700	£57,288.00	£57,288.00
Smith & Nephew Common Stock USD 0.2	£9,370.00	15.230	£142,705.10	£142,705.10
GlaxoSmithKline Ordinary 25p	£5,685.00	15.968	£90,778.08	£90,778.08
ITV Ordinary 10p	£114,300.00	1.271	£145,275.30	£145,275.30
Compass Group Ordinary 11.05	£4,968.00	18.045	£89,647.57	£89,647.57
Barclays Ordinary 25p	£35,067.00	1.547	£54,241.63	£54,241.63
Aviva Ordinary 25p	£25,898.00	4.124	£106,803.35	£106,803.35
Ediston Property Investment Company PLC Ordinary 100p	£142,500.00	1.035	£147,487.51	£147,487.51
Allianz Technology Trust PLC Ordinary 25p	£6,000.00	15.300	£91,800.00	£91,800.00
Blackrock Smaller Companies Trust Ordinary 25p	£26,827.00	13.650	£366,188.55	£366,188.55
IMPAX ENVIRONMEN	£46,391.00	2.870	£133,142.17	£133,142.17
Carried Forward	£10,335,586.00		£12,353,264.79	£12,353,264.79

New Index-linked gilts issued from September 2005 employ the three-month indexation lag structure

(i) Index Ratio 1.376480

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Brought Forward	£10,335,586.00		£12,353,264.79	£12,353,264.79
ishares FTSE 100 UCITS ETF Inc	£845,564.00	7.190	£6,079,605.16	£6,079,605.16
ishares FTSE 250 UCITS ETF	£13,960.00	18.194	£253,988.24	£253,988.24
HICL Ordinary 0.01	£189,506.00	1.559	£295,439.86	£295,439.86
XD accrued / interest receivable			£6,456.95	£6,456.95
Lloyds Bank Provident No.3 Call Account	£4,752,094.04	100.000	£4,752,094.04	£4,752,094.04
Bank of New York Pounds Sterling	£550,001.01	100.000	£550,001.01	£550,001.01
	£16,686,711.05		£24,290,850.05	£24,290,850.05

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

ADMIRALTY MARSHAL: SUB-FUND

RECEIPTS

Miscellaneous Receipts	£7,592,323.58
Exchange Rate Adjustment	£549,661.52
	<u>£8,141,985.10</u>

PAYMENTS

Miscellaneous Payments	(£282,929.34)
Net Receipts	<u>£7,859,055.76</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£7,309,394.24
Exchange Rate Adjustment	£549,661.52
	<u>£7,859,055.76</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£7,859,055.76</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£104,227.11
Net Increase in Investments during the year	£7,859,055.76
Investments on 31 March 2019	<u>£7,963,282.87</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£104,227.11
Net Receipts during the year	£7,859,055.76
Sub-Fund Account Balance on 31 March 2019	<u>£7,963,282.87</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Gibraltar International Bank - Current Account	£7,963,282.87	100.000	£7,963,282.87	£7,963,282.87

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD (GDEGSL)
PENSION SCHEME: SUB-FUND

RECEIPTS

Pension Contributions	£383,055.17
Interest Earned	£231,784.35
	<u>£614,839.52</u>

PAYMENTS

Miscellaneous Payments	(£82,140.86)
Net Receipts	<u>£532,698.66</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£300,914.31
Interest Earned	£231,784.35
	<u>£532,698.66</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£532,698.66</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£5,929,086.02
Net Increase in Investments during the year	£532,698.66
Investments on 31 March 2019	<u>£6,461,784.68</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£5,929,086.02
Net Receipts during the year	£532,698.66
Sub-Fund Account Balance on 31 March 2019	<u>£6,461,784.68</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
Fixed Term Monthly Income Debentures	£5,810,900.00	100.000	£5,810,900.00	£5,810,900.00
Ordinary Deposits	£650,884.68	100.000	£650,884.68	£650,884.68
	<u>£6,461,784.68</u>		<u>£6,461,784.68</u>	<u>£6,461,784.68</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

FINANCIAL SECRETARY RE: PURCHASE OF CARBON CREDITS BY
GIBRALTAR ELECTRICITY AUTHORITY: SUB-FUND

RECEIPTS

Miscellaneous Receipts	£600,000.00
Interest Earned	£15,687.84
	<u>£615,687.84</u>

PAYMENTS

	(£0.00)
Net Receipts	<u>£615,687.84</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£600,000.00
Interest Earned	£15,687.84
	<u>£615,687.84</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£615,687.84</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£3,229,235.13
Net Increase in Investments during the year	£615,687.84
Investments on 31 March 2019	<u>£3,844,922.97</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£3,229,235.13
Net Receipts during the year	£615,687.84
Sub-Fund Account Balance on 31 March 2019	<u>£3,844,922.97</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£3,844,922.97	100.000	£3,844,922.97	£3,844,922.97
	<u>£3,844,922.97</u>	100.000	<u>£3,844,922.97</u>	<u>£3,844,922.97</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

8% PENSION RIGHTS AND GRATUITY TRANSFERS - BOND 2:
SUB-FUND

RECEIPTS

Contribution from the Consolidated Fund - Head 1 to meet negative pension balances	£223,715.30
Interest Earned	£289,986.74
	<u>£513,702.04</u>

PAYMENTS

Miscellaneous Payments	(£470,016.01)
Net Receipts	<u>£43,686.03</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£289,986.74
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DECREASE IN INVESTMENTS

Net Sale of Investments	(£246,300.71)
Net Increase in Investments	<u>£43,686.03</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£3,744,621.82
Net Increase in Investments during the year	£43,686.03
Investments on 31 March 2019	<u>£3,788,307.85</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£3,744,621.82
Net Receipts during the year	£43,686.03
Sub-Fund Account Balance on 31 March 2019	<u>£3,788,307.85</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Bonds	£3,788,307.85	100.000	£3,788,307.85	£3,788,307.85

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

8% GIBRALTAR PROVIDENT TRUST FUND - BOND 1: SUB-FUND

RECEIPTS

Pension Contributions	£83,208.25
Interest Earned	£248,005.56
	<u>£331,213.81</u>

PAYMENTS

Miscellaneous Payments	(£215,054.98)
Net Receipts	<u>£116,158.83</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£248,005.56
Net Sale of Investments	(£130,915.98)
Net Increase in Investments	<u>£117,089.58</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£3,174,534.34
Net Increase in Investments during the year	£117,089.58
Investments on 31 March 2019	<u>£3,291,623.92</u>
Balance held in Government Liquid Reserves	£1,493.90
	<u>£3,293,117.82</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£3,176,958.99
Net Receipts during the year	£116,158.83
Sub-Fund Account Balance on 31 March 2019	<u>£3,293,117.82</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
Bonds	£3,229,351.19	100.000	£3,229,351.19	£3,229,351.19
Ordinary Deposits	£62,272.73	100.000	£62,272.73	£62,272.73
	<u>£3,291,623.92</u>		<u>£3,291,623.92</u>	<u>£3,291,623.92</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD (GMES)
PENSION SCHEME: SUB-FUND

RECEIPTS

Pension Contributions	£314,637.87
Interest Earned	£71,564.52
	<u>£386,202.39</u>

PAYMENTS

	(£0.00)
Net Receipts	<u>£386,202.39</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£314,637.87
Interest Earned	£71,564.52
	<u>£386,202.39</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£386,202.39</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£1,991,395.23
Net Increase in Investments during the year	£386,202.39
Investments on 31 March 2019	<u>£2,377,597.62</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£1,991,395.23
Net Receipts during the year	£386,202.39
Sub-Fund Account Balance on 31 March 2019	<u>£2,377,597.62</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
Fixed Term Monthly Income Debentures	£2,133,700.00	100.000	£2,133,700.00	£2,133,700.00
Ordinary Deposits	£243,897.62	100.000	£243,897.62	£243,897.62
	<u>£2,377,597.62</u>		<u>£2,377,597.62</u>	<u>£2,377,597.62</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD (GDEGSL - AFRS) PENSION SCHEME: SUB-FUND

RECEIPTS

Pension Contributions	£548,000.82
Interest Earned	£47,262.65
	<u>£595,263.47</u>

PAYMENTS

	(£0.00)
Net Receipts	<u>£595,263.47</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£548,000.82
Interest Earned	£47,262.65
	<u>£595,263.47</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£595,263.47</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£1,281,734.05
Net Increase in Investments during the year	£595,263.47
Investments on 31 March 2019	<u>£1,876,997.52</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£1,281,734.05
Net Receipts during the year	£595,263.47
Sub-Fund Account Balance on 31 March 2019	<u>£1,876,997.52</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
Fixed Term Monthly Income Debentures	£1,684,800.00	100.000	£1,684,800.00	£1,684,800.00
Ordinary Deposits	£192,197.52	100.000	£192,197.52	£192,197.52
	<u>£1,876,997.52</u>		<u>£1,876,997.52</u>	<u>£1,876,997.52</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

COMMISSIONER OF POLICE - CONFISCATED MONIES: SUB-FUND

RECEIPTS

Miscellaneous Receipts	£884,014.55
Interest Earned	£2,202.29
	<u>£886,216.84</u>

PAYMENTS

Miscellaneous Payments	£25,587.18
Exchange Rate Adjustment	£21,688.15
	<u>(£47,275.33)</u>
Net Receipts	<u>£838,941.51</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£858,427.37
Interest Earned	£2,202.29
	<u>£860,629.66</u>

DECREASE IN INVESTMENTS

Exchange Rate Adjustment	(£21,688.15)
Net Increase in Investments	<u>£838,941.51</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£951,984.73
Net Increase in Investments during the year	£838,941.51
Investments on 31 March 2019	<u>£1,790,926.24</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£951,984.73
Net Receipts during the year	£838,941.51
Sub-Fund Account Balance on 31 March 2019	<u>£1,790,926.24</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
COMMISSIONER OF POLICE - CONFISCATED MONIES: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Barclays Bank Plc - Deposit Account	£27,332.76	100.000 0.041	£27,332.76 £11.20	£27,343.96
Barclays Bank Plc - Euro Call Account	£6,067.97	100.000	£6,067.97	£6,067.97
NatWest Bank - Euro Call Account Plus	£831,968.16	100.000	£831,968.16	£831,968.16
NatWest Bank - Dollar Call Account Plus	£39,307.53	100.000	£39,307.53	£39,307.53
Savings Bank Fund - Ordinary Deposits	£463,404.27	100.000	£463,404.27	£463,404.27
Cash in Hand	£422,834.35	100.000	£422,834.35	£422,834.35
	£1,790,915.04		£1,790,926.24	£1,790,926.24

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR PENSION ANNUITY TRUST SCHEME: SUB-FUND

RECEIPTS

Miscellaneous Receipts	£63,650.63
Interest Earned	£14,933.13
	<u>£78,583.76</u>

PAYMENTS

Miscellaneous Payments	(£45,170.79)
Net Receipts	<u>£33,412.97</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£18,479.84
Interest Earned	£14,933.13
	<u>£33,412.97</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£33,412.97</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£358,997.30
Net Increase in Investments during the year	£33,412.97
Investments on 31 March 2019	<u>£392,410.27</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£358,997.30
Net Receipts during the year	£33,412.97
Sub-Fund Account Balance on 31 March 2019	<u>£392,410.27</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
Fixed Term Monthly Income Debentures	£391,100.00	100.000	£391,100.00	£391,100.00
Ordinary Deposits	£1,310.27	100.000	£1,310.27	£1,310.27
	<u>£392,410.27</u>		<u>£392,410.27</u>	<u>£392,410.27</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

ACCOUNTANT GENERAL ON BEHALF OF UNCLAIMED DECEASED PERSONS DEBENTURES: SUB-FUND

RECEIPTS

Interest Earned £1,228.31

PAYMENTS

(£0.00)
Net Receipts £1,228.31

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £1,228.31

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £1,228.31

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £245,664.04
Net Increase in Investments during the year £1,228.31
Investments on 31 March 2019 £246,892.35

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £245,664.04
Net Receipts during the year £1,228.31
Sub-Fund Account Balance on 31 March 2019 £246,892.35

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£246,892.35	100.000	£246,892.35	£246,892.35

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

CARE AGENCY - DONATIONS: SUB-FUND

RECEIPTS

Miscellaneous Receipts	£21,638.68
Interest Earned	£848.00
	<u>£22,486.68</u>

PAYMENTS

Miscellaneous Payments	(£26,344.82)
Net Payments	<u>(£3,858.14)</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£848.00
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DECREASE IN INVESTMENTS

Net Sale of Investments	(£4,706.14)
Net Decrease in Investments	<u>(£3,858.14)</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£183,764.83
Net Decrease in Investments during the year	(£3,858.14)
Investments on 31 March 2019	<u>£179,906.69</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£183,764.83
Net Payments during the year	(£3,858.14)
Sub-Fund Account Balance on 31 March 2019	<u>£179,906.69</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£179,906.69	100.000	£179,906.69	£179,906.69

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD
(SAFETY-NET EMPLOYEES): SUB-FUND

RECEIPTS

Interest Earned £3,090.87

PAYMENTS

(£0.00)
Net Receipts £3,090.87

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £3,090.87

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £3,090.87

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £153,129.84
Net Increase in Investments during the year £3,090.87
Investments on 31 March 2019 £156,220.71

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £153,129.84
Net Receipts during the year £3,090.87
Sub-Fund Account Balance on 31 March 2019 £156,220.71

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Special Issue of Monthly Income Debentures	£156,220.71	100.000	£156,220.71	£156,220.71

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR SHIPREPAIR LTD PROVIDENT TRUST FUND: SUB-FUND

RECEIPTS

Interest Earned £699.71

PAYMENTS

Miscellaneous Payments (£4,235.43)
Net Payments (£3,535.72)

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £699.71

DECREASE IN INVESTMENTS

Net Sale of Investments (£4,235.43)
Net Decrease in Investments (£3,535.72)

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £141,685.55
Net Decrease in Investments during the year (£3,535.72)
Investments on 31 March 2019 £138,149.83

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £141,685.55
Net Payments during the year (£3,535.72)
Sub-Fund Account Balance on 31 March 2019 £138,149.83

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£138,149.83	100.000	£138,149.83	£138,149.83

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

PUBLIC TRUSTEE: SUB-FUND

RECEIPTS

Interest Earned	£1,132.01
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PAYMENTS

Miscellaneous Payments	(£602.88)
Net Receipts	<u>£529.13</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£1,132.01
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DECREASE IN INVESTMENTS

Net Sale of Investments	(£602.88)
Net Increase in Investments	<u>£529.13</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£97,837.44
Net Increase in Investments during the year	<u>£529.13</u>
Investments on 31 March 2019	<u>£98,366.57</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£97,837.44
Net Receipts during the year	<u>£529.13</u>
Sub-Fund Account Balance on 31 March 2019	<u>£98,366.57</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
PUBLIC TRUSTEE: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
ESTATE OF ANGEL COSTA Savings Bank Fund:				
Ordinary Deposits	£54,968.47	100.000	£54,968.47	£54,968.47
Monthly Income Debentures	£41,800.00	100.000	£41,800.00	£41,800.00
ESTATE OF ANGELA MORELLO Savings Bank Fund:				
Monthly Income Debentures	£1,000.00	100.000	£1,000.00	£1,000.00
Ordinary Deposits	£598.10	100.000	£598.10	£598.10
	£98,366.57		£98,366.57	£98,366.57

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GRATUITIES, PENSIONS, WAGES, SALARIES AND GROUP LIFE
INSURANCE BENEFITS UNCLAIMED: SUB-FUND

RECEIPTS

Interest Earned £488.75

PAYMENTS

(£0.00)
Net Receipts £488.75

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £488.75

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £488.75

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £97,751.84
Net Increase in Investments during the year £488.75
Investments on 31 March 2019 £98,240.59

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £97,751.84
Net Receipts during the year £488.75
Sub-Fund Account Balance on 31 March 2019 £98,240.59

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£98,240.59	100.000	£98,240.59	£98,240.59

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE PERIOD 20 JULY 2018 TO 31 MARCH 2019

CARE AGENCY - SERVICE USERS' DISABILITY ALLOWANCES:
SUB-FUND

RECEIPTS

Miscellaneous Receipts	£103,842.61
Interest Earned	£157.41
	<u>£104,000.02</u>

PAYMENTS

Miscellaneous Payments	(£31,599.69)
Net Receipts	<u>£72,400.33</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£72,242.92
Interest Earned	£157.41
	<u>£72,400.33</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£72,400.33</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 20 July 2018	£0.00
Net Increase in Investments during the period	£72,400.33
Investments on 31 March 2019	<u>£72,400.33</u>

FINANCED BY

Sub-Fund Account Balance on 20 July 2018	£0.00
Net Receipts during the period	£72,400.33
Sub-Fund Account Balance on 31 March 2019	<u>£72,400.33</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£72,400.33	100.000	£72,400.33	£72,400.33

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

OVERSEAS SERVICE AID SCHEME PENSION: SUB-FUND

RECEIPTS

Interest Earned £257.52

PAYMENTS

(£0.00)
Net Receipts £257.52

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £257.52

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £257.52

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £51,503.33
Net Increase in Investments during the year £257.52
Investments on 31 March 2019 £51,760.85

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £51,503.33
Net Receipts during the year £257.52
Sub-Fund Account Balance on 31 March 2019 £51,760.85

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£51,760.85	100.000	£51,760.85	£51,760.85

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

YOUTH CLUBS - DONATIONS: SUB-FUND

RECEIPTS

Miscellaneous Receipts £42,642.21

PAYMENTS

Miscellaneous Payments (£51,075.44)
Net Payments (£8,433.23)

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS £0.00

DECREASE IN INVESTMENTS

Net Sale of Investments (£8,433.23)
Net Decrease in Investments (£8,433.23)

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £50,675.74
Net Decrease in Investments during the year (£8,433.23)
Investments on 31 March 2019 £42,242.51

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £50,675.74
Net Payments during the year (£8,433.23)
Sub-Fund Account Balance on 31 March 2019 £42,242.51

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Natwest Offshore Ltd - Current Account	£42,236.58	100.000	£42,236.58	£42,236.58
Cash in Hand	£5.93	100.000	£5.93	£5.93
	£42,242.51		£42,242.51	£42,242.51

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

DECK CADET TRAINING COURSE: SUB-FUND

RECEIPTS

Interest Earned £194.22

PAYMENTS

(£0.00)
Net Receipts £194.22

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £194.22

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £194.22

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £38,844.17
Net Increase in Investments during the year £194.22
Investments on 31 March 2019 £39,038.39

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £38,844.17
Net Receipts during the year £194.22
Sub-Fund Account Balance on 31 March 2019 £39,038.39

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£39,038.39	100.000	£39,038.39	£39,038.39

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

8 1/4% JOHN MACKINTOSH HOMES PROVIDENT TRUST FUND BOND:
SUB-FUND

RECEIPTS

Interest Earned	£185.79
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PAYMENTS

Miscellaneous Payments	(£3,783.50)
Net Payments	<u>(£3,597.71)</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£185.79
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DECREASE IN INVESTMENTS

Net Sale of Investments	(£3,783.50)
Net Decrease in Investments	<u>(£3,597.71)</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£40,309.76
Net Decrease in Investments during the year	<u>(£3,597.71)</u>
Investments on 31 March 2019	<u>£36,712.05</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£40,309.76
Net Payments during the year	<u>(£3,597.71)</u>
Sub-Fund Account Balance on 31 March 2019	<u>£36,712.05</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£36,712.05	100.000	£36,712.05	£36,712.05

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

CARE AGENCY - RESIDENTS' SAVINGS: SUB-FUND

RECEIPTS

Miscellaneous Receipts	£3,257.57
Interest Earned	£182.91
	<u>£3,440.48</u>

PAYMENTS

Miscellaneous Payments	(£11,251.73)
Net Payments	<u>(£7,811.25)</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£182.91
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DECREASE IN INVESTMENTS

Net Sale of Investments	(£7,994.16)
Net Decrease in Investments	<u>(£7,811.25)</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£44,510.33
Net Decrease in Investments during the year	(£7,811.25)
Investments on 31 March 2019	<u>£36,699.08</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£44,510.33
Net Payments during the year	(£7,811.25)
Sub-Fund Account Balance on 31 March 2019	<u>£36,699.08</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£36,699.08	100.000	£36,699.08	£36,699.08

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

COLLECTOR OF CUSTOMS - CONFISCATED MONIES: SUB-FUND

RECEIPTS

Miscellaneous Receipts	£18,516.85
Interest Earned	£3.35
	<u>£18,520.20</u>

PAYMENTS

Miscellaneous Payments	£103,192.79
Exchange Rate Adjustment	<u>£663.85</u>
	(£103,856.64)
Net Payments	<u><u>(£85,336.44)</u></u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£3.35
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DECREASE IN INVESTMENTS

Net Sale of Investments	£84,675.94
Exchange Rate Adjustment	<u>£663.85</u>
	(£85,339.79)
Net Decrease in Investments	<u><u>(£85,336.44)</u></u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£115,586.27
Net Decrease in Investments during the year	(£85,336.44)
Investments on 31 March 2019	<u><u>£30,249.83</u></u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£115,586.27
Net Payments during the year	(£85,336.44)
Sub-Fund Account Balance on 31 March 2019	<u><u>£30,249.83</u></u>

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****COLLECTOR OF CUSTOMS - CONFISCATED MONIES: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2019**

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
NatWest Bank - Euro Call Account Plus	£30,249.83	100.000	£30,249.83	£30,249.83
	£30,249.83	100.000	£30,249.83	£30,249.83

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

ACCOUNTANT GENERAL ON BEHALF OF GIBRALTAR BUILDING
SOCIETY BENEFICIARIES: SUB-FUND

RECEIPTS

Interest Earned £125.85

PAYMENTS

(£0.00)
Net Receipts £125.85

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £125.85

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £125.85

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £25,184.73
Net Increase in Investments during the year £125.85
Investments on 31 March 2019 £25,310.58

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £25,184.73
Net Receipts during the year £125.85
Sub-Fund Account Balance on 31 March 2019 £25,310.58

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£25,310.58	100.000	£25,310.58	£25,310.58

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE PERIOD 29 NOVEMBER 2018 TO 31 MARCH 2019

ACCOUNTANT GENERAL ON BEHALF OF NOTRE DAME SCHOOL
SNOEZELEN: SUB-FUND

RECEIPTS

Miscellaneous Receipts	£20,524.58
Interest Earned	£34.02
	<u>£20,558.60</u>

PAYMENTS

	(£0.00)
Net Receipts	<u>£20,558.60</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£20,524.58
Interest Earned	£34.02
	<u>£20,558.60</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£20,558.60</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 29 November 2018	£0.00
Net Increase in Investments during the period	£20,558.60
Investments on 31 March 2019	<u>£20,558.60</u>

FINANCED BY

Sub-Fund Account Balance on 29 November 2018	£0.00
Net Receipts during the period	£20,558.60
Sub-Fund Account Balance on 31 March 2019	<u>£20,558.60</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£20,558.60	100.000	£20,558.60	£20,558.60

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

HARGRAVES PROJECT: SUB-FUND

RECEIPTS

Interest Earned £49.53

PAYMENTS

(£0.00)
Net Receipts £49.53

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £49.53

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £49.53

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £9,906.86
Net Increase in Investments during the year £49.53
Investments on 31 March 2019 £9,956.39

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £9,906.86
Net Receipts during the year £49.53
Sub-Fund Account Balance on 31 March 2019 £9,956.39

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£9,956.39	100.000	£9,956.39	£9,956.39

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

KING GEORGE V HOSPITAL - PATIENTS' PROPERTY: SUB-FUND

RECEIPTS

Interest Earned £38.47

PAYMENTS

(£0.00)
 Net Receipts £38.47

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £38.47

DECREASE IN INVESTMENTS

(£0.00)
 Net Increase in Investments £38.47

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £7,695.46
 Net Increase in Investments during the year £38.47
 Investments on 31 March 2019 £7,733.93

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £7,695.46
 Net Receipts during the year £38.47
 Sub-Fund Account Balance on 31 March 2019 £7,733.93

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£7,733.93	100.000	£7,733.93	£7,733.93

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

ST MARY'S FIRST SCHOOL - DONATIONS: SUB-FUND

RECEIPTS

Interest Earned	£29.74
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PAYMENTS

Miscellaneous Payments	(£546.97)
Net Payments	<u>(£517.23)</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£29.74
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DECREASE IN INVESTMENTS

Net Sale of Investments	(£546.97)
Net Decrease in Investments	<u>(£517.23)</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£6,388.32
Net Decrease in Investments during the year	(£517.23)
Investments on 31 March 2019	<u>£5,871.09</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£6,388.32
Net Payments during the year	(£517.23)
Sub-Fund Account Balance on 31 March 2019	<u>£5,871.09</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£5,871.09	100.000	£5,871.09	£5,871.09

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR GRAND PIANO: SUB-FUND

RECEIPTS

Interest Earned £11.58

PAYMENTS

(£0.00)
Net Receipts £11.58

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £11.58

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £11.58

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £2,315.35
Net Increase in Investments during the year £11.58
Investments on 31 March 2019 £2,326.93

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £2,315.35
Net Receipts during the year £11.58
Sub-Fund Account Balance on 31 March 2019 £2,326.93

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£2,326.93	100.000	£2,326.93	£2,326.93

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

MATRON GIRALDI PRIZE FUND: SUB-FUND

RECEIPTS

Interest Earned £34.61

PAYMENTS

(£0.00)
Net Receipts £34.61

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £34.61

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £34.61

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £2,113.82
Net Increase in Investments during the year £34.61
Investments on 31 March 2019 £2,148.43

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £2,113.82
Net Receipts during the year £34.61
Sub-Fund Account Balance on 31 March 2019 £2,148.43

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
Monthly Income Debentures	£1,600.00	100.000	£1,600.00	£1,600.00
Ordinary Deposits	£548.43	100.000	£548.43	£548.43
	£2,148.43		£2,148.43	£2,148.43

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

KING GEORGE V HOSPITAL - LORD THOMPSON'S BEQUEST:
SUB-FUND

RECEIPTS

Interest Earned £21.43

PAYMENTS

Net Receipts (£0.00)
£21.43

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £21.43

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£21.43

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £1,297.50
Net Increase in Investments during the year £21.43
Investments on 31 March 2019 £1,318.93

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £1,297.50
Net Receipts during the year £21.43
Sub-Fund Account Balance on 31 March 2019 £1,318.93

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
Monthly Income Debentures	£1,000.00	100.000	£1,000.00	£1,000.00
Ordinary Deposits	£318.93	100.000	£318.93	£318.93
	<u>£1,318.93</u>		<u>£1,318.93</u>	<u>£1,318.93</u>

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

ST MARTIN'S SCHOOL - DONATIONS: SUB-FUND

RECEIPTS

Interest Earned £3.82

PAYMENTS

(£0.00)
 Net Receipts £3.82

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £3.82

DECREASE IN INVESTMENTS

(£0.00)
 Net Increase in Investments £3.82

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £763.93
 Net Increase in Investments during the year £3.82
 Investments on 31 March 2019 £767.75

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £763.93
 Net Receipts during the year £3.82
 Sub-Fund Account Balance on 31 March 2019 £767.75

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£767.75	100.000	£767.75	£767.75

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR NATIONAL ARCHIVES - DONATIONS: SUB-FUND

RECEIPTS

Micellaneous Receipts	£200.00
Interest Earned	£2.41
	<u>£202.41</u>

PAYMENTS

	(£0.00)
Net Receipts	<u>£202.41</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments	£200.00
Interest Earned	£2.41
	<u>£202.41</u>

DECREASE IN INVESTMENTS

	(£0.00)
Net Increase in Investments	<u>£202.41</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£331.74
Net Increase in Investments during the year	£202.41
Investments on 31 March 2019	<u>£534.15</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£331.74
Net Receipts during the year	£202.41
Sub-Fund Account Balance on 31 March 2019	<u>£534.15</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£534.15	100.000	£534.15	£534.15

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

ACCOUNTANT GENERAL ON BEHALF OF SUNDRY BENEFICIARIES:
SUB-FUND

RECEIPTS

Miscellaneous Receipts	£40,000.00
Interest Earned	£184.34
	<u>£40,184.34</u>

PAYMENTS

Miscellaneous Payments	(£72,189.11)
Net Payments	<u>(£32,004.77)</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£184.34
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DECREASE IN INVESTMENTS

Net Sale of Investments	(£32,189.11)
Net Decrease in Investments	<u>(£32,004.77)</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£32,497.20
Net Decrease in Investments during the year	(£32,004.77)
Investment Account on 31 March 2019	<u>£492.43</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£32,497.20
Net Payments during the year	(£32,004.77)
Sub-Fund Account Balance on 31 March 2019	<u>£492.43</u>

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£492.43	100.000	£492.43	£492.43

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

HEBREW SCHOOL - MUSICAL INSTRUMENT BURSARY: SUB-FUND

RECEIPTS

Interest Earned £2.25

PAYMENTS

Net Receipts (£0.00)
£2.25

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £2.25

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£2.25

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £449.60
Net Increase in Investments during the year £2.25
Investments on 31 March 2019 £451.85

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £449.60
Net Receipts during the year £2.25
Sub-Fund Account Balance on 31 March 2019 £451.85

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£451.85	100.000	£451.85	£451.85

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

HEBREW SCHOOL - DONATIONS: SUB-FUND

RECEIPTS

Interest Earned £1.93

PAYMENTS

(£0.00)
Net Receipts £1.93

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £1.93

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £1.93

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £386.93
Net Increase in Investments during the year £1.93
Investments on 31 March 2019 £388.86

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £386.93
Net Receipts during the year £1.93
Sub-Fund Account Balance on 31 March 2019 £388.86

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£388.86	100.000	£388.86	£388.86

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

ST BERNARD'S HOSPITAL - HUMPHREY'S LTD CHALLENGE CUP:
SUB-FUND

RECEIPTS

Interest Earned £4.86

PAYMENTS

(£0.00)
Net Receipts £4.86

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £4.86

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £4.86

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £378.48
Net Increase in Investments during the year £4.86
Investments on 31 March 2019 £383.34

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £378.48
Net Receipts during the year £4.86
Sub-Fund Account Balance on 31 March 2019 £383.34

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund:				
Monthly Income Debentures	£200.00	100.000	£200.00	£200.00
Ordinary Deposits	£183.34	100.000	£183.34	£183.34
	£383.34		£383.34	£383.34

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

PROFESSIONAL DARTS CORPORATION (ESCROW ACCOUNT):
SUB-FUND

RECEIPTS

Interest Earned £1.30

PAYMENTS

Net Receipts (£0.00)
£1.30

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £1.30

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£1.30

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £260.93
Net Increase in Investments during the year £1.30
Investments on 31 March 2019 £262.23

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £260.93
Net Receipts during the year £1.30
Sub-Fund Account Balance on 31 March 2019 £262.23

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£262.23	100.000	£262.23	£262.23

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

ST ANNE'S MIDDLE SCHOOL - MUSICAL INSTRUMENT BURSARY:
SUB-FUND

RECEIPTS

Interest Earned £0.06

PAYMENTS

Net Receipts (£0.00)
£0.06

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £0.06

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£0.06

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018 £11.85
Net Increase in Investments during the year £0.06
Investments on 31 March 2019 £11.91

FINANCED BY

Sub-Fund Account Balance on 1 April 2018 £11.85
Net Receipts during the year £0.06
Sub-Fund Account Balance on 31 March 2019 £11.91

STATEMENT OF INVESTMENTS ON 31 MARCH 2019

DESCRIPTION OF STOCK	NOMINAL VALUE	PRICE / ACCRUED INTEREST %	VALUE / ACCRUED INTEREST	TOTAL VALUE ON 31 3 19
Savings Bank Fund - Ordinary Deposits	£11.91	100.000	£11.91	£11.91

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

GIBRALTAR HEALTH AUTHORITY GRATUITIES: SUB-FUND

RECEIPTS

Interest Earned	£250.26
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PAYMENTS

Miscellaneous Payments	(£85,618.86)
Net Payments	<u>(£85,368.60)</u>

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned	£250.26
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DECREASE IN INVESTMENTS

Net Sale of Investments	(£85,618.86)
Net Decrease in Investments	<u>(£85,368.60)</u>

BALANCE SHEET AS AT 31 MARCH 2019

ASSETS

Investments on 1 April 2018	£85,368.60
Net Decrease in Investments during the year	<u>(£85,368.60)</u>
Investments on 31 March 2019	<u>£0.00</u>

FINANCED BY

Sub-Fund Account Balance on 1 April 2018	£85,368.60
Net Payments during the year	<u>(£85,368.60)</u>
Sub-Fund Account Balance on 31 March 2019	<u>£0.00</u>

GIBRALTAR GOVERNMENT LOTTERY
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

INCOME AND EXPENDITURE ACCOUNT

INCOME

Gross Proceeds on Sale of Tickets	£7,200,000.00	
(less) Returned Tickets	<u>(£554,279.00)</u>	
Net Proceeds on Sale of Tickets		£6,645,721.00
Prizes Unclaimed and Minor Prizes on Returned Tickets in respect of 2017/2018 Lottery Draws which lapsed during 2018/2019.		<u>£93,767.64</u>
Total Income		<u>£6,739,488.64</u>

EXPENDITURE

Prizes	£4,976,183.50	
Provision for Tickets not yet Presented	<u>£386,324.00</u>	
Total Prizes Payable	£5,362,507.50	
(Less) Prizes on Returned Tickets	<u>(£256,000.00)</u>	
Net Prizes		£5,106,507.50
Agents' Selling Commission	£432,000.00	
(less) Commission on Returned Tickets	<u>(£33,256.74)</u>	
Net Agents' Selling Commission		£398,743.26
Agent's Administration Fee	£288,000.00	
(less) Administration Fee on Returned Tickets	<u>(£22,171.16)</u>	
Net Agent's Administration Fee		£265,828.84
Management Charges		£101,000.00
Agents' Commission on Prizes	£47,182.05	
Provision for Outstanding Prizes	<u>£3,863.14</u>	
Total Agents' Commission on Prizes		£51,045.19
Printing of Lottery Tickets		£65,635.50
Advertising		£34,055.00
Cost of Lottery Paper		£16,917.35
Gibraltar Broadcasting Corporation Expenses		£8,637.59
Conferences and Subscription to Association of State Lotteries		£3,751.63
Miscellaneous Expenses		£2,950.48
Electricity, Water and Service Charges	<u>£2,882.38</u>	
Total Expenditure		<u>(£6,057,954.72)</u>
Surplus Transferred to the Consolidated Fund		<u>£681,533.92</u>

STATEMENT OF PUBLIC DEBT AS AT 31 MARCH 2019

DESCRIPTION OF LOAN	AUTHORITY	PUBLIC DEBT BROUGHT FORWARD	AMOUNT RECEIVED DURING THE YEAR	AMOUNT REDEEMED DURING THE YEAR	PUBLIC DEBT OUTSTANDING
Barclays Bank PLC (Revolving Facility)	(a)	£150,000,000.00	£0.00	£0.00	£150,000,000.00
Natwest Offshore Ltd (Revolving Facility)	(a)	£50,000,000.00	£0.00	£0.00	£50,000,000.00
Government of Gibraltar Debentures issued on 1 September 2014	(a)	£100,000,000.00	£0.00	£0.00	£100,000,000.00
Government of Gibraltar Monthly Income Debentures issued on 1 October 2014	(a)	£147,700,000.00	£0.00	£0.00	£147,700,000.00
		£447,700,000.00	£0.00	£0.00	£447,700,000.00

(a) With effect from 23 June 1988 the statutory authority to raise loans and debentures was provided under the Borrowing Powers Act, 1988, now repealed. With effect from 24 July 2008 the authority to raise loans and debentures is provided under the Public Finance (Borrowing Powers) Act 2008.

All Public Debt is used either for the repayment of existing Public Debt or for the purposes of the Improvement and Development Fund, or held by the Consolidated Fund pending utilisation for the aforementioned purposes.

The Aggregate Public Debt stood at £435.6m (Public Debt £447.7m less General Sinking Fund £12.1m) as at 31 March 2019.

STATEMENT OF OUTSTANDING LOANS ISSUED BY THE IMPROVEMENT AND DEVELOPMENT FUND
AS AT 31 MARCH 2019

BORROWER	DATE OF LOAN	AUTHORITY	SOURCE OF LOAN	AMOUNT OF LOAN	DRAWN TO DATE	AMOUNT REPAYED TO DATE	BALANCE OUT-STANDING	ANNUAL INTEREST	TERMS OF REPAYMENT
Vineyards (Management) Ltd	19/08/1999	Agreement Dated 19/08/1999	Improvement & Development Fund	£449,970.00	£449,438.04	£348,592.50	£100,845.54	-	By seventy-two equal instalments of principal. First payment 1 month after agreement executed. Loan extended in August 2004, to be repaid by 180 equal instalments of principal. Loan increased in October 2008, to be repaid by 130 instalments of principal. Loan increased and extended in January 2012, to be repaid in 128 instalments.
Sunrise Court Management (Two) Ltd	17/11/2011	Agreement Dated 17/11/2011	Improvement & Development Fund	£30,000.00	£29,700.00	£29,700.00	£0.00	-	By sixty equal instalments of principal. First payment being due at the end of the month of the first drawdown.
Gibraltar Taxi Association	31/05/2012	Agreement Dated 31/05/2012	Improvement & Development Fund	£200,000.00	£200,000.00	£135,002.27	£64,997.73	-	Loan to be repaid over ten years in equal monthly instalments of £1,666.67.
Total				£679,970.00	£679,138.04	£513,294.77	£165,843.27		

**STATEMENT OF LOSSES OF CASH AND STORES WRITTEN-OFF
AND CLAIMS ABANDONED FOR THE YEAR ENDED 31 MARCH 2019**

DEPARTMENT / AGENCY / AUTHORITY	DETAILS	CASH LOSSES WRITTEN-OFF	ABANDONED CLAIMS	TOTAL
Treasury	Rates Penalties Ground Rent General Rates and Salt Water Charges Municipal Services Deductions Cash Shortages Rounding Workmens' Wages	£5,391.77 £409.90 £77.32	£461,153.84 £76,268.30 £13,487.90	£556,789.03
Income Tax	Employers' PAYE Deductions Self-Employed Individuals Income Tax Corporation Tax Cash Shortages	£100.00	£218,226.89 £131,201.27 £55,799.21	£405,327.37
Gibraltar Health Authority	Group Practice Medical Scheme Receipts		£29,297.45	£29,297.45
Housing Works Agency	Deficiency of Stores		£3,693.42	£3,693.42
Upper Rock Tourist Sites and Beaches	Cash Shortages Theft of monies	£478.20 £311.69		£789.89
Housing - Administration	Cash Shortages	£61.59		£61.59
Social Security	Cash Shortages	£40.00		£40.00
Tourism	Cash Shortages	£40.00		£40.00
Driver and Vehicle Licensing	Cash Shortages	£36.50		£36.50
Immigration and Civil Status	Cash Shortages	£30.00		£30.00
Customs	Cash Shortages	£24.00		£24.00
Postal Services	Cash Shortages	£18.39		£18.39
Employment	Cash Shortages	£5.00		£5.00
Environment	Public Health and Environmental Fees		£1.02	£1.02
		£7,024.36	£989,129.30	£996,153.66

Note:

This statement does not include abandoned claims in respect of Employers' Social Insurance contributions deductions amounting to £19,531.63 in respect of the Statutory Benefits Fund.

STATEMENT OF AGGREGATE ARREARS OF REVENUE BY SUBHEADS AS AT 31 MARCH 2019

HEAD	SUBHEAD		PREVIOUS YEAR	
1. INCOME TAXES (a)	1. INCOME TAX (b)	£13,078,450.70 (d)	£14,729,664.69	
	2. COMPANY TAX (c)	£3,633,556.15 (e)	£2,630,190.92	
		£16,712,006.85		£17,359,855.61
2. DUTIES, TAXES AND OTHER RECEIPTS	1. IMPORT DUTIES	£156,296.10	£156,296.10	£156,296.10
		£156,296.10		
3. GAMBLING CHARGES, FEES AND LOTTERY	1. GAMBLING CHARGES AND FEES	-	£82,898.00	£82,898.00
		£0.00		
4. RATES AND RENTS	1. GENERAL RATES AND SALT WATER CHARGES	£6,023,119.09 (f)	£6,029,618.65	
	2. GROUND AND SUNDRY RENTS	£774,548.88 (g)	£807,823.05	
		£6,797,667.97		£6,837,441.70
5. DEPARTMENTAL FEES AND RECEIPTS	7. AIRPORT DEPARTURE TAX	£617,754.73	£508,048.00	
	8. FEES AND CONCESSIONS	£221,763.10	£60,376.29	
	9. AIRPORT LANDING FEES	£197,979.83	£161,703.50	
	10. PUBLIC HEALTH AND ENVIRONMENTAL FEES	£1,809.03	£8,008.28	
	15a. SALE OF ELECTRICITY TO CONSUMERS: BILLED CHARGES TO CONSUMERS	£6,766,395.77 (h)	£6,370,889.53	
	15c. SALE OF ELECTRICITY TO CONSUMERS: OTHER REVENUE	£193,330.86 (h)	£344,399.00	
	16. CONSUMERS' CONNECTION FEES	£1,889.23 (h)	£1,964.23	
	18. COMMERCIAL WORKS	£108,001.36	£894,474.87	
	19. TOURIST SITES RECEIPTS	£444,680.40 (i)	£371,432.90	
	23. SCHOLARSHIP FEES - REIMBURSEMENTS	£1,320,876.50	£857,777.05	
	24. NON RESIDENTS SCHOOL FEES	£95,627.72	£96,267.72	
	25. MUSEUM ENTRANCE CHARGES	£374.75	-	
	26. VEHICLE LICENCES AND FEES	£25.00	£25.00	
	27. VEHICLE TESTING	-	£20.00	
	31. TOWN PLANNING AND BUILDING CONTROL FEES	£7,340.00	£4,220.00	
	35. HOSTEL FEES	£135,621.75	£105,633.50	
	38. HOUSE RENTS	£4,908,568.84 (j)	£5,072,652.66	
	41. OTHER RECEIPTS	£3,194,607.24	£2,842,987.51	
	43. RESIDENTS CONTRIBUTIONS	£27,145.55	£17,119.76	
	50. COACH TERMINAL FEES	£34,390.50	-	
	54. TONNAGE DUES	£106,025.25	£247,221.28	
	55. BERTHING CHARGES	£150,034.15	£156,926.91	
	57. PORT ARRIVAL AND DEPARTURE TAX	-	£16,150.75	
	59. BUNKERING CHARGES	£10,000.00	£44,000.00	
	60. MISCELLANEOUS RECEIPTS	£4,500.00	£7,750.00	
	61. SHIP REGISTRATION FEES	£82,409.14	£65,953.79	
	66. RENT FROM PREMISES CLUBS AND ASSOCIATIONS	£100.00 (k)	£949.73	
	70. ADVERTISING REVENUE	£950.00	£950.00	
	71. EVENTS	£13,761.20	£7,273.98	
	74. POSTAL SERVICES RECEIPTS	£32,332.41 (l)	£31,922.24	
		£18,678,294.31		£18,297,098.48
6. GOVERNMENT EARNINGS	4. SERVICES PERFORMED BY PUBLIC OFFICERS	£15,241.44	£13,873.40	
	6. OTHER REIMBURSEMENTS	£45.00	£795.00	
		£15,286.44		£14,668.40
		£42,359,551.67		£42,748,258.29

PLEASE REFER TO EXPLANATORY NOTES ON NEXT PAGE

STATEMENT OF AGGREGATE ARREARS OF REVENUE BY SUBHEADS AS AT 31 MARCH 2019 (CONT'D)

Notes:

(a) The Income Tax Act 2010 came into effect on 1 January 2011. Consequently for the fiscal year ended 31 March 2019 the references to the various legislative sections under which estimated assessments have been raised include those applicable to both the Income Tax Act 1952 (1952 Act) and the Income Tax Act 2010 (2010 Act).

(b) Income Tax arrears includes an element of estimated assessments raised on self-employed persons and on private individuals in accordance with Section 72 of the 1952 Act and Section 33 of the 2010 Act.

(c) Company Tax arrears includes an element of estimated assessments raised on companies in accordance with Section 72 of the 1952 Act and Section 33 of the 2010 Act.

(d) Income Tax arrears includes tax assessments where the tax owing has the due date (in accordance with Section 82 of the 1952 Act and Sec 39(9) of the 2010 Act) after 31 March 2019. The amounts are: Self-Employed - £156,601.45 and Individuals - £404,258.31. Furthermore these arrears exclude amounts standing as 'credits' in self employed and individual tax accounts. The amounts are: Self-Employed - £4,642,312.01 and Individuals - £9,949,822.17.

(e) Company Tax arrears includes tax assessments where the tax owing has the due date (in accordance with Section 82 of the 1952 Act and Sec 39(9) of the 2010 Act) after 31 March 2019. This amount totals £42,152.71. Furthermore, these arrears exclude amounts standing as 'credits' in Company tax accounts; this amount totals £45,955,334.65.

(f) General Rates and Salt Water Charges exclude £296,446.89 in respect of amounts standing as credits.

(g) Arrears of Ground Rent and Sundry Rent exclude credit amounts in respect of prepayments and payments from tenants whose leases have expired or are waiting a rent review. The amounts are £157,329.55 in respect of tenants whose leases have expired and £13,680.11 in respect of tenants with prepayments.

(h) Sale of Electricity to Consumers arrears is made up of (a) Current Arrears - Payable within 60 days: £2,153,438.24 (b) Historic arrears - over 60 days: £4,232,460.06 (c) MOD: £357,929.81 (d) GMES Ltd: £193,330.86 and (e) Gibdock: £22,567.66. Additionally, the consumer connection fees of £1,889.23 relate to historic arrears. These figures are subject to review.

(i) Tourist Sites Receipts arrears include amounts with credit periods after 31 March 2019. The amounts are: (a) payable within 30 days - £69,474.00; (b) payable within 60 days - £102,163.00; and (c) payable within 90 days - £202,301.00. Arrears over the 90 days credit - £70,742.40.

(j) House Rents arrears is made up of (a) Current Rent amounting to £187,433.72, (b) Arrears amounting to £2,647,661.91 and Arrears Agreements amounting to £2,073,473.21.

(k) Prior Year arrears relate to Garrison Library Fees which is a disappearing subhead in 2018/19.

(l) Postal Services Receipts arrears do not include the amount outstanding from Terminal Dues as these were established on 29 October 2019. £87,399.29 was established as owing on 31 March 2019.

Social Insurance contributions arrears as at the year ended 31 March 2019 amounted to £6,089,879.37, of which 60% - £3,653,927.62 was recoverable by the Consolidated Fund Revenue Head 5, Subhead 39 - Group Practice Medical Scheme (40% - £2,435,951.75 was recoverable by the Statutory Benefits Fund).

**Unaudited Accounts of Government
Statutory Authorities, Agencies and
Corporations**

for the year ended 31 March 2019

GIBRALTAR HEALTH AUTHORITY

RECEIPTS AND PAYMENTS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 28:

Contribution from Revenues Received	£62,407,482.59
Additional Contribution	£56,483,000.00

Contribution from the Social Assistance Fund

£3,500,000.00

Contribution from the Statutory Benefits Fund

£519,732.00

£122,910,214.59

PAYMENTS

Personal Emoluments

(1) Salaries	£36,248,855.47	
(2) Overtime	£3,212,601.55	
(3) Allowances	£6,347,923.82	
(4) Gratuities	£820,505.09	
	<u>£46,629,885.93</u>	

Ambulance Service

(5) Salaries	£1,232,055.59	
(6) Overtime	£279,197.93	
(7) Allowances	£511,097.61	
	<u>£2,022,351.13</u>	

Industrial Wages

(8) Basic Wages	£3,092,238.05	
(9) Overtime	£1,379,953.18	
(10) Allowances	£61,739.86	
	<u>£4,533,931.09</u>	

Other Personnel

(11) Relief Cover	£5,263,917.44	
(12) Visiting Consultants' Fees and Expenses and Other Contracted Medical Services	£1,952,815.97	
(13) Recruitment Contractual Expenses and Accommodation	£1,003,599.76	
	<u>£8,220,333.17</u>	

(14) Employer's Social Insurance Contributions

£2,240,070.83

(15) Employer's Pension Contributions

£2,784,850.67

Other Recurrent Expenditure

Prescribed Drugs and Pharmaceuticals:

(16) GPMS Prescriptions	£11,960,827.38	
(17) Drugs and Pharmaceuticals	£7,469,107.41	
	<u>£19,429,934.79</u>	

Equipment and Related Expenses:

(18) Medical Departments	£3,330,692.03	
(19) Medical and Surgical Appliances	£2,188,149.55	
(20) Hardware, Uniforms and Linen	£281,597.84	
(21) Patients' Appliances	£358,825.75	
	<u>£6,159,265.17</u>	

(22) Dressings, Medical Gases and Tests

£1,630,677.26

(23) Provisions

£639,904.44

Laundry and Cleaning:

(24) Laundry Expenses	£437,495.30	
(25) Cleaning Expenses	£187,701.18	
	<u>£625,196.48</u>	

carried forward £94,916,400.96

GIBRALTAR HEALTH AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

	brought forward	£94,916,400.96	
<u>PAYMENTS (cont)</u>			
(26) Rentals:			
(i) ICC Health Centre	£472,228.40		
(ii) Europort Paediatric Centre	£0.00		
		£472,228.40	
(27) Motor Vehicle and Fuel Expenses		£249,738.24	
Office Expenses:			
(28) General Expenses	£99,765.02		
(29) Electricity and Water	£1,016,678.70		
(30) Telephone Service	£259,372.23		
(31) Records, Printing and Stationery	£77,849.94		
		£1,453,665.89	
(32) Compensation and Legal Costs		£810,495.47	
(33) Official Travel Abroad		£16,386.27	
(34) School of Health Studies Expenses		£555,192.11	
(35) Insurances and Claims		£2,028,040.97	
(36) Sponsored Patients		£11,426,375.14	
(37) Dialysis		£308,616.69	
(38) Ground Rent		£25,780.99	
(39) Information Technology Expenses		£435,159.61	
(40) Registration Board		£175,295.99	
(41) Repairs and Maintenance		£126,215.49	
(42) Disposal of Clinical Waste		£1,150,330.63	
<u>Facilities Management</u>			
(43) Maintenance Agreements:			
(i) Techno-Medical Services provided by GEA	£1,076,257.77		
(ii) Other Maintenance Agreements	£1,369,329.42		
		£2,445,587.19	
(44) Equipment Spares/Repairs	£246,840.28		
(45) Security	£442,099.06		
(46) Fire Prevention	£10,625.96		
(47) Planted Areas	£26,483.30		
		£726,048.60	
(48) Hospital Rental		£4,882,232.00	
(49) GHA Ambulance Service - Direct Expenses		£117,492.08	
(50) Contribution to the Gibraltar Development Corporation - Staff Services		£161,769.39	
(51) Postage Expenses		£13,595.86	
(52) CT Scanner - Finance Repayment		£126,453.48	
(53) Ex-Gratia Payments		£286,727.69	
(54) Losses of Public Funds		£19.54	
			(£122,909,848.68)
		Net Receipts	£365.91

GIBRALTAR HEALTH AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101	£1,530,000.00
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PAYMENTS

Works and Equipment	(£1,529,146.43)
Net Receipts	<u>£853.57</u>

BALANCE SHEET AS AT 31 MARCH 2019

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	<u>£792.22</u>
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FINANCED BY

Account Balance on 1 April 2018	£426.31
Net Receipts during the year	<u>£365.91</u>
Account Balance on 31 March 2019	<u>£792.22</u>

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	<u>£869.41</u>
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FINANCED BY

Account Balance on 1 April 2018	£15.84
Net Receipts during the year	<u>£853.57</u>
Account Balance on 31 March 2019	<u>£869.41</u>

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account	£792.22
Capital Account	<u>£869.41</u>
Net Balance held by the Government of Gibraltar	<u>£1,661.63</u>

Note:

These accounts are not the audited accounts of the Gibraltar Health Authority

GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 29:

Contribution from Revenues Received

£1,794,368.29

Additional Contribution

£21,806,000.00

£23,600,368.29

PAYMENTS

Personal Emoluments

(1) Salaries

£6,233,652.08

(2) Overtime

£620,639.91

(3) Allowances

£1,674,255.86

(4) Gratuities

£9,269.64

£8,537,817.49

Industrial Wages

(5) Basic Wages

£1,244,187.36

(6) Overtime

£377,797.83

(7) Allowances

£126,547.85

£1,748,533.04

Employer's Contributions

(8) Social Insurance

£600,304.69

(9) Pension

£1,043,610.03

£1,643,914.72

Other Personnel

(10) Relief Cover

£1,966,878.68

(11) Recruitment Contractual Expenses

£1,120.00

£1,967,998.68

Other Recurrent Expenditure

(12) Residents' Pocket Money

£171,245.69

(13) Dressings and Aids

£389,688.33

(14) Hardware, Uniforms and Linen

£113,524.82

(15) Clinical Waste

£762,668.09

(16) Provisions

£604,264.10

(17) Assistance to Residents

£29,938.06

Laundry and Cleaning:

(18) Laundry Expenses

£57,646.94

(19) Cleaning Expenses

£90,297.66

£147,944.60

Training and Study:

(20) Medical Books

£4,430.41

(21) Training Courses and Official Travel

£75,446.65

£79,877.06

carried forward

£16,197,414.68

GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

brought forward

£16,197,414.68

PAYMENTS (cont)

Office Expenses:

(22) General Expenses	£30,934.96
(23) Electricity and Water	£167,795.69
(24) Telephone Service	£39,242.07
(25) Printing and Stationery	£17,139.39
(26) Computer and Office Equipment	£31,610.72

£286,722.83

Contracted Services:

(27) Cleaning	£3,650.89
(28) Planted Areas	£2,413.67
(29) Lift Maintenance	£27,084.42
(30) Security Services	£175,959.12
(31) Dementia Residential Facility	£3,248,244.28
(32) John Mackintosh Wing	£1,781,241.03
(33) Dementia Day Care Facility	£939,828.50

£6,178,421.91

Miscellaneous Expenses:

(34) Rent and Service Charges	£62,040.00
(35) Fuel and Gas	£13,018.05
(36) Motor Vehicle Expenses	£11,001.56
(37) Insurance	£16,092.83
(38) Maintenance Works	£165,473.21
(39) Contingencies	£5,079.22
(40) IT Support	£22,576.12
(41) Pharmaceutical Stock Items	£550,000.00

£845,280.99

(42) Contribution to Gibraltar Development Corporation - Staff Services

£93,361.29

(£23,601,201.70)

Net Payments

(£833.41)

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101

£400,000.00

PAYMENTS

Works and Equipment

(£400,062.04)

Net Payments

(£62.04)

GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION

BALANCE SHEET AS AT 31 MARCH 2019

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	£104.13
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FINANCED BY

Account Balance on 1 April 2018	£937.54
Net Payments during the year	(£833.41)
Account Balance on 31 March 2019	£104.13

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	£851.54
---	---------

FINANCED BY

Account Balance on 1 April 2018	£913.58
Net Payments during the year	(£62.04)
Account Balance on 31 March 2019	£851.54

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account	£104.13
Capital Account	£851.54
Net Balance held by the Government of Gibraltar	£955.67

Note:

These accounts are not the audited accounts of the Gibraltar Health Authority - Elderly Residential Services Section

GIBRALTAR DEVELOPMENT CORPORATION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

RECEIPTS

Contributions from the Consolidated Fund - Head 24 Economic Development:	
Contribution from Revenues Received	£186,468.87
Additional Contribution	£12,358,000.00
Contributions from Consolidated Fund - Head 11 Public Service Support Unit	£794,035.32
Contributions by Government Departments for Staff Services	£5,511,612.34
Contribution by the Gibraltar Health Authority	£161,769.39
Contribution by the Gibraltar Health Authority - Elderly Residential Services Section	£93,361.29
Contribution by the Borders and Coastguard Agency	£58,215.24
Contribution by the Care Agency	£10,406.88
Contribution by the Gibraltar Electricity Authority	£3,468.96
Contribution by the Gibraltar Port Authority	£3,468.96
Contribution by the Housing Works Agency	£3,468.96
Contribution by Other Public Bodies	£5,883.27
	<hr/>
	£19,190,159.48

PAYMENTS

Personal Emoluments

Salaries:

(1) Public Service Support Unit	£123,606.20	
(2) Economic Development	£489,566.38	
(3) Other Divisions	£3,746,848.77	
	<hr/>	£4,360,021.35

Overtime:

(4) Public Service Support Unit	£0.00	
(5) Economic Development	£8,798.73	
(6) Other Divisions	£357,253.11	
	<hr/>	£366,051.84

Allowances:

(7) Public Service Support Unit	£0.00	
(8) Economic Development	£24,993.85	
(9) Other Divisions	£197,092.01	
	<hr/>	£222,085.86

Wages - Economic Development:

(10) Basic	£54,031.67	
(11) Overtime	£7,877.74	
(12) Allowances	£0.00	
	<hr/>	£61,909.41

Wages - Other Divisions:

(13) Basic	£350,420.58	
(14) Overtime	£41,428.13	
(15) Allowances	£1,821.94	
	<hr/>	£393,670.65

(16) Temporary Assistance - Other Divisions	£0.00
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Employer's Contributions:

(17) Public Service Support Unit	£21,451.54	
(18) Economic Development	£67,215.44	
(19) Other Divisions	£655,960.08	
	<hr/>	£744,627.06

(20) Gratuities - Other Divisions	£34,815.73
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carried forward £6,183,181.90

GIBRALTAR DEVELOPMENT CORPORATION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

brought forward £6,183,181.90

PAYMENTS (cont)

Other Recurrent Expenditure

(21) Contribution to the Economic Development & Employment Company Ltd £11,782,000.00

(22) Wage Subsidies:

(a) EU Projects:

(i) Government Financed £0.00
(ii) Planned ESF Funds £169,808.15

£169,808.15

(b) Other Projects - Government Financed

£0.00

£169,808.15

(23) Training and Development Courses:

(a) EU Projects:

(i) Government Financed £0.00
(ii) Planned ESF Funds £0.00

£0.00

(b) Other Projects - Government Financed

£54,777.85

£54,777.85

(24) Construction Training Centre:

(a) EU Projects:

(i) Government Financed £0.00
(ii) Planned ESF Funds £0.00

£0.00

(b) Other Projects - Government Financed

£206,881.65

£206,881.65

(25) GDC Public Service Support Unit

(a) General Expenses £175.00
(b) Electricity and Water £533.98
(c) Telephone Service £813.16
(d) Printing and Stationery £0.00
(e) Office Rent and Service Charges £116,147.02
(f) Office Cleaning £0.00
(g) Computer and Office Equipment £0.00
(h) Training Courses £229.32
(i) Medical Examinations £0.00
(j) Recruitment Expenses £0.00
(k) Secondment £676,136.84
(l) Relief Cover £0.00

£794,035.32

(£19,190,684.87)

Net Payments

(£525.39)

GIBRALTAR DEVELOPMENT CORPORATION

BALANCE SHEET AS AT 31 MARCH 2019

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	£42.04
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FINANCED BY

General Fund Balance on 1 April 2018	£567.43
Net Payments during the year	(£525.39)
General Fund Balance on 31 March 2019	£42.04

Note:

These accounts are not the audited accounts of the Gibraltar Development Corporation

GIBRALTAR ELECTRICITY AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 15:

Contribution from Revenues Received	£27,512,344.78
Contribution from Revenues Received - Commercial Works	£4,813,229.04
Additional Contribution	£20,367,000.00
Payment of Electrical Services provided for Government	£1,451,621.24
Techno-Medical Services provided to GHA	£1,076,257.77
	<u>£55,220,452.83</u>

PAYMENTS

Personal Emoluments

(1) Salaries	£6,309,342.81	
(2) Overtime	£1,354,206.70	
(3) Allowances	£1,138,833.79	
(4) Temporary Assistance	<u>£0.00</u>	
		£8,802,383.30

Employer's Contributions

(5) Social Insurance	£321,317.34	
(6) Pension	<u>£613,232.00</u>	
		£934,549.34

Other Recurrent Expenditure

Office Expenses:

(7) General Expenses	£52,469.20	
(8) Electricity and Water	£26,982.16	
(9) Telephone Service	£42,314.62	
(10) Printing and Stationery	<u>£22,124.00</u>	
		£143,889.98

Operational Expenses:

(11) Protective Clothing and Fire Prevention	£35,657.01	
(12) Computer and Office Equipment Expenses	£102,720.99	
(13) Training Expenses	£30,833.65	
(14) Transport Expenses	£35,225.99	
(15) Training Related to New Power Station	<u>£145,040.33</u>	
		£349,477.97

Contracted Services:

(16) Security Services	£84,233.00	
(17) Messengerial Services	£8,959.75	
(18) Cleaning Services	£54,063.81	
(19) Electricity Collections - AquaGib Ltd	£402,847.51	
(20) Employer's and Public Liability Insurance	£50,925.22	
(21) Legal Fees (Advice and Consultation)	£18,282.00	
(22) Health and Safety Advisors	<u>£9,500.00</u>	
		£628,811.29

Fuel and Lubricants:

(23) Fuel	£6,070,216.33	
(24) Lubricants	<u>£118,636.83</u>	
		£6,188,853.16

carried forward £17,047,965.04

GIBRALTAR ELECTRICITY AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

	brought forward	£17,047,965.04	
<u>PAYMENTS (cont)</u>			
(25) Materials	£774,752.32		
(26) Public Lighting	£93,793.47		
(27) Public Illuminations	£52,473.62		
		<u>£921,019.41</u>	
(28) Purchase of Electricity:			
(1) Additional Generating Capacity			
(i) Fuel Costs	£21,563,703.39		
(ii) Other Costs	£10,944,644.45		
		<u>£32,508,347.84</u>	
(29) GHA Related Expenditure		£799.46	
(30) Purchase of Carbon Credits		£600,000.00	
(31) Relief Cover		£25,763.79	
(32) Contribution to Gibraltar Development Corporation - Staff Services		£3,468.96	
(33) Commercial Works Operating Expenditure		<u>£4,113,817.23</u>	
			<u>(£55,221,181.73)</u>
	Net Payments		<u>(£728.90)</u>
<u>CAPITAL ACCOUNT</u>			
<u>RECEIPTS</u>			
Contribution from the Improvement and Development Fund - Head 101			£1,281,000.00
<u>PAYMENTS</u>			
Works and Equipment	£1,083,260.29		
MOD Transfer Programme	£196,964.53		
		<u>(£1,280,224.82)</u>	
	Net Receipts		<u>£775.18</u>

GIBRALTAR ELECTRICITY AUTHORITY

BALANCE SHEET AS AT 31 MARCH 2019

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£190.01

FINANCED BY

Account Balance on 1 April 2018

£918.91

Net Payments during the year

(£728.90)

Account Balance on 31 March 2019

£190.01

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£911.72

FINANCED BY

Account Balance on 1 April 2018

£136.54

Net Receipts during the year

£775.18

Account Balance on 31 March 2019

£911.72

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account

£190.01

Capital Account

£911.72

Net Balance held by the Government of Gibraltar

£1,101.73

Note:

These accounts are not the audited accounts of the Gibraltar Electricity Authority

GIBRALTAR SPORTS AND LEISURE AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 47:

Contribution from Revenues Received

£266,548.34

Additional Contribution

£7,536,000.00

£7,802,548.34

PAYMENTS

Personal Emoluments

(1) Salaries	£1,928,589.58
(2) Overtime	£612,511.34
(3) Allowances	£250,922.01
(4) Temporary Assistance	£70,933.75
(5) Employer's Social Insurance Contributions	£129,570.64
(6) Employer's Pension Contributions	<u>£219,865.36</u>

£3,212,392.68

Other Recurrent Expenditure

Operational Expenses:

(7) Electricity and Water	£471,697.05
(8) Telephone Service	£15,043.24
(9) Printing and Stationery	£5,047.86
(10) Sports Development Unit	£11,359.81
(11) Running Expenses	£58,815.38
(12) Vehicles and Plant	£9,163.81
(13) Training Courses	£2,853.54
(14) Computer and Office Equipment	£6,302.55
(15) Stay and Play Programme	£3,576.99
(16) Uniforms	<u>£14,621.00</u>

£598,481.23

Sports Facilities and Equipment:

(17) Europa Gymnasium	£0.00
(18) Other Facilities and Equipment	£3,079.16

Contracted Services:

(19) Upkeep of Facilities	£306,372.63
(20) Swimming Pool Expenses	£229,555.48
(21) Playground Expenses	£84,843.86
(22) Anti Doping Measures	<u>£0.00</u>

£623,851.13

(23) Sports Grants	£462,738.22
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(24) Hosting of Special Sports and Leisure Events	<u>£1,289,724.84</u>
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£1,752,463.06

(25) Bathing Pavilion Expenses	£90,628.70
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(26) Gibraltar Island Games 2019	£1,520,790.00
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(27) Relief Cover	<u>£4,291.54</u>
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(£7,802,898.34)

Net Payments

(£350.00)

GIBRALTAR SPORTS AND LEISURE AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101	£192,000.00
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PAYMENTS

Works and Equipment	(£191,797.06)
Net Receipts	<u>£202.94</u>

BALANCE SHEET AS AT 31 MARCH 2019

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	<u>£575.02</u>
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FINANCED BY

Account Balance on 1 April 2018	£925.02
Net Payments during the year	(£350.00)
Account Balance on 31 March 2019	<u>£575.02</u>

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	<u>£228.16</u>
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FINANCED BY

Account Balance on 1 April 2018	£25.22
Net Receipts during the year	£202.94
Account Balance on 31 March 2019	<u>£228.16</u>

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account	£575.02
Capital Account	£228.16
Net Balance held by the Government of Gibraltar	<u>£803.18</u>

Note:

These accounts are not the audited accounts of the Gibraltar Sports and Leisure Authority

GIBRALTAR PORT AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 38:

Contribution from Revenues Received	£6,705,000.00
Additional Contribution	£0.00
	<u>£6,705,000.00</u>

PAYMENTS

Personal Emoluments

(1) Salaries	£2,034,452.78	
(2) Overtime	£776,567.32	
(3) Allowances	£226,442.76	
(4) Temporary Assistance	£0.00	
(5) Gratuities	£0.00	
	<u>£3,037,462.86</u>	

Employer's Contributions

(6) Social Insurance Contributions	£105,550.88
(7) Pension Contributions	£179,147.37

Other Recurrent Expenditure

Office Expenses:

(8) General Expenses	£7,618.76	
(9) Electricity and Water	£46,996.04	
(10) Telephone Service	£28,180.66	
(11) Printing and Stationery	£14,336.57	
	<u>£97,132.03</u>	

Operational Expenses:

(12) Transport Expenses	£4,137.15	
(13) Maintenance of Port Installations and Equipment	£263,946.46	
(14) Protective Clothing and Uniforms	£19,946.05	
(15) Training	£102,857.62	
(16) Inspections	£9,183.78	
(17) Oil Pollution Expenses	£48,382.00	
(18) Publications	£8,865.36	
	<u>£457,318.42</u>	

Contracted Services:

(19) Oil Pollution	£120,738.61	
(20) Port Security	£355,363.79	
(21) Cleaning Services - Government Cleaning Scheme	£25,390.30	
(22) Waste Discharge	£1,499,602.50	
(23) Weather Transmission Reports	£8,395.00	
	<u>£2,009,490.20</u>	

(24) Advertising, Marketing and Travel	£119,701.14	
(25) Contribution to Mediterranean Mission to Seamen	£10,000.00	
carried forward	<u>£6,015,802.90</u>	

GIBRALTAR PORT AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

	brought forward	£6,015,802.90	
(26) Vessel Tracking System:			
(i) Maintenance	£129,287.68		
(ii) Finance Repayment	<u>£343,748.97</u>		
		£473,036.65	
(27) Low Sulphur Fuel Oil Analysis		£20,478.00	
(28) Insurance		£130,738.21	
(29) Port Incidents and Associated Expenses		£6,288.50	
(30) Contribution to Seamen's Welfare Fund		£5,000.00	
(31) Maintenance of Beach Marker Buoys		£37,400.00	
(32) Relief Cover		£12,980.45	
(33) Contribution to Gibraltar Development Corporation - Staff Services		<u>£3,468.96</u>	
			(£6,705,193.67)
	Net Payments		<u>(£193.67)</u>

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101 £304,000.00

PAYMENTS

Works and Equipment (£304,008.79)

Net Payments (£8.79)

GIBRALTAR PORT AUTHORITY

BALANCE SHEET AS AT 31 MARCH 2019

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	£310.72
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FINANCED BY

Account Balance on 1 April 2018	£504.39
Net Payments during the year	(£193.67)
Account Balance on 31 March 2019	£310.72

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	£333.96
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FINANCED BY

Balance on 1 April 2018	£342.75
Net Payments during the year	(£8.79)
Account Balance on 31 March 2019	£333.96

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account	£310.72
Capital Account	£333.96
Net Balance held by the Government of Gibraltar	£644.68

Note:

These accounts are not the audited accounts of the Gibraltar Port Authority

CARE AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 30:

Contribution from Revenues Received	£4,693.36
Additional Contribution	£15,806,000.00
	<hr/> £15,810,693.36

PAYMENTS

Personal Emoluments

(1) Salaries	£5,036,811.60	
(2) Overtime	£287,130.89	
(3) Allowances	£840,264.21	
(4) Gratuities	£0.00	
	<hr/>	£6,164,206.70

Industrial Wages

(5) Basic Wages	£110,863.24	
(6) Overtime	£11,493.88	
(7) Allowances	£2,075.12	
	<hr/>	£124,432.24

Employer's Contributions

(8) Social Insurance	£451,173.93	
(9) Pension	£586,787.89	
	<hr/>	£1,037,961.82

Other Personnel

(10) Relief Cover		£3,577,155.16
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Other Recurrent Expenditure

(11) Contractual Expenses		£7,426.82
(12) Recruitment Contractual Expenses and Accommodation		£11,860.00

Residential Services:

(13) Children Respite Services	£22,393.78	
(14) Children Protection Committee	£4,235.66	
(15) Children in Care	£302,167.87	
(16) Secure Unit	£0.00	
(17) Dr Giraldi Home	£293,324.00	
	<hr/>	£622,121.31

Non-Residential Services:

(18) St Bernadette's Centre	£76,623.81	
(19) Early Intervention Services	£9,729.21	
(20) Domiciliary Care	£2,221,253.38	
	<hr/>	£2,307,606.40

(21) Special Care Abroad		£1,035,864.81
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(22) Hardware, Uniforms and Linen		£2,962.47
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(23) Provisions		£1,717.72
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Laundry and Cleaning:

(24) Cleaning Expenses		£3,710.62
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carried forward	<hr/>	£14,897,026.07
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CARE AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

	brought forward	£14,897,026.07	
<u>PAYMENTS (cont)</u>			
(25) Day Centre		£75,234.54	
Training and Study:			
(26) Training Manuals and Subscriptions	£3,438.35		
(27) Training Courses and Official Travel	£201,098.28		
(28) Registration Fees	£2,830.72		
		£207,367.35	
Office Expenses:			
(29) General Expenses	£16,842.34		
(30) Electricity and Water	£67,655.88		
(31) Telephone Service	£88,473.75		
(32) Printing and Stationery	£16,821.75		
(33) Computer and Office Equipment	£26,831.44		
		£216,625.16	
Contracted Services:			
(34) Cleaning	£46,305.36		
(35) Planted Areas	£6,307.00		
(36) Lift Maintenance	£1,836.78		
(37) Security Services	£35,124.84		
		£89,573.98	
Miscellaneous Expenses:			
(38) Health and Safety Expenses	£0.00		
(39) Rent and Service Charges	£66,064.56		
(40) Motor Vehicle Expenses	£21,873.06		
(41) Insurance	£64,120.05		
(42) Maintenance Works	£44,260.48		
(43) Contingencies	£80.00		
(44) IT Support	£101,276.05		
(45) Legal Fees	£5,394.59		
(46) Compensation and Legal Costs	£12,000.00		
		£315,068.79	
(47) Contribution to Gibraltar Development Corporation - Staff Services		£10,406.88	
		(£15,811,302.77)	
	Net Payments	(£609.41)	

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101 £362,000.00

PAYMENTS

Works and Equipment (£362,421.98)

Net Payments (£421.98)

CARE AGENCY

BALANCE SHEET AS AT 31 MARCH 2019

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	£350.69
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FINANCED BY

Account Balance on 1 April 2018	£960.10
Net Payments during the year	(£609.41)
Account Balance on 31 March 2019	£350.69

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	£99.18
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FINANCED BY

Account Balance on 1 April 2018	£521.16
Net Payments during the year	(£421.98)
Account Balance on 31 March 2019	£99.18

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account	£350.69
Capital Account	£99.18
Net Balance held by the Government of Gibraltar	£449.87

Note:

These accounts are not the audited accounts of the Care Agency

HOUSING WORKS AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 26:

£7,655,000.00

PAYMENTS

Personal Emoluments

(1) Salaries	£1,751,681.57	
(2) Overtime	£138,643.01	
(3) Allowances	£243,826.42	
(4) Temporary Assistance	£0.00	
(5) Bonus Payments	£314,100.19	
(6) Employer's Pension Contributions	£0.00	
(7) Employer's Social Insurance Contributions	£86,118.12	
	<hr/>	£2,534,369.31

Industrial Wages

(8) Basic Wages	£1,861,945.31	
(9) Overtime	£154,345.92	
(10) Allowances	£0.00	
(11) Bonus Payments	£489,646.75	
(12) Pension Contributions	£0.00	
(13) Social Insurance Contributions	£137,765.08	
	<hr/>	£2,643,703.06

Other Recurrent Expenditure

Office Expenditure:

(14) General Expenses	£32,165.95	
(15) Electricity and Water	£7,625.55	
(16) Telephone Service	£33,192.97	
(17) Printing and Stationery	£9,024.94	
(18) Contracted Services: Office Cleaning	£29,744.00	
	<hr/>	£111,753.41

Operational Expenses:

(19) Protective Clothing and Uniforms	£5,133.85	
(20) Transport Expenses	£29,183.42	
(21) Small Plant and Tools	£3,612.19	
(22) Materials	£161,726.16	
(23) Training	£0.00	
(24) Outsourced Works	£106,975.99	
(25) Self Repair Scheme	£94,191.75	
	<hr/>	£400,823.36

(26) Technical and Design Expenses £6,971.73

(27) Maintenance of Estates £1,500,602.15

(28) Lift Maintenance Contract £322,263.13

(29) Estates - Cleaning of Internal Communal Areas £109,925.27

(30) Estates - Upkeep of Communal Lighting £2,999.50

(31) Relief Cover £17,137.29

(32) Ex-Gratia Payments £1,347.71

(33) Contribution to Gibraltar Development Corporation - Staff Services £3,468.96

Net Payments

(£7,655,364.88)

(£364.88)

HOUSING WORKS AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101	£0.00
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PAYMENTS

Works and Equipment	£0.00
Net Receipts/Payments	<u>£0.00</u>

BALANCE SHEET AS AT 31 MARCH 2019

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	<u>£4.00</u>
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FINANCED BY

Account Balance on 1 April 2018	£368.88
Net Payments during the year	(£364.88)
Account Balance on 31 March 2019	<u>£4.00</u>

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	<u>£265.17</u>
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FINANCED BY

Account Balance on 1 April 2018	£265.17
Net Receipts/Payments during the year	£0.00
Account Balance on 31 March 2019	<u>£265.17</u>

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account	£4.00
Capital Account	£265.17
Net Balance held by the Government of Gibraltar	<u>£269.17</u>

Note:

These accounts are not the audited accounts of the Housing Works Agency

BORDERS AND COASTGUARD AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 7:

£6,749,000.00

PAYMENTS

Personal Emoluments

(1) Salaries	£3,732,627.61	
(2) Overtime	£120,333.54	
(3) Allowances	£1,597,560.92	
(4) Temporary Assistance	£0.00	
(5) Bonus Payments	£66,312.00	
(6) Employer's Contributions	£802,740.75	
		£6,319,574.82

Other Recurrent Expenditure

Office Expenditure:

(7) General Expenses	£10,277.41	
(8) Electricity and Water	£3,093.99	
(9) Telephone Service	£11,526.65	
(10) Printing and Stationery	£6,205.39	
<u>Contracted Services:</u>		
(11) Office Cleaning - Government Cleaning Scheme	£12,200.88	
(12) Radio Communications System - Gibtelecom Ltd	£8,548.09	
		£51,852.41

Operational Expenses:

(13) Computer and Office Equipment	£20,753.54	
(14) Motor Vehicle Expenses	£981.00	
(15) Uniforms and Protective Clothing	£21,590.25	
(16) Training Courses	£20,951.63	
<u>Contracted Services:</u>		
(17) Security Services	£240,224.40	
		£304,500.82
(18) Contribution to Gibraltar Development Corporation - Staff Services	£58,215.24	
(19) Visas	£0.00	
(20) Relief Cover	£15,467.97	
		£6,749,611.26

Net Payments

(£611.26)

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101

£27,000.00

PAYMENTS

Works and Equipment

Net Receipts

(£26,890.03)

£109.97

BORDERS AND COASTGUARD AGENCY

BALANCE SHEET AS AT 31 MARCH 2019

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	£347.68
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FINANCED BY

Account Balance on 1 April 2018	£958.94
Net Payments during the year	(£611.26)
Account Balance on 31 March 2019	£347.68

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar	£588.30
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FINANCED BY

Account Balance on 1 April 2018	£478.33
Net Receipts during the year	£109.97
Account Balance on 31 March 2019	£588.30

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account	£347.68
Capital Account	£588.30
Net Balance held by the Government of Gibraltar	£935.98

Note:

These accounts are not the audited accounts of the Borders and Coastguard Agency



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