



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.00 p.m. – 7.35 p.m.

Gibraltar, Wednesday, 21st February 2024

Contents

Prayer	4
Confirmation of Minutes	4
Questions for Oral Answer	4
Employment, Equality, Culture and Tourism	4
Q95-97/2024 Bruce’s Farm – Asbestos; privatisation of services; sale	4
Q98-99/2024 Drugs Advisory Council – Proposed work to be undertaken; role and purpose	5
Q100-01/2024 London Marathon event – Plans re manifesto commitment	6
Q102/2024 Upper Rock Nature Reserve – Plans re increasing visits to pre-COVID levels	7
Q103/2024 School leavers not pursuing further or higher education – Pathways available	8
Q104/2024 NEETs – Numbers by gender	9
Industrial Relations, Civil Contingencies and Sport	10
Q105/2024 Europa Sports Complex – Review of Existing proposals related to management	10
Housing and the University of Gibraltar	10
Q164/2024 University accommodation centre – Decision re Europa Point	10
Q165-66/2024 Government housing beyond economic repair – Rent and Repair Scheme; void and unallocated flats	12
Q167/2024 Housing Act, section 34(2) – Intention to prescribe reasons	18
<i>The House recessed at 3.55 p.m. and resumed at 4.02 p.m.</i>	19
Inward Investment and the Savings Bank	19

Q168/2024 Rooke site elderly care home – Update re progress.....	19
Q169-70 and Q177/2024 Public debt; General Sinking Fund balance – Figures for 1st January 2024	23
Q171/2024 Compliance with section 12(b)Gibraltar Savings Bank Act – Whether legal advice sought.....	23
Q172-74/2024 Gibraltar National Mint Ltd – Legal advice re compliance with section 12(b); management fee re admin support by public sector employees; transfer of Gibraltar International Mint Ltd shares to Gibraltar Community Initiatives Ltd.....	23
Q175/2024 – Liquid reserves – Reason for PayPal account noted in Principal Auditor’s report	23
Q177/2024 – Victoria Stadium – Details re any contributions by Government	23
Q176/2024 GBIC Ltd – Payments to subcontractors	29
Health, Care and Business.....	33
Q106/2024 St Bernadette’s nurses’ station – Relocation and amenities	33
Q107/2024 Hillside dementia care facility – Scabies outbreak.....	34
Q108/2024 Governor’s Parade Care Agency building – Potential sale.....	35
Q109/2024 Domiciliary care – Number of complaints received.....	36
Q110/2024 Care Agency and ERS vacant posts – Numbers, details and duration vacant.....	37
Q111/2024 Care Agency employees – Number on fixed-term contracts of less than two years	40
Q112/2024 Care Agency – Permanent and pensionable vacancies filled directly.....	40
Q113/2024 Care Agency care workers – Numbers employed directly and through external companies	43
Q110/2024 Care Agency and ERS vacant posts – Numbers, details and time vacant – Supplementary questions	45
<i>The House recessed at 5.45 p.m. and resumed at 6.03 p.m.</i>	47
Q112/2024 Care Agency – Permanent and pensionable vacancies filled directly – Supplementary questions	47
Q114/2024 Provision of carers to Care Agency and ERS – Subcontracted entities.....	47
Q115-16/2024 Care Agency service provision – Contracts with private entities; monitoring and regulation re service standards.....	51
Q117-19/2024 Meddoc Ltd – Details re contracts in place with any government entity; service agreements and tender documents	56
Q120/2024 Care Agency and ERS – Breakdown of individual overtime expenses	58
Q121/2024 Care Agency Finance Director – Source of remuneration	59
Q122/2024 Autism spectrum disorder – Waiting time for referrals for full assessment	62
Q123-25/2024 Autism spectrum and developmental language disorders – Numbers of children diagnosed; number with dual diagnoses	62
Q120/2024 Care Agency and ERS breakdown of individual overtime expenses – Supplementary questions	64
Q126/2024 Deputysip application process – Guidance notes and support for parents	65

Q127-29/2024 Guardian <i>ad litem</i> – Criteria re proposal of individuals funded by taxpayer money; appointments made in court cases where funded by Government or legal assistance.....	65
Q130/2024 Maritime fuel – Plans for diversification	67
Q131/2024 Electricity generated in Gibraltar – Breakdown by source.....	68
Adjournment.....	72
<i>The House adjourned at 7.35 p.m.</i>	72

The Gibraltar Parliament

The Parliament met at 3.00 p.m.

[MADAM SPEAKER: Hon. Judge K Ramagge GMH *in the Chair*]

[CLERK TO THE PARLIAMENT: J B Reyes Esq *in attendance*]

PRAYER

Madam Speaker

CONFIRMATION OF MINUTES

Clerk: Meeting of Parliament, Wednesday, 21st February 2024.

Order of Proceedings: (i) Oath of Allegiance; (ii) Confirmation of Minutes – the Minutes of the fourth meeting of the 15th Parliament, which was held on 24th and 25th January 2024.

5

Madam Speaker: May I sign the Minutes as correct?

Members: Aye.

10

Madam Speaker signed the Minutes.

Clerk: (iii) Communications from the Chair; (iv) Petitions; (v) Announcements; (vi) Papers to be laid; (vii) Reports of Committees; (viii) Answers to Oral Questions.

Questions for Oral Answer

EMPLOYMENT, EQUALITY, CULTURE AND TOURISM

Q95-97/2024

Bruce's Farm –

Asbestos; privatisation of services; sale

15

Clerk: Questions to the Hon. the Minister for Employment, Equality, Culture and Tourism. Question 95. The Hon. A Sanchez.

Hon. A Sanchez: Could the Government provide clarification on whether asbestos has been identified in the Bruzon building or the surrounding site?

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Clerk: Answer, the Hon. the Minister for Employment, Equality, Culture and Tourism.

Minister for Employment, Equality, Culture and Tourism (Hon. C P Santos): Madam Speaker, I will answer this question together with Questions 96 and 97.

25 **Clerk:** Question 96. The Hon. A Sanchez.

Hon. A Sanchez: Could the Government disclose whether there are any plans or discussions with third parties concerning the privatisation of the services provided in Bruce's Farm?

30 **Clerk:** Question 97. The Hon. A Sanchez.

Hon. A Sanchez: Has the Government made any plans or engaged in discussions with third parties regarding the potential sale of the Bruce's Farm building or the surrounding site?

35 **Clerk:** Answer, the Hon. the Minister for Employment, Equality, Culture and Tourism.

Hon. C P Santos: Madam Speaker, yes, unsurprisingly, asbestos has been identified at Bruce's Farm. The report was commissioned by the Government in August 2021 to ascertain whether this noxious material was present and, if so, if there were any risks that had to be considered as to the management of its presence in the structure. The survey concluded that the risks were minimal and only applicable if the asbestos was disrupted.

In relation to both Questions 96 and 97, the answer is a simple, straightforward no.

45 **Hon. A Sanchez:** Could the hon. Member disclose when the surveyor's report is dated, whether they have acted on the recommendations of this report and what the exact recommendations were?

Hon. C P Santos: The report was dated August 2021. The recommendations were to have a management and inspection programme. This has been implemented and hopefully will continue to be implemented. As long as there is no disruption to the asbestos, all we need to do is monitor and make sure that everything is okay and is currently happening.

55 **Hon. A Sanchez:** In relation to Questions 96 and 97, is the Minister able to confirm that no government official or senior member of any other Department, other than the Care Agency, has held any discussions in relation to privatisation or the sale of the Bruce's Farm building?

Hon. C P Santos: To our knowledge, no, no one has. The privatisation of our healthcare is not something that this Government is considering, especially the rehabilitation service, which needs to be open to one and all.

60

Madam Speaker: Next question.

**Q98-99/2024
Drugs Advisory Council –
Proposed work to be undertaken; role and purpose**

Clerk: Question 98. The Hon. G Origo.

65 **Hon. G Origo:** Madam Speaker, will the Drugs Advisory Council be building on the work undertaken by the Drug Strategy Committee established in 2013 and that of the Advisory Council set up in 2018?

Clerk: Answer, the Hon. the Minister for Employment, Equality, Culture and Tourism.

70 **Minister for Employment, Equality, Culture and Tourism (Hon. C P Santos):** Madam Speaker, I will answer this question together with Question 99.

Hon. G Origo: Can the Government provide details on the role and purpose of the Drugs Advisory Council, which has only been recently reconvened?

75 **Clerk:** Answer, the Hon. the Minister for Employment, Equality, Culture and Tourism.

Hon. C P Santos: Madam Speaker, by way of information, the Drugs Advisory Council was actually established in 2008, not in 2018 as stated in the original question.

80 The Government has constituted the Advisory Council on the Misuse of Drugs pursuant to section 530 of the Crimes Act and will adhere to the objectives of said Act. The Council will continue to promote the breadth of tasks entrusted to it under said Act, continuing to build upon the work already undertaken by the previously appointed bodies in connection with the misuse of drugs.

85 **Madam Speaker:** Any supplementaries?
Next question.

Q100-01/2024
London Marathon event –
Plans re manifesto commitment

Clerk: Question 100. The Hon. G Origo.

90 **Hon. G Origo:** Madam Speaker, a commitment was made by the Government, on page 62 of its manifesto, to hold a running event by the world-renowned London Marathon. When does the Government intend to host such an event?

Clerk: Answer, the Hon. the Minister for Employment, Equality, Culture and Tourism.

95 **Minister for Employment, Equality, Culture and Tourism (Hon. C P Santos):** Madam Speaker, I will answer this question together with Question 101.

Clerk: Question 101. The Hon. G Origo.

100 **Hon. G Origo:** With regard to the announced London Marathon event, can the Government explain whether there is a process for attracting such an event to take place in Gibraltar; and, if so, what plans do you have in place to successfully achieve this?

105 **Clerk:** Answer, the Hon. the Minister for Employment, Equality, Culture and Tourism.

Hon. C P Santos: Madam Speaker, we are still in discussions with the organisers of the London Marathon. No date has yet been confirmed.

110 We continuously pursue attracting such events by networking and attending travel trade shows and MICE events, as well as utilising existing links that our colleagues at the GSLA sporting clubs and associations may have. We trust that in doing so we will count with the full and fulsome support of all Members of this House.

Hon. G Origo: Madam Speaker, I am grateful to the hon. Member for his answer to my question.

115 May I put to him this question in the following context? There were running events held for the 2019 Island Games and these included five running road events. Logistically, the road events were complicated to manage at the time. In light of those experiences, what route is the Government considering for the marathon event?

120 **Hon. C P Santos:** The route is decided upon by the London Marathon team. Their idea is an Upper Rock trail event. They have come with an expert team already to have a look at it, and they have seen how it could be possible.

As the hon. Member states, we did road running events at the 2019 Island Games. Were there complications? I am sure there were. Did the events happen? Yes, they did.

125 **Hon. G Origo:** I am grateful. Madam Speaker, I ask that question in the context that when the running events took place in 2019, the airport tunnel was not operational in Devil's Tower Road and it was not a main artery for Gibraltar traffic. With the development of the new, surrounding Eastside estate, should we have thousands of people come to participate in this event, does it mean that the Government expects complete road closures to host the event? How will this, 130 logistically, work given the importance now of Devil's Tower Road to traffic fluidity?

Chief Minister (Hon. F R Picardo): Madam Speaker, I think that question offends the rule against asking questions that are hypothetical. The Minister has said that we have not yet agreed a date with the London Marathon, so it seems to me that we are going down the road of imagining 135 what might or might not happen and how we might or might not prepare the route.

Madam Speaker: Yes, it was a hypothetical question.

140 **Hon. G Origo:** Madam Speaker, I am grateful for that reply. Although I can understand that they are still negotiating dates for these events, surely the Government must have considered what the potential route for this running event would be, despite not having agreed on a date.

145 **Hon. C P Santos:** As already stated, we have not agreed a final date and everything is hypothetical. As I stated in the original answer, this is not the London Marathon, it is a trail run. They have already come, and we have already checked feasibility anyway, but we are to confirm the event.

Madam Speaker: Next question.

Q102/2024
Upper Rock Nature Reserve –
Plans re increasing visits to pre-COVID levels

150 **Clerk:** Question 102. The Hon. G Origo.

Hon. G Origo: Madam Speaker, can the Government confirm how it intends to market and promote Gibraltar as a tourist destination in order to increase the uptake of visits to the Upper Rock Nature Reserve to pre-COVID levels?

155 **Clerk:** Answer, the Hon. the Minister for Employment, Equality, Culture and Tourism.

Minister for Employment, Equality, Culture and Tourism (Hon. C P Santos): Madam Speaker, we continue to pursue our marketing initiatives, promoting Gibraltar via traditional methods as well as digitally and through industry partners. We are updating our Visit Gibraltar brand and targeting different avenues to include the cruising sector, overland tourism, leisure and corporate overnight tourism, events, sports, cultural events and niche special interest groups. We trust that in doing so, we will count with the full and fulsome support of all Members of this House.

Hon. G Origo: Madam Speaker, I am grateful. Thank you to the hon. Member for that answer. The last time we had similar numbers of visits to the Upper Rock Nature Reserve to those of this year, I understand, was in 2006 and 2003, when we had around 730,000 visitors in that single year. Pre-COVID, we hit around one million visitors for three consecutive years in 2017, 2018 and 2019. It almost feels like we are going backwards with tourism. Apart from marketing the Upper Rock, which is evidently not working, does the Government have any plans to invest in the Nature Reserve, or will it just leave it to private industry to pick up?

Hon. C P Santos: I need to correct you on this one because the latest figure matching where we are at now is not in 2006, it is actually in 2013, which was under the number that we have now, and we are only a few thousand away from 2014. We have been going up and, as you said, hitting the million. Then we went down to 145,000 in the first year of COVID. In 2021 we hit 212,000. We more than doubled that to half a million and we have increased by 250,000. So if we are talking about patterns, really we are looking at an increase of, hopefully, the same numbers pre-COVID within the next 12 months. However, this is completely hypothetical, it is only seeing the numbers and where they are going, and we are going up by quarter of a million. The investment in the Upper Rock will be made by the Government, as well as private investors who also want to invest in the tourist product.

Hon. G Origo: Madam Speaker, I am grateful for that answer. With respect to the investment that Government is proposing to the Upper Rock, could the hon. Member please expand on what areas the Government is hoping to invest in for further future tourist attraction?

Hon. C P Santos: The investment in the Upper Rock tourist sites is all within our manifesto. I do not have it to hand right now, but I know off hand that we are investing in the Ape's Den. This is something that my colleague from the Environment, who is not here today, is doing himself under the Environment ... Charles V Wall, and then, of course, it is not the upper Nature Reserve but we are extending our product down to the Northern Defences, which starts from the Moorish Castle, so I will include it on this.

Madam Speaker: Next question.

Q103/2024

School leavers not pursuing further or higher education – Pathways available

Clerk: Question 103. The Hon. E J Reyes.

Hon. E J Reyes: Madam Speaker, can Government provide details of what career developments and future pathways are readily available for young people who leave school between the ages of 16 and 18 and who do not pursue further or higher education?

Clerk: Answer, the Hon. the Minister for Employment, Equality, Culture and Tourism.

Minister for Employment, Equality, Culture and Tourism (Hon. C P Santos): Madam Speaker, we currently have our training centre available to provide people under this remit with further training on vocational courses. We are currently reviewing this with an aim to expand what is available and provide further scope to 16- to 18-year-olds.

We also continue providing career advice at our employment clinics jointly with the Youth Service for those coming through the Zone programme via the Youth Service, who are then referred to the current employment schemes on offer.

The Youth Service has also embarked on a careers website in order to inform young people on potential future pathways available to them in Gibraltar with reference to employment. We trust that in doing so, we will count with the full and fulsome support of all Members of this House.

Hon. E J Reyes: I am grateful, Madam Speaker. The Minister, in his answer, made reference to the availability of training courses. One takes it that it is through the Training Centres, yet it has been rather a long time since we have received any information and I tend to ... In fact, I over ask and Madam Speaker calls my attention on details and figures of the Training Centres. Is there any programme of new intakes scheduled to commence very shortly at either of the Training Centres?

Hon. C P Santos: We have an intake coming up very soon – hopefully in the spring – after we confirm the employment of instructors that we need, but there is currently a course already running in plumbing. We are also looking at expanding our programme through care work training apprenticeships and looking to further develop the already existing courses into what is currently necessary within the industries.

Hon. E J Reyes: I am grateful for that, Madam Speaker. I will wait two or three months, and then, if I have not seen anything announced publicly, I will ask the Minister further questions about the proposed ... Since he said spring, let's be lenient and wait till June, or something like that.

Madam Speaker: I am not going to commit now to whether I am going to allow any question you may put in two or three months. You can put the question, and if it does not infringe the rule, I will allow it.

Next question.

Q104/2024
NEETs –
Numbers by gender

Clerk: Question 104. The Hon. E J Reyes.

Hon. E J Reyes: Can the Government provide details as to how many young people in Gibraltar between the ages of 16 and 25 are currently not in employment, education or training (NEETs), broken down by gender?

Clerk: Answer, the Hon. the Minister for Employment, Equality, Culture and Tourism.

Minister for Employment, Equality, Culture and Tourism (Hon. C P Santos): Madam Speaker, the relevant government departments can only provide statistics of persons actively in employment or seeking employment, and the same stands for education and training. Persons not actively registering to seek employment, education or training will not be captured on any statistics. The Government is, therefore, not able to answer the question posed.

We are currently collating information further to the newly created Zone scheme for NEETs, whereby further statistics will become apparent.

Madam Speaker: Next question.

INDUSTRIAL RELATIONS, CIVIL CONTINGENCIES AND SPORT

Q105/2024

Europa Sports Complex –

Review of Existing proposals related to management

250 **Clerk:** Questions to the Hon. Minister for Industrial Relations, Civil Contingencies and Sport.
Question 105. The Hon. E J Reyes.

Hon. E J Reyes: Has there been a review of existing proposals related to the prospective management of Europa Sports Complex since 31st January 2024?

255

Clerk: Answer, the Hon. the Minister for Industrial Relations, Civil Contingencies and Sport.

260 **Minister for Industrial Relations, Civil Contingencies and Sport (Hon. L M Bruzon):** Madam Speaker, discussions regarding the complex's management continue and now include other entities such as those that have expressed an interest in running it, my Ministry, the Chief Secretary and the Financial Secretary. The complex must prioritise the collective interests of the local sporting community whilst balancing other social needs and the creation of quality employment opportunities. I can assure the hon. Member that I am fully committed and determined to reach a conclusion very shortly that will be beneficial to all of our community.

265

270 **Hon. E J Reyes:** Thank you, Madam Speaker. I wish the Minister well in his continued what must be at times a sensitive and complex task. However, is the Minister aware that in the meantime, visitors, sporting personnel or just simply spectators find that a complex that was inaugurated for the 2019 Island Games, less than five years on seems to be rather dirty looking, if one can call it that, with a total lack of maintenance of some of the facilities, and this gives a bad and even embarrassing impression to visiting teams that come over? Would the Minister undertake, as a matter of priority, to ensure that at least the day-to-day running, cleanliness and upkeep of the place is as up to date as possible?

275 **Hon. L M Bruzon:** Certainly, Madam Speaker. Only this morning, I held a meeting with GJBS on the matter: it is being actively looked at.

Madam Speaker: Next question.

HOUSING AND THE UNIVERSITY OF GIBRALTAR

Q164/2024

University accommodation centre –

Decision re Europa Point

280 **Clerk:** Questions to the Hon. the Minister for Housing and the University of Gibraltar.
Question 164. The Hon. D J Bossino.

Hon. D J Bossino: Has the Government come to a decision with regard to the location of the accommodation centre which was originally announced as being earmarked for Europa Point?

Clerk: Answer, the Hon. the Minister for Housing and the University of Gibraltar.

285

Minister for Housing and the University of Gibraltar (Hon. P A Orfila): Madam Speaker, the Government has not come to a final decision. The project for an accommodation centre could continue at Europa Point or it could relocate to a different site. The outcome depends on the results of a technical study.

290

Hon. D J Bossino: Madam Speaker, is the Hon. the Minister able to state why the location was changed in the first place? This was announced, I think, before the last General Election, with drawings which appeared in the press, I imagine as part of a planning application. It was very specifically set out at the Europa Point area. Can she state why that area became not possible and why it is being reconsidered?

295

Hon. P A Orfila: I am afraid I cannot answer that question. As far as I know, it is to do with the results of a technical study.

300

Hon. D J Bossino: The result of what study?

Hon. P A Orfila: A technical study.

305

Hon. D J Bossino: I would press her a bit more on that, but I suspect that she does not have the answer with her. Is she able to expand on that? She tells the House that it is as a result of the technical study that the decision was made not to proceed with that particular location, although it is still a possibility, she tells us. Is she able to expand on that? If she is not able to do so now, then so be it.

310

Deputy Chief Minister (Hon. Dr J J Garcia): Madam Speaker, I am happy to assist the House with some additional information. The decision has not been taken, so, as the original answer says, the project could still happen at the regional site at Europa Point, or, subject to a technical study, it may be moved somewhere else. That remains the position at the moment, but the decision has not yet been taken.

315

Hon. D J Bossino: As the Deputy Chief Minister has risen, is he able to enlighten us as to what technical issues? If it is a technical study, I imagine there are technical issues which arise. Is he able to enlighten this House on what those technical issues are?

320

Hon. Deputy Chief Minister: Madam Speaker, I am afraid I do not have the exact reasons or the exact detail of the technical study that is under way, but if the hon. Member tables a question in coming meetings, I am sure we will be able to answer that.

325

Hon. D J Bossino: Is the Government able to state when it thinks that a decision will be arrived at? Does he have a timeline available now?

Hon. Deputy Chief Minister: Madam Speaker, the Government does not have a timeline, but it certainly is in the interest of the Government to proceed with this as quickly as possible.

330

Hon. D J Bossino: Given that what is being disrupted, it seems, is the location, irrespective of where we alight on as far as location is concerned, is he able to state that the project, as far as its other features are concerned – for example, room numbers and things like that – the Government

will remain faithful to those, or are those characteristics also the subject of change depending on the location?

335

Hon. Deputy Chief Minister: Madam Speaker, all those details are actually subject to the technical study, which is under way.

Madam Speaker: Next question.

Q165-66/2024

**Government housing beyond economic repair –
Rent and Repair Scheme; void and unallocated flats**

340 **Clerk:** Question 165. The Hon. D J Bossino.

Hon. D J Bossino: Can the Minister for Housing please provide more detail as to how the Rent and Repair Scheme works?

345 **Clerk:** Answer, the Hon. the Minister for Housing and the University of Gibraltar.

Minister for Housing and the University of Gibraltar (Hon. P A Orfila): Madam Speaker, I will answer this question together with Question 166.

350 **Clerk:** Question 166. The Hon. D J Bossino.

Hon. D J Bossino: What is the current number of void and unallocated government flats, broken down into the duration they have been void for and the number of properties beyond economic repair?

355

Clerk: Answer, the Minister for Housing and the University of Gibraltar.

Hon. P A Orfila: Madam Speaker, in answer to Question 165, the aim of the Housing Rent and Repair Scheme is to offer current vacated – principally, but not exclusively, pre-war – government rental properties which have been deemed by HM Government of Gibraltar to be beyond economic repair to persons on the housing waiting list who are willing to incur the costs of refurbishing the properties themselves.

360 It is the Government's intention to offer the Rent and Repair option to persons on the government housing list or government tenants based on their respective position on the
365 government housing waiting list and strictly in accordance with their allocated RKB entitlement, by which they are classified on the government housing waiting list.

A timeframe, termed the repair grace period, will be granted to the potential tenants, where no rent will be collected by HM Government of Gibraltar for the allocated government housing property, conditions of which will be included in the Rent and Repair Scheme Licence Agreement.
370 The repair grace period will be determined based on the works required.

In answer to Question 166, there are a total of 135 void and unallocated properties, 98 of which are beyond economical repair. The breakdown for the remaining properties is in the schedule I now hand over.

Answer to Question 166/2024

Property	Reason for Void / Unallocated	Void Date
1	Legal Action	02/07/2021
2	Legal Action	20/03/2023
3	Legal Action	05/10/2023
4	Legal Action	09/12/2022
5	Legal Action	22/03/2023
6	Legal Action	11/04/2023
7	Legal Action	24/11/2022
8	Ready for Allocation	13/02/2024
9	Ready for Allocation	16/01/2024
10	Ready for Allocation	24/01/2024
11	Undergoing OT works	26/02/2024
12	Ready for Allocation	08/12/2023
13	Ready for Allocation	06/02/2024
14	Ready for Allocation	06/02/2024
15	Ready for Allocation	18/01/2024
16	Ready for Allocation	16/02/2024
17	Ready for Allocation	14/02/2024
18	Refurbishment	24/01/2024
19	Refurbishment	03/01/2024
20	Refurbishment	09/10/2023
21	Refurbishment	13/11/2023
22	Refurbishment	16/01/2024
23	Refurbishment	29/11/2023
24	Refurbishment	07/08/2023
25	Refurbishment	07/08/2023
26	Refurbishment	09/02/2024
27	Refurbishment	02/02/2024
28	Refurbishment	15/02/2024
29	Refurbishment	16/08/2023
30	Refurbishment	07/02/2024
31	Refurbishment	05/02/2024
32	Refurbishment	05/02/2024
33	Refurbishment	16/02/2024
34	Refurbishment	22/12/2023
35	Refurbishment	15/02/2024
36	Refurbishment	15/02/2024
37	Refurbishment	15/02/2024

375 **Madam Speaker:** Would you like to put a supplementary on Question 165 whilst you wait for the schedule?

Hon. D J Bossino: Yes I would, Madam Speaker.

I thank the Hon. the Minister for what I think was a full reply. I would like to digest it a bit further, and indeed I may discuss it with her behind the Speaker's Chair. She will recognise where

380 the wording was extracted from, and it was in the course of an interview that she gave GBC in their radio *Today* programme.

The question that I do have is how one is able to benefit from the scheme. She has said that part of the criteria is that the individual has to be on the housing waiting list, and that is understood, and then she talks about a categorisation in terms of room size. But how does it work?
385 Does it get offered by the Government to the first person on the list? Surely this will result in the incurring of expense by the person on the housing waiting list, although I understand from her answer – I apologise that this is a bit long, because I am trying to digest, as I speak, what she said – that if the individual is ... She said that there is a grace period, so ... Oh, I see, because that individual will be seeking a move from the current accommodation. I see. She is nodding her head.
390 So whilst there would be financial assistance in the sense that that individual will not need to pay the Government rent whilst that person is repairing – all of that is understood – how does the Government choose which person is entitled to participate in the scheme in the first place?

Hon. P A Orfila: Madam Speaker, we do not decide. They come to us and tell us that they would like to have a vacated property which has been deemed beyond economic repair. Then we see where they are on the housing waiting list. We see if they have found, for example, a property that has four rooms, 4RKB, and then we tell them, 'You are on the housing list. You are 33rd,' for example, 'and you only have a complement of 2RKB allocated to you, so you cannot have that property. We are making sure that the property deemed suitable for you is, in fact, okay on our list. If you are down on the list for a 2RKB, you are not going to end up with a 7RKB because you have decided you like this house and you are going to fix it.'

Hon. D J Bossino: I am grateful to the Hon. Minister for that reply, but I am going to press her slightly further on this. If, let's say, I am on the list for a 3RKB and I identify a 3RKB which is beyond economical repair – it is part of the Government's stock in the Upper Town – but I am pretty low down on the list –

Madam Speaker: We are straying, again, into hypothetical situations. I will let you finish the question and then I will comment further, if necessary.

Hon. D J Bossino: It is simply to set out the example, and then I will go to a specific question which is about the criteria. This is why I am pressing the hon. Member about this. Am I able, because, let's say, I have the ability to do it financially – this is a specific substantive point – to jump the queue, so to speak, and improve my position in terms of this because I will get the 3RKB in the Upper Town, whilst the person who has been waiting and, for whatever reason, financially, cannot afford to do so, is disadvantage in that sense? I think she understands and gets the point.

Hon. P A Orfila: Madam Speaker, my vision is to bring life to the Old Town, which is decrepit in areas, and to our houses which have been left and have gone beyond economic repair. My vision is to get people in, to want to fix these things – if you have the means, of course. If you are, for example, 100th on the list and you have the economic viability to take a house like that, which is room component to you etc., then we would look at other people who are in front of you, and if anybody has shown an interest in buying ...

People know that this is out there. People know that there is a Rent and Repair Scheme. It has been on television and I have said it publicly. Therefore, if they are interested, they will come to us and we will then make sure that we know that they are interested. That is how it works. If you have shown an interest, I will put a mark next to your name. If somebody else comes along, we do the same thing. Eventually, when we see that this is what there is, we call you and say, 'Nobody else has shown an interest in this 2RKB in Danino's Passage,' or wherever, 'are you interested?' If you are, and if you have the financial means, you can go ahead.

Hon. D J Bossino: If I have understood that correctly – I know the way I put it was long and the way she has answered it is long as well, but just to put it in these terms using the hon. Member’s example: if I am 100th on the list and therefore, to put it in simple terms, there are 99 people before me, but I happen to meet ... Because of the current policy – we have a different policy, as far as means testing is concerned – it is possible, in this example, that the 100th person has the means, is a multi-millionaire and happens to be on the list. That individual – (*Interjection*) I know it is an exaggeration, but simply to make the point; she, herself, talked about seven bedrooms – would be able to identify the flat, using my example in the Upper Town, and jump the queue. I am trying to put it in as neutral terms as possible. Is that the Government’s position? No. She is shaking her head.

Hon. P A Orfila: No. The queue is not for that. You do not go on the waiting list because you have the means and you are going to go on the hunt for a seven- or eight-bedroom house because you can afford it. No. If you were a millionaire, I do not think you would be on the housing waiting list, for starters. But secondly, you are on the waiting list and it will be when your turn comes up. Like I said, you will have an earmark if you are interested in rent and repair. Do you understand? Thank you.

Hon. D J Bossino: With the greatest respect to her, one may be interested. In other words, I fancy that property in the Upper Town, but I may simply not have the means. The point I am making is that the individual who is just as interested as I am but does have the means jumps the queue if I am, using that example, in an advanced position on the housing waiting list. No?

Hon. P A Orfila: The queue is for rented housing, not for repairing houses. If we have an individual on the waiting list, then he is on the waiting list. If you are interested in a house, then we get it earmarked. The person who is in front of you may not have the financial means to be able to fix the house, and he will remain on the housing ... You do not jump the man because you have the money, you jump the man because nobody else has shown an interest. There could be somebody who is 53rd who has shown an interest in the same house, and because he is ahead of you in the queue, he will get it before you. This is to do with the waiting list. It is not for whoever has the money to come along and buy a house.

Hon. D J Bossino: It is also, presumably, because the Government has taken a policy decision – and I think it is a laudable aim, I must add – to refresh, if I can put it in those terms, the Town area. The Government basically has a property which is beyond economical repair, and what she is telling us is that that can be fixed by the individual who is on the housing waiting list and has the affordability to be able to purchase it. Is that understanding correct? So the feature in this policy is housing waiting list, ability to purchase and also to repair, and the availability of the government unit which is not going to be used because it is beyond economical repair. Have I understood the position?

Hon. P A Orfila: Well done.

Hon. D J Bossino: Ten marks out of 10?

Madam Speaker: You get the marks, but you do not get another question. Next question.

Hon. D J Bossino: I was going to move on to the next question ... [*Inaudible*]

Hon. Dr K Azopardi: Madam Speaker, can I just ask, on this question, what is the yardstick on ‘beyond economic repair’? Is this a financial question? There is a threshold? Is it £20,000, £30,000?

Or is there no threshold but there is an assessment by somebody; and, if so, who is it who makes that assessment and how does that work?

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Hon. P A Orfila: This works in the same way exactly as when you were in government. There is no other explanation. It is exactly the same.

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Hon. Dr K Azopardi: I am grateful for that, but I never held the portfolio and so I cannot recall it. Can the Minister respond to my question? If she cannot, she cannot.

Hon. P A Orfila: The answer comes back from the Housing Works Agency, and they are the ones who say that the house is beyond economic repair.

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Madam Speaker: The Hon. Mr Clinton.

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Hon. R M Clinton: Thank you, Madam Speaker. May I ask the Minister: is she concerned that the number of properties deemed to be beyond economical repair seems to have increased by over 50% from January 2021, at 63, to the number of 98 that we are being given today? Does the Minister have any concern that the number of properties seems to be increasing for those that are beyond economic repair?

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Hon. P A Orfila: We have properties going back to 2003. It is because of this that I have introduced this policy, so we can revamp the properties beyond economic repair that we find especially in the Upper Town.

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Hon. R M Clinton: Madam Speaker, that was not my question. My question is: is the Minister concerned that the numbers of properties have been increasing by 50% in those three years? Is this perhaps because there is no maintenance at all on these properties? Does the Minister have a reason?

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Chief Minister (Hon. F R Picardo): Madam Speaker, the whole point of what the Hon. Minister has said is to confirm that the Government has a concern and for that reason has introduced a policy. As the Hon. Minister has just said, there was one property dating from 2003, seven from 2004, one from 2005, four from 2006, two from 2008 and two from 2011 – their time in Government – that were beyond economic repair and nothing was happening about them. Then you look at the numbers and they continue to build up to 98. The Government has made a decision that we need to do something about those properties because there are only going to be more of them.

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The thing that we have done in the past has been to sell the properties. We had a policy, which they knew about and they challenged us on, which was to sell the pre-war properties of the Government because they were, for rental purposes, beyond economic repair. The Hon. the Leader of the Opposition says, 'How is that assessment made? Is it economic?' Well, it is done by the Housing Works Agency. It is done by somebody there who says, 'Look, you are going to spend £35,000,' for example, 'repairing this property to rent it for £80 a month. It does not make sense. Put it in the pool of properties that you consider to be beyond economic repair.' And so you sell it.

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What the Government has now put to the people – as a political party the people have chosen, and we are now, as a Government, implementing – is a derivation of that, so that instead of just selling, out of these 98, the properties, we are also going to give people who have the financial wherewithal to finance the cost of repairing a property – but not, perhaps, the financial wherewithal to purchase a property which is an affordable property, which the Government puts on the market through the affordable housing schemes – the opportunity to repair the properties.

535 Why are we doing that? Madam Speaker, I would have thought it is self-evidently because we have a concern that these numbers are rising. Therefore, the hon. Gentleman's answer, as the hon. Lady has been trying to explain, and as I would have thought is logically self-evident, can only be in the positive: that is to say yes.

540 **Hon. D J Bossino:** Madam Speaker, my supplementaries are related to the question on the Order Paper, Question 166, which deals with this point. I asked the Hon. the Minister a question – I think it was in the November session – about vacant properties, and the answer came back: none. The language I have used for the purposes of this question arises from paragraph 3.4.48 of the Auditor's Report, which has a list using the same criteria that I have used for the purposes of my question about void and allocated properties, of which there were 272, and then, beyond
545 economical repair, 63. Is she able to confirm that from 2021 the position is that the void and unallocated properties have been reduced from 272 to 135, but that the beyond-economical-repair properties have increased from 63 to 98? Have I understood her answer correctly?

550 **Hon. P A Orfila:** Madam Speaker, I do not think that that was a question that I was proposed to answer, so I do not have those answers. What I can tell you is that we have a total of 135 void and unallocated, and 98 which are beyond economic repair. The others which are, at the moment, void and unallocated are either being refurbished or they have legal action and so on. Those are the other 37. The rest are beyond economic repair, and they are going to be repaired by the people who want to take them on board because they have the economic means and they are on the
555 housing waiting list. I explained all that earlier.

Thank you.

Hon. D J Bossino: Is she –?

560 **Madam Speaker:** Last question.

Hon. D J Bossino: Madam Speaker, is she not able to say that these figures that I put to her – and they are in the Principal Auditor's reports – cannot be used, necessarily? I think they can, if I interpret her answer correctly. They cannot be used as a comparator: is that what she is telling
565 the House?

May I also ask her this? This is, presumably, a policy which she has introduced since her time in government, which is only a few months, as I understand it; it is a new policy. Is she able to provide the House with numbers as to take-up? How many people have decided to participate in this scheme?
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Hon. P A Orfila: Madam Speaker, at the moment, it is early days. We need to embark ... and like I said, I am not going to give the houses to the first person ... You have to be on a list, and we have to make sure that the person who requires it deservedly etc. takes it on board.

If you want any other questions which I have not prepared for you because you did not ask them, please do so in the next session and I will provide the answers you need.
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Hon. D J Bossino: Is she at least able to say how many people have applied to form part of the scheme? Does she have that information with her? Maybe she does not. Does she have at least an indication of how many people have applied? Or is she telling us that the answer is zero because
580 it is still a policy which is in formation stage?

Hon. P A Orfila: Madam Speaker, yes, I have had people who have already called and are interested, so their names are being taken on board.

585 **Hon. Chief Minister:** You need notice of the question.

Hon. P A Orfila: I need notice of the question.

Madam Speaker: Next question.

Q167/2024
Housing Act, section 34(2) –
Intention to prescribe reasons

Clerk: Question 167. The Hon. the Leader of the Opposition.

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Hon. Dr K Azopardi: Does the Government intend to prescribe reasons for the purposes of section 34(2) of the Housing Act?

Clerk: Answer, the Hon. the Minister for Housing and the University of Gibraltar.

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Minister for Housing and the University of Gibraltar (Hon. P A Orfila): Madam Speaker, yes.

Hon. Dr K Azopardi: Can I ask what reasons they will prescribe?

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Hon. P A Orfila: Madam Speaker, I am considering prescribing that when an applicant for government housing is allocated a flat, which the allocation is not for the whole family composition for the present household, the conditions stated in section 34(2) apply as it is in the Act for the death of a tenant. However, if the person is moved and he has enough because he wants to move his entire family with him, then he takes his family with him.

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Thank you.

Hon. Dr K Azopardi: I am trying to understand that. Am I understanding that the intention would be if the person goes to a housing offer, he would go with his family if there is sufficient space, but otherwise that person could stay there? Is that what the Hon. Minister is saying?

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Hon. P A Orfila: Madam Speaker, it all depends on whether the man who has applied has applied for himself and his wife, and maybe he has children who are 18, 19, 20 and they do not want to move with the parents. Understand? However, if he has applied prior to when his children were young and they have grown within the household with him, then he would, of course, take them with him because he would have applied for a larger house.

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Hon. Dr K Azopardi: I see. Is there a timescale for the prescribing of these reasons?

Hon. P A Orfila: It depends on how long you have been on the waiting list.

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Hon. Dr K Azopardi: Sorry, prescribing it – that is what I meant.

Hon. P A Orfila: Well, we are working on it, and this is something I am considering. Thank you.

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Hon. Dr K Azopardi: As the Minister knows, this is about succession rights as to when a tenant ... People who live in a housing residence have succession rights. The Act is fairly regimented and applies to death or reasons that have been prescribed. It has long puzzled me what the phrase 'prescribed reasons' meant. Just for the people who are listening to the session, 'member of the family' means a son or a daughter of the tenant who has lived with the tenant for

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not less than 12 months immediately before the tenant's death – so it is obvious that death kicks in there, or departure from the dwelling for a prescribed reason. It has long puzzled me what those prescribed reasons were.

635 In trying to understand that in another capacity, I tried to trace what the legislative source of it was. I just mention it in the context of this question, if I may, to see if the Hon. Minister wants to also take that original source on board in the context of her thinking, because in tracing the source of it, I realised that the source of that phrase 'prescribed reason' comes from a Bill presented to this House by the first GSLP Government in 1991, where the Hon. Mr Baldachino said in the House, of the amendment in particular, in relation to that:

It makes provision for recognising that there are unfortunate families in circumstances which may result in the tenant of protected premises ceasing to live in the premises and where, society in general, recognises that it is equitable to transfer the right to occupy these premises to the families left behind. The kind of circumstances that it is likely to cover are, for example, hospitalisation on a more or less permanent basis, desertion of the family, permanent separation between spouses and, most regrettably, long-term imprisonment.

640 For whatever reason, that did not happen since 1991. Can I ask her also to consider the original intention of the Minister then, to add to the reasons that she has also given?

Hon. P A Orfila: Madam Speaker, a very lengthy question. We are in the process of doing all of this, with all due respect, and you will get it when it is ready. But yes, I am looking at this particular point and I understand exactly where you are coming from.

Thank you.

Madam Speaker: Next question.

650 **Chief Minister (Hon. F R Picardo):** Madam Speaker, I move that the House should now recess for five minutes until four o'clock.

Madam Speaker: All right. We will take a short break until four o'clock.

The House recessed at 3.55 p.m. and resumed at 4.02 p.m.

INWARD INVESTMENT AND THE SAVINGS BANK

Q168/2024

Rooke site elderly care home –

Update re progress

655 **Clerk:** Questions to the Hon. the Minister for Inward Investment and the Savings Bank. Question 168. The Hon. A Sanchez.

Hon. A Sanchez: Could the Government provide an update on the progress of the proposed new elderly care home at the Rooke site, including details of the potential completion date and the entity designated to manage and deliver these services?

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Clerk: Answer, the Hon. the Minister for Inward Investment and the Savings Bank.

Minister for Inward Investment and the Savings Bank (Hon. Sir J J Bossano): Madam Speaker, as has been previously explained, although I accept that the hon. Member may not be aware of this, the building at Rooke is privately owned and will be privately operated. It is expected that

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the completion date will be sometime this year, but it has suffered a number of delays in supplies for the non-modular parts. Once it is completed, the Government will take a decision on how it will access or use the facilities.

670 **Madam Speaker:** Any supplementaries?

Hon. Dr K Azopardi: Well just one, if I may. Can the Government inform the House as to the state of discussions that it may be having with the owners/operators of the proposed new elderly care home?

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Hon. Sir J J Bossano: There are no discussions at this stage. There have been a number of possible completion dates which have not been achieved before, and therefore when it is clear from the internal works that are now taking place that they are near enough to be looking at a potential entity to operate it ... I can tell him we have had two UK companies that are interested in operating the building, which are both companies that have substantial homes in the United Kingdom. But those companies, which are in touch with the owners of the building, are not going to be able to make a judgement about the operation until it is in its finished state. Once the building is complete, there is still a period where the people from the different government entities have to do the final checks – the fire brigade, or whatever it is, they all go through the whole thing. I think that is the period when we will see whether there are people from outside interested in running it, because it is a big facility, and we will see whether we are interested in using it, depending on the circumstances at the time.

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Hon. Dr K Azopardi: I see, thank you. I had understood – perhaps wrongly, given the Minister's answer – from previous answers he has given in the House that when he had explored, at least in his previous answers, the idea that perhaps they would be paying a rate depending on how many people used it, on a daily rate or something ... I had understood that they were actually in discussions, but from his answer I am understanding that that is not the case, and that was simply thinking that he had shared with us on a previous occasion.

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Can I ask, in terms of the interest that there is in operating the site, is he aware whether the interest is not only contingent on the completion of the site, but also contingent on the Government being interested in using the site for a number of people?

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Hon. Sir J J Bossano: In running it, if it was running it for ... not running it for the Government, running it for the owner, but the Government was going to be the main user. The other one has not given an indication that that would be the case.

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Hon. Dr K Azopardi: A final question, if I may, Madam Speaker. We have also asked before about the possibility of persons who are currently at Mount Alvernia being consulted on the move. Would the Government envisage using it for those purposes, or for other purposes not linked to people moving from the Mount Alvernia site?

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Hon. Sir J J Bossano: From previous questions and previous answers, the Member knows that at one stage some people in Mount Alvernia took it upon themselves to do a so-called survey, and that produced, I think, interest from five people wanting to move. It is difficult to judge if there are only five or more than five, because that was when the building was at a much earlier stage in its construction. I think we are not going to take decisions until we know what the clear way is ahead, and there is no point in speculating about what we might do or not do.

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715 **Madam Speaker:** The Hon. D J Bossino is waiting, and then you can –

Hon. D J Bossino: Yes, I am grateful, Madam Speaker. As I understand it, the cause of the delay is in relation to supplies of, as he put it, non-modular parts. Is the Hon. the Minister able to say what the cause of that delay is – why there is a delay in the supply of these non-modular parts? And, if I may, can he expand as to what he means by non-modular parts? One can imagine, but what does he specifically mean by that?

Hon. Sir J J Bossano: The non-modular parts are all the bits that are not modular. The modular ones are the ones that come prefabricated. There is a building that, for example, has foundations: those are not modular. It has a tower built of concrete: that is not modular. There are stairs that have been built: they are not modular. Anything that did not come in the modules that came from China is non-modular and is accessed predominantly from the hinterland and depends on supplies from the hinterland and subcontractors from the hinterland. If it had been an exclusively modular building, then those aspects would not have been there. The modular part was put up very quickly – it arrived, it was unloaded and it was put up, because that is the way with modular things – but of course, this is a building that has aspects that could not be contained within the modular situation, and therefore it has become more difficult to deliver the combined building than we expected originally would be the case from the information that was available to us from the advice that the developers were getting from their architects and so on. It is the first time that this has been tried, so clearly, as normally happens with something you do for the first time, in the course of doing it, you find that there are complications that you did not anticipate.

Hon. D J Bossino: The hon. Member explains what non-modular means, and I am grateful for the answer, but it is a wide gamut. He mentions a few, but I can think of others: windows, electricity and things like that. When he is saying the delay is caused by delays in the supplies, is that one cause? Are all the non-modular parts the subject of delay? Wasn't that factored in when they arrived at an original completion date? I am just trying to understand a bit further what the cause, if there is one cause, of the delay is in relation to the supply of these parts.

Hon. Sir J J Bossano: I think it is self-evident that if it had been factored in at the beginning, there would not have been a delay; the date anticipated would have been later.

I am not the builder, and therefore what I have is second-hand information, but I know that when I have made inquiries at different points in time, people have been waiting for a particular component part of a staircase or access to the roof, or doing the part of the roof that is being done with steel girders, or something that meant that other contractors could not carry on with the work on the site because the bit that was delayed the whole thing.

The entire building is not like a conveyor belt, but there are different contractors. If the people are painting, then you may have 90% of a particular floor finished and there is a delay with 10%, which may have to do with plumbing works and may have to do with something that has been brought from Spain and does not quite meet what is required here, and then the piece is sent back and then the people who have to do the painting cannot do the painting because the whole thing has to be completely finished before they do that. The delays are because there are something like maybe 20 different subcontractors on the site and if one of them has a problem in what they are doing, it sets off a chain reaction and creates a queue of people, because otherwise people would come on the site, start doing something, then have to be taken away and then come back again to do more, which would create a greater delay and more expense. That is the nature of the delays.

Madam Speaker: The Hon. Mr Clinton had a question?

Hon. R M Clinton: Thank you, Madam Speaker, I just have two questions. The first one follows on from the last comment the Hon. Minister made in terms of delays and increased expenses.

Does the Minister have a sense of whether these delays have increased the cost of the construction; and, if so, in what amount?

770 My second question is in relation to the intention as to the ownership of the building itself. When he is talking to these operators, is it factored into the discussion that they will actually purchase the building?

775 **Hon. Sir J J Bossano:** Madam Speaker, in an article the hon. Member wrote, he said that I would have to sell the building, and I answered by saying that the building was not mine to sell and therefore, whether the current owners are going to retain ownership or the current owners are going to sell it to somebody else is not a matter for which I am responsible and is not an answer that I need to give to him in this House.

780 **Hon. R M Clinton:** Madam Speaker, I do not believe I heard an answer to my first question. Second, can the Minister confirm, or not, whether this is still part of his National Economic Plan? I find it hard to accept that on the one hand it is his National Economic Plan, and on the other hand he has no responsibility for it.

785 **Hon. Sir J J Bossano:** I understand the hon. Member has difficulty in understanding. That is why he makes such nonsensical statements most of the time: it is a reflection of his lack of understanding.

790 It is part of the sponsored elements of the National Economic Plan, and the sponsorship is that we provide logistical support and savings from the Savings Bank and, now particularly, from the economic development debentures, which he knows are doing very well. He only asked me once, but I can assure him that [Inaudible] is the same.

795 Therefore, the answer to the question is that that is what we have got in our National Economic Plan: things that are going to be done, but not by the Government undertaking the expenditure, which I thought he would welcome since he constantly believes, as I sometimes do, that the level of spending should not be increasing. It is the programme on which we have been elected. He does not have to approve of it because, of course, he did not want me to get elected. He was one of the Members who presumably was campaigning on the slogan 'Don't vote for Joe', so I know how disappointed he must have been that I have succeeded in being elected.

800 The position is, as I have explained previously, that the National Economic Plan is predominantly a plan that gets the private sector to undertake things which we sponsor because we believe they are in the public interest and which we are not in a position to undertake ourselves. In any case, given their own experience in Government, they actually, before 2011, announced in 2010 that having the plans for their massive infrastructure programme of £1.5 billion operated by the private sector was better than doing it directly as a Government, because in Gibraltar – so the Chief Minister at the time told us – people overcharge the
805 Government, but if you outsource it to a private entity, you get better value for money.

810 **Hon. R M Clinton:** Madam Speaker, we are going to have to agree to disagree as to his responsibility for this project. But first, may I say I have never said to anyone not to vote for him, as I am sure he has never said to anybody not to vote for Clinton.

I will come back to my very first question, which was this: is the Minister aware of whether there is any cost overrun; and, if so, how much?

815 **Hon. Sir J J Bossano:** I am not aware.

Madam Speaker: Next question.

Q169-70 and Q177/2024
Public debt;
General Sinking Fund balance –
Figures for 1st January 2024

Q171/2024
Compliance with section 12(b)Gibraltar Savings Bank Act –
Whether legal advice sought

Q172-74/2024
Gibraltar National Mint Ltd –
Legal advice re compliance with section 12(b);
management fee re admin support by public sector employees;
transfer of Gibraltar International Mint Ltd shares to Gibraltar Community Initiatives Ltd

Q175/2024 –
Liquid reserves –
Reason for PayPal account noted in Principal Auditor’s report

Q177/2024 –
Victoria Stadium –
Details re any contributions by Government

Clerk: Question 169. The Hon. R M Clinton.

Hon. R M Clinton: Madam Speaker, can the Government please provide the total gross debt, aggregate debt after application of the Sinking Fund to gross debt, cash reserves and net debt figures for public debt for the following date: 1st January 2024?

Clerk: Answer, the Hon. the Minister for Inward Investment and the Savings Bank.

Minister for Inward Investment and the Savings Bank (Hon. Sir J J Bossano): Madam Speaker, I will answer this question together with Questions 170 to 175 and Question 177.

Clerk: Question 170. The Hon. R M Clinton.

Hon. R M Clinton: Madam Speaker, can the Government advise the balance on the General Sinking Fund on the following date: 1st January 2024?

Clerk: Question 171. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise if it has sought legal advice in respect of its compliance with section 12(b) of the Gibraltar Savings Bank Act; and, if so, from whom and when?

Clerk: Question 172. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise whether it has taken any legal advice following the observation by the Principal Auditor in section 3.2.41 of his report to the Financial Secretary on 5th December 2023 that ‘the arrangement approved by the previous Financial Secretary for the royalties to be retained by the Gibraltar National Mint Limited, constitutes diverting revenue from the Consolidated Fund and contravenes section 67 of the Gibraltar Constitution’?

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Clerk: Question 173. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise whether it agrees with the Principal Auditor in section 3.2.42 of the report that, given the administrative support provided by public sector employees to the Gibraltar National Mint Ltd, 'an appropriately costed management fee' should be charged to the company.

Clerk: Question 174. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise why and for what consideration has the Gibraltar National Mint Ltd transferred its ownership of shares in the Gibraltar International Mint Ltd to Gibraltar Community Initiatives Ltd?

Clerk: Question 175. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise why, in the analysis of the Government's liquid reserves as at 31st March 2017 in the Principal Auditors Report at page 514, there is listed an account at PayPal with a balance of £500,536.94?

Clerk: Question 177. The Hon. the Leader of the Opposition.

Hon. Dr K Azopardi: Has the Government or any government-owned entity, the Savings Bank or Credit Finance used, spent, contributed or loaned moneys towards the feasibility, planning, development or proposals towards the construction of the proposed new Victoria Stadium from the 1st October 2022 to date; and, if so, how much, to whom, when and in respect of what?

Clerk: Answer, the Hon. the Minister for Inward Investment and the Savings Bank.

Hon. Sir J J Bossano: Madam Speaker, the General Sinking Fund, gross debt and aggregate debt for January 2024 was at the same level as December 2023.

On 1st January 2024, the cash reserves were £60.7 million and net debt was £784.4 million.

The answer to Questions 171, 172 and 177 is no, and the answer to Question 173 is yes.

The International Mint was transferred to Community Initiatives because the company was in a loss-making position for a number of years and had negative value, so no payment was required.

The PayPal account with a balance of £500,536.94 as at 31st March 2017 consisted of receipts of revenue collected by the Royal Gibraltar Post Office.

Hon. R M Clinton: Sorry, Madam Speaker, just bear with me while I digest that.

I have no questions in respect of Questions 169 and 170. In respect of Question 171, if I understood the Minister correctly, he has not sought any legal advice as to whether he is complying with section 12(b) of the Savings Bank Act, in which case, in the absence of any legal advice, how can he be confident that he is complying with the Act?

Hon. Sir J J Bossano: The absence of legal advice is because, as far as I am aware, the person who thinks that the clause requires legally that it should be gazetted at a particular time is not giving a legal opinion. This has been happening a very long time and nobody has ever suggested that there was a legal requirement. There is a legal requirement to gazette, but no date.

Hon. R M Clinton: Madam Speaker, moving on to Question 172, the suggestion made by the Principal Auditor – and in fact it is a quite serious suggestion – is that there is a diversion of revenue contravening the Constitution. I would have thought the Minister would have found that

suggestion somewhat concerning. He is telling the House that he has taken no legal advice on that point that the diversion of revenue is contrary to the Constitution.

900 **Hon. Sir J J Bossano:** I might have found it concerning if it was an opinion of a constitutional lawyer, but I think it is the opinion of one Auditor, which has never been expressed by any other before him. I do not see why I need to take legal advice, because what one particular individual thinks is illegal is not something that is self-evidently illegal and not universally shared.

905 **Hon. R M Clinton:** But, Madam Speaker, this is not just any individual, this is an officer of this Parliament who is the Principal Auditor for Gibraltar. He has raised what is effectively a very serious observation that the Constitution has been breached. Is the Minister saying that, in his illegal opinion, it is not? Certainly for the Principal Auditor to make a comment like this ... It is one which he would not have made flippantly. This is quite a serious comment. Is the Minister telling
910 the House that he does not see any need to take any legal advice? Does he not accept that he runs the risk that, in the absence of legal advice, he is breaching the Constitution?

Hon. Sir J J Bossano: No, Madam Speaker, I do not run the risk of breaching the Constitution because if he is right I have been breaching the Constitution for the last 10 years. The risk is not
915 now, the risk was 10 years ago, and the auditors then did not think that there was a risk.

To put it in context, the breach appears to be, in the mind of the Auditor, the fact that we have created a Gibraltar National Mint that is successfully marketing coins globally and bringing in £1.5 million, when before, the money that was in the Consolidated Fund was £50,000. It is stretching a point to say that we have diverted the money that used to be there, which was
920 £50,000 a year, by doing things in a different way, which generates £1.5 million – and the £1.5 million goes into the Mint, which is owned by the Savings Bank.

If the Principal Auditor was so sure about it, enough to worry the hon. questioner so much, then it seems odd that the question to which I have said yes should be put at all, because the following question which the hon. Member is asking me – Question 173 – asks do I agree with the
925 other thing that the Principal Auditor has said, which is that there should be a management fee charged to the company, and I have said yes to that. It does not make any difference, anyway, because one pocket of the Government is going to get the money and another pocket of the Government is going to pay it. It is an internal transaction and it makes no difference at all to the finances of the Savings Bank or anything else, because the Mint, of course, is owned by the Savings
930 Bank.

If the creation of the Mint is so serious that it is in breach of the Constitution, then, by implication, the Principal Auditor expects the breach of the Constitution to continue because if I were to stop the so-called breach of the Constitution, I would not have to pay a management fee because all the money would be going into the Treasury. So, by definition, Question 173 presumes
935 that my answer to Question 172 is the one that I have given.

Hon. R M Clinton: Madam Speaker, yes, I can see how the hon. Member would try to construe matters in that way, but the fact of the matter is that the National Mint – for which, by the way, we have no audited accounts, so we only have the Minister's word that it is even making
940 £1.5 million, because we have not seen that ... There could be any multitude of arrangements whereby the National Mint can do the marketing but the revenue goes into the Treasury and then it is paid a management fee, so what the Minister is suggesting does not necessarily follow. You can construct any commercial arrangement, if it is deemed necessary for marketing purposes, so that the revenue does go into the Treasury.

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Madam Speaker: I need to press you for a question.

Hon. R M Clinton: I know, Madam Speaker, but *[Inaudible]* to answer. And so –

Madam Speaker: You will have to put the question.

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Hon. R M Clinton: My question is really quite simple: does the Minister intend to continue with these arrangements?

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Hon. Sir J J Bossano: I think I have given the hon. Member a full answer on what my position is. I am saying yes to the possibility of a management fee, which implies necessarily the continuation of the present system. If he thinks that it is something that can be replicated in other circumstances, I will bear in mind his understanding of it and see if there is something useful that I can do with that.

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Madam Speaker: Next question.

Clerk: Question 176. The Hon. D J Bossino. *(Interjection by Hon. R M Clinton)*

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Madam Speaker: Well, you were chatting. I looked at you – *(Interjection by Hon. R M Clinton)* Excuse me, I am speaking. I looked at the hon. Member, I did not get a signal from him and I presumed he had finished. If you want another supplementary, you need to get my attention. I will allow you to put another supplementary, but when you are chatting and not looking at me, I may be forgiven for thinking the hon. Member had finished. You can put one more supplementary.

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Hon. R M Clinton: Madam Speaker, thank you very much. As you are aware, there is a whole bunch of questions that have been lumped together, so it is not just one question I am asking supplementaries on.

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Madam Speaker: I am not aware whether the hon. Member has finished with his supplementaries, so put the supplementary.

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Hon. R M Clinton: In respect of Question 174, the Minister said it was loss making. Why would Gibraltar Community Initiatives be interested in acquiring a loss-making entity, which, in fact, Madam Speaker, on 19th March 2021, he led the House to believe served no further useful purpose?

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Hon. Sir J J Bossano: Madam Speaker, I do not understand why I should be asked why somebody should be interested in buying something or in acquiring something which is not the Government. I suggest the hon. Member writes to Community Initiatives and asks them why they are interested.

990

Hon. R M Clinton: Madam Speaker, was Gibraltar Community Initiatives not part of the Economic Plan? Please do not tell me it sponsors.

995

Hon. Sir J J Bossano: Gibraltar Community Initiatives is a registered charity and is an entity that is registered as a company. It is not part of the Government and it is not part of the National Economic Plan, but we co-operate with it as we co-operate with other elements in the private sector that will be contributing to the prosperity of Gibraltar and providing things for Gibraltar that are in the public interest.

1000

Hon. Dr K Azopardi: As I understood it, Community Initiatives is part of the CSSL structure. Community Supplies and Services Ltd, which he has answered questions about, is the parent. He has said in previous answers on this issue that it is all part of the same National Economic Plan, so he is now giving a completely different answer – isn't that the case?

Hon. Sir J J Bossano: Madam Speaker, if, tomorrow, there are proposals from commercial entities in the private sector or proposals from Gibdock to do things that we think are in Gibraltar's interests and not just in the interests of the entity, then we are prepared to support the proposals and endorse them as sponsored projects in the National Economic Plan.

1005 When the hon. questioner asked me at one stage what projects were going on, he will remember that I listed the projects, which included, for example, the Etioca electric car. In that case, it is a private company with very substantial resources. It has not sought and we have not offered any financial support, but we have offered support in terms of endorsing what they are doing and helping them market the project, showing confidence in the product and assisting them
1010 in that way, something which the hon. Member Mr Clinton thought I should declare an interest in, in the House, because I went, as I explained to him, on a two-day trip to Turin in order to speak to investors. The owner thought that it would create more confidence in the project if I explained the relationship with the Government. When I spoke, I made it very clear that the relationship was not that we were putting money into the company but that we were very happy to have the
1015 company here and we were very confident about the beneficial products that they were putting on the market from the point of view of climate change, because of the nature of the project.

So there we have a situation which is part of the National Economic Plan because the National Economic Plan, which was published in the 2019 manifesto, made very clear that the direction in which we think the economy should be going is one where we concentrate on attracting business that is not labour intensive or land intensive, for obvious reasons: they are the two things we do not have. What we are looking at is having a situation where we bring in companies that have a presence in Gibraltar but basically are using their position in Gibraltar to invest in other countries to create products in other countries, but their presence in Gibraltar will be able to access the very good professional services that we have in Gibraltar, in lawyers and accountants. It is that level of
1020 services which we think is the direction in which the Gibraltar economy should be going.

The National Economic Plan involves sponsoring entities, not necessarily investing in entities. We are not saying we will never invest in any projects as a Government, because we might, but predominantly it will be supporting them. And of course, in the case of investments from the Savings Bank, it is a very important part of the position of the Government in building up the reserves of the Savings Bank. If all the Savings Bank did was to keep the money in cash, as *they* want it to be, then there would be no reserves and there would be no rainy day fund in the Savings Bank. Having explained that many times, they may not like it and they may not want it. We know that it would not exist if they had won the election, because they are against it, but it is fine. I think when there are clear-cut positions between two concepts in economic planning, like there
1030 is in this case, then I think it is good, because then, when the electorate take a decision they decide whether they want the Savings Bank to have all the money in cash losing money, or they want the Savings Bank to be operating making money and having reserves and providing funds, especially now that we have gone one step further and identified a particular debenture, which is the Economic Development Debenture, where people know that the money is going to be used to support economic development. Therefore, the fact that the investor is buying a debenture ... it is not any longer capable of being interpreted by Members opposite as people not knowing where their money is going to be reinvested. They do know and they choose to put it there.

Hon. Dr K Azopardi: Madam Speaker, I could put the philosophical choice in a different way,
1045 but that would require debate and I understand I would be infringing the rules of the House, so I do not propose to do so. Let me try again, because the hon. Member has taken us on a guided tour to Turin, the Pyrenees, the Andes and the Himalayas in his answer but has not answered the question which I asked him, which was about Community Initiatives, part of the CSSL structure. He said, in answer to a previous question in this House, that CSSL would not have existed if it had not been for him. Isn't Community Initiatives part of the Economic Plan?
1050

1055 **Hon. Sir J J Bossano:** Madam Speaker, there are many things that would not have existed if the
GSLP had not been in government between 1988 and 1996. I will not go into all of them because
I think we would run out of time. The reality of it is that when we are taking initiatives, we are
taking initiatives not to enrich a particular sector of the community but to make Gibraltar more
likely to survive in whatever happens in the future. Everything that we do and everything that is
done in the National Economic Plan is intended to ensure that Gibraltar maximises its potential
and that Gibraltar is increasingly able to guarantee the future of future generations in a world that
is increasingly more and more uncertain and more and more dangerous.

1060 The hon. Member seems to be more interested in the full stops and the commas than in the
broader picture. That is what the Plan is all about. The Plan is about survival, and we are doing it
the way we think. They had a different notion. They thought that what they would do is come in
and, to make Gibraltar survive, they would, in effect, make the Principal Auditor redundant
because they were going to spend all their time doing his job, doing investigations and so on,
1065 which was the main thrust of their view of the future.

Hon. R M Clinton: Madam Speaker, I will move on to what will be my last question, but I know
the Hon. Leader of the Opposition has a question. On Question 175, can the Minister advise why
the Post Office had the need to operate an account with PayPal?

1070 **Hon. Sir J J Bossano:** I have to say, to preface the answer, Madam Speaker, that I have no direct
knowledge of this. That is to say that I first became aware of it when he put the question. It is a
historic thing and it appears to have been something that was created when the Savings Bank had
some consultants employed who were dealing with the Savings Bank, and they created this
1075 account to sell postage stamps abroad and to initiate other possible ways of earning money. At
some point after this date, the consultants were no longer retained in the Savings Bank – this was
something we inherited in 2011 – and then the Treasury moved the money from the PayPal
account to the Consolidated Fund. The detailed reason why it was there in the first place is not
readily available to anybody there now, but it is connected with the way the Savings Bank was
1080 being done when they engaged ... David Ledger, I think, was one of the individuals involved, and
it was doing it in order to promote the activities of the bank and using the PayPal account to do
it. That is all I can tell him, because I do not know any more.

Madam Speaker: Next question.

1085 **Chief Minister (Hon. F R Picardo):** Madam Speaker, before the House continues, can I just
clarify that in relation to Question 177, the answer that was given is in relation to the Savings Bank
and Credit Finance and I will answer a question on the Order Paper from another Member in
relation to the Government and the government-owned entity?

1090 **Hon. Dr K Azopardi:** All right, and I am grateful for the clarification, but given that, and for the
purposes of the record – because I have read the question which includes ‘the Government or any
government-owned entity – can I just ask, in terms of this supplementary, would the no change
into a yes when the Chief Minister answers the subsequent question, because my question
1095 includes ‘the Government’ and ‘government-owned entities’?

Hon. Chief Minister: Madam Speaker, the answer that has been given has been given. Because
of the reference to the Savings Bank and Credit Finance, the question went to the Hon. Minister
for the Savings Bank and he has given the answer for the Savings Bank and Credit Finance. The
1100 answer in relation to the Government and government-owned entities will be in the answer that
I give with the other question. I do not want to answer it now because I would be anticipating the
answer to that question too.

1105 **Hon. Dr K Azopardi:** I understand that, but my question is not restricted to the Savings Bank and Credit Finance, so perhaps we can do this ... If I may suggest, Madam Speaker, that the supplementaries on this question be taken with the supplementaries on that question, because the answer might not be no, and that would provide an incorrect answer to the question that I framed.

1110 **Hon. Chief Minister:** That is exactly why I got up, to ensure that the answer does not reflect something which is incorrect, and so that the hon. Gentleman can, therefore, in my view, put his supplementaries in respect of the first entities identified in this question in respect of the other question when the time comes.

1115 **Madam Speaker:** Yes, I will allow supplementaries on that when the time comes.

1120 **Hon. Dr K Azopardi:** I am grateful for that, Madam Speaker, but given the answer that I have put, can I also invite the Chief Minister to perhaps reflect on whether the answer to my question should be in the way that the Minister gave it, or at least ...? He said the answer to Question 177 is no. I think perhaps it should be said that the answer to Question 177 is no to the extent of the Savings Bank or Credit Finance, for the record.

Hon. Chief Minister: That is exactly what I got up and said, Madam Speaker.

1125 **Madam Speaker:** Next question.

Q176/2024
GBIC Ltd –
Payments to subcontractors

Clerk: Question 176. The Hon. D J Bossino.

1130 **Hon. D J Bossino:** Is the Government aware that GBIC Ltd is defaulting on its payments to its subcontractors?

Clerk: Answer, the Hon. the Minister for Inward Investment and the Savings Bank.

1135 **Minister for Inward Investment and the Savings Bank (Hon. Sir J J Bossano):** The Government is aware that GBIC has had a cashflow problem because of the delays and subcontractors' work, and therefore is behind the schedule of payments to a number of contractors for that reason.

1140 **Hon. D J Bossino:** Is the hon. Member able to elucidate this House as to the cause of the delays? I wonder if it is to do with the non-modular-parts answer that he provided in respect of the other question on the Order Paper.

Hon. Sir J J Bossano: Yes, Madam Speaker, this is, in fact, the result of the situation I explained earlier.

1145 The modular parts that constituted about £50 million were paid after they were delivered in Gibraltar. There are a number of different entities that have to be paid by GBIC, which is the main contractor, and GBIC, in turn, has to be paid by the developer. When the developer is short of money, then GBIC is short of money because, like any other project that enters into a period of delay in the delivery that was originally programmed, it means that there are many non-productive elements that continue beyond the original time that was expected. The company still

1150 has to pay the people who are providing health and safety, the people who are coming on site to
evaluate the work that has been done, the architect's representative ... All of those are still
charging substantial amounts every month because this is taking longer than was originally
planned. That means that they have a cashflow problem. Of course, the entity investing also has
a problem because at the moment they are recuperating some money from some other projects
1155 that have been done. It is not that people will not get paid, but it is taking longer to pay them than
we expected would be the case.

Hon. D J Bossino: As far as I am concerned I mean I... to my friends here to my left, as clear as
mud, with all due respect to the hon. Member. In simple terms, because it is looking rather messy
from this side of the House, can he say what is the root cause of the delay in payment, which also
1160 seems to be having an effect in terms of the completion of the project? We are getting increasingly
worried. The answer that the hon. Member is giving us is not giving us comfort, so is he able to
say what is the root cause, which seems to be having – this bit I think I have understood – a domino
effect in terms of supplies, completions and payments?

The reason why I ask this question is because I have, I think, very good information from a
1165 particular local subcontractor who is providing particular goods in Gibraltar – the hon. Member,
in answer to the question that was posed recently, talked about supplies from Spain, but this is a
local service provider who has provided a service to GBIC – and has not been paid since October.
I am told that there are other companies in Gibraltar who are suffering the same fate, so is he able
to please state what is the root cause, and is he concerned at all? He does not seem to be, but is
1170 he concerned at all about the overall viability of this project?

Hon. Sir J J Bossano: I am not concerned about the overall viability of the project. Of course, I
am concerned that it should be delayed as it is, and I am concerned that we should have found
that the integration of the modular system into the design that was produced originally for a non-
1175 modular building has created a number of technical problems which have led to delays in different
areas of the building, and those delays have set off a chain reaction that has affected other people,
but the building will be finished and everybody will be paid. Of that, I am sure.

Hon. D J Bossino: The hon. Member talked about a cashflow problem which emanated, I think
1180 he said, from the developer, and the developer, as far as we understand it, is this company – and
I will use the acronym – CSSL Ltd, which is the famous company which forms part of the National
Economic Plan, which I think is fed from the Savings Bank, for which the hon. Member is
responsible. So is he able to provide us further details in relation to that? What is the ultimate
cause of the cashflow problem? As the Hon. Leader of the Opposition says, how is it possible that
1185 CSSL – which is fed, in terms of finance and funding, by the Savings Bank – has cashflow problems?

Hon. Sir J J Bossano: It is very simple why they should have cashflow problems: because the
money that they originally obtained is not enough to meet the cost, because the delays increase
the cost. What is so strange about that?
1190

Hon. D J Bossino: Madam Speaker, is the hon. Member able to state by what amount the cost
has increased? I am not sure whether we have this figure available; we can get it from *Hansard*, I
am sure. We have asked the question and the hon. Member has provided it. If he has the answer,
then I would ask him to provide it across the floor of the House today. Is he saying that, from what
1195 I understand, project was budgeted at £x million and now it is costing £8 million plus-plus? We
want to know what that plus-plus amounts to. This is very worrying indeed, because ultimately
this is Savings Bank money.

Hon. Sir J J Bossano: Madam Speaker, the fact that the funding is from the Savings Bank ... The
1200 Savings Bank provided the money that was requested. If, at some point, the other sources of

1205 money that the entity has are not enough to be able to pay at the completion of the project, then
no doubt they will come and tell the Savings Bank that they need more money. As far as I am
concerned, at this stage they have not asked for more funding and therefore I ... That is all I can
tell him. I am not here to say at what stage they are in terms of their original funding, how much
of it they have already spent and how much they need to spend. As the person responsible for the
Savings Bank, I am satisfied that the value of the building is more than sufficient security for the
money that we have already made available. If the entity that is paying GBIC, which has other
sources of funding, comes to the Savings Bank in order to obtain further funding to complete the
project, then it will be looked at, and then we will know and see how much more they need, but
1210 they are not at that stage at this moment.

Hon. D J Bossino: The hon. Member continues to express confidence that it is going to be
completed. The hon. Member continues to express confidence, because of the value of the
building, that it will provide a positive return for investors. Good. It provides us some comfort,
1215 subject to issues of transparency, which is really the blue line that separates Members opposite
and us: the lack of transparency and the obfuscation which we are subjected to every time we ask
questions in relation to this matter and the National Economic Plan.

Is he able to please state what was the original borrowing that was asked for and given from
the Savings Bank through CSSL? I think I have phrased that question correctly.

1220

Hon. Sir J J Bossano: [Inaudible]

Hon. Dr K Azopardi: Can the Minister give us the size of the cashflow problem? I think he said,
in answer to one of the supplementaries, £15 million. I do not know if he meant that that was the
1225 size of the cashflow. Was it £15 million or £50 million? Or was it a different sum? He said if CSSL
cannot get money from its other sources' – I do not know what those other sources are; perhaps
he can illuminate us – they will go to the Savings Bank. Well, presumably they may end up at the
Savings Bank, because wouldn't the bottom line be that the subcontractors would not get paid
unless there is additional money injected somehow to deal with the cashflow problem, whatever
1230 the size of the cashflow problem is?

Hon. Sir J J Bossano: Fifty million is the money that was spent in obtaining the modular units,
which is probably less than half the total cost because there have been foundations under this. I
suppose about one third of the building is non-modular.

1235 The question of other sources: it is not for me to tell the hon. Member where the developer
may be getting other funding from. I am answering him in respect of the relationship between the
Savings Bank, which has provided the funding, and GBIC, which is in fact delivering the product.
The position is that this is a question about GBIC, not about anything else, and the problems of
GBIC. The problem of GBIC, as I have explained already in supplementaries to this and to the other
1240 questions, is that when there is an element in the structure that requires something to be brought
from Spain which has to be manufactured to the specification of the building, until that element
is brought and put in place, the delays that other people who are doing other kinds of work, who
are normally local subcontractors – we have somebody doing the electrical work, somebody doing
the plumbing work, somebody doing mechanical work, and other people are doing painting work;
1245 there is no one company doing everything ... The fact that they are then not able to continue with
the work produces costs because of the delay. I have already explained that several times.

If what the hon. Member wants is to have the opportunity to say that I am obfuscating and not
answering questions in this Parliament, in the 53 years that I have been here, Oppositions do not
always get the answers that they want to the questions. They are entitled to put questions, as I
was when I was on that side, and when I was there I had to put up with the answers that I got,
1250 whether I liked them or not. That regime has not changed just because they have changed sides.
I think I have told them as much as I can tell them, Madam Speaker.

Hon. Dr K Azopardi: Madam Speaker, first of all, I did not accuse the hon. Member of obfuscation *yet*. It was done in the preceding question, so that tail end was not – (*Interjection*) Yes, the preceding question.

1255

Let me ask him again because he has not answered my question, with respect. I asked him does he know what the size of the cashflow problem is. So I am asking him again: does he know what the cashflow problem is?

1260

He says he does not know what the other sources of funds of CSSL are, but GBIC is a company in which the Government has an interest. CSSL is his creation. Does he really not know the sources of funding of CSSL?

1265

Hon. Sir J J Bossano: It is not my creation in the sense that I am involved in its operation. I am not answerable in this House for anything that does not have to do with the Government. The company has a problem because there are things that are delayed, and things that are delayed cost, as I have explained to him and to other Members already. I will repeat the answers because the questions are being repeated, Madam Speaker.

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We have people who were supposed to be getting £4,000 a month for coming on the site for a few hours. There are a number of local professionals that GBIC has bought services from, who come on site to look at the work and make sure that everything is being done properly, making sure that the money that has to be paid is the correct amount, and those people, since the project is taking longer, are collecting fees for longer. As long as the site is in operation and not finished, there are all these entities, which are service providers, not providers of construction, that are adding a cost that would not be there because if it had finished earlier they would not be there.

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That is where the cost element is increasing more, because in other cases, unless, for example, the fact that a price was quoted at a certain point and the product is not obtained then and is obtained six months later, that can also mean that the price has gone up because of that. But in terms of the actual work that they do – that is to say the people who are putting in the cables for the electricity will charge the same price, whether they do it early or later – it does not create a cost. The cost element is things that may have gone up in price because we had to buy them later, or the fact that there are people who are providing services which they would no longer be providing if the project had been finished.

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Madam Speaker: I am going to allow another supplementary if it is a new question and not the same one put, because otherwise we are going to never finish. So if it is a new question, put it. If it is the same question, let's move on.

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Hon. Dr K Azopardi: Can I can I put it in this way and Madam Speaker can then adjudicate on whether or not you think it is a question that should be answered? The Hon. Minister has given a long answer as to the causes of the delay, and he said in the preface to his answer that he has answered all that before. I am not asking him about the causes of the delay, I am asking him about the size of the cashflow problem. Is the answer to the question that he does not know the size of the cashflow problem?

1295

Hon. D J Bossino: Or he is not answering it.

1300

Hon. Sir J J Bossano: Madam Speaker, I do not understand the notion of the size of the cashflow problem. If you get a bill for £100,000, and when you get the bill you have £50,000, then the size of the cashflow problem in respect of that £100,000 is 50%. In respect of the size of the building, it will be 1%. So the bills that some people are not being paid ... and they are not being paid because at the moment that they are asking for that money, the company that has to pay GBIC owes GBIC money. The moment GBIC gets paid, GBIC pays the subcontractor. It is as simple as that. Whether that will have a big impact on the final price, on the basis of the nature of the delays

1305 that are taking place, I think no, it will not cost twice what we thought it was going to cost. I think it may be a 10% increase.

Madam Speaker: If it is a new question, yes.

1310 **Hon. R M Clinton:** Thank you, Madam Speaker, a very brief question. GBIC is a Government joint venture company with a Chinese construction company. Can the Minister tell the House whether there is any dispute between the developer, who I understand is Community Supplies and Services, and GBIC?

1315 **Hon. Sir J J Bossano:** The relationship between GBIC and the developer is much more cordial than the relationship between that side of the House and this one.

Madam Speaker: Next question. *(Interjection by Hon. D J Bossino)* One more before it is time to move on.

1320 **Hon. D J Bossino:** I thank you for your indulgence, Madam Speaker. When the Hon. Minister first announced this project he was extolling the virtues of the type of construction, that it was modular, and he was very excited and engaged with it precisely because of speed to delivery. Is there anything that he thinks he would have done differently?

1325 **Madam Speaker:** That is hypothesis, if ever there was one. No, I am not allowing that question. *(Interjection by Hon. D J Bossino)* Well, I think it is.

Hon. D J Bossino: It is born from the statements that the hon. Member –

1330 **Madam Speaker:** No, I am not allowing the question. It is a hypothetical question. We are moving on to the next question.

HEALTH, CARE AND BUSINESS

Q106/2024

St Bernadette's nurses' station – Relocation and amenities

Clerk: Questions to the Hon. the Minister for Health, Care and Business.
Question 106. The Hon. A Sanchez.

1335 **Hon. A Sanchez:** Could the Government clarify whether the nurses' station in St Bernadette's has been relocated in the past two years; and, if so, can clarification be provided on whether the new designated room is equipped with all necessary amenities, including a panic button?

1340 **Clerk:** Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the nurses' station was moved two years ago from the entrance of the building to the back of the building. The reason for this was to accommodate the growth in service users in the centre and to have a base for all the Learning Disability Services nurses to work together. The move allowed for a new base room that could also be used for pampering and well-being sessions to be created at the

entrance. It also provided better access for service users living in community flats to access the nursing service without having to go through St Bernadette's, facilitating an increase in infection control.

1350 The nurses' station is equipped with all necessary equipment and includes a panic alarm button. A general examination couch is planned for a treatment room. Observations are currently taken wherever convenient for both the staff and the user, and determinations are made by the staff on whether any follow-up is required.

1355 **Hon. A Sanchez:** Could the hon. Member clarify whether there has been a period, within the time where the room has been changed, when the room has been without a panic alarm button?

Hon. G Arias-Vasquez: Madam Speaker, not as far as I am aware.

1360 **Hon. A Sanchez:** Could the hon. Member also clarify whether the access between the room where the nurses' station is now based and the main area where the service users spend most of their time during the daily activities is an easy-access one without any obstacles, or whether there is a door with a code in between these areas?

1365 **Hon. G Arias-Vasquez:** Madam Speaker, I need notice of the question in order to attend the facility to see for myself.

Madam Speaker: Next question.

Q107/2024
Hillsides dementia care facility –
Scabies outbreak

Clerk: Question 107. The Hon. A Sanchez.

1370 **Hon. A Sanchez:** Could the Minister provide information regarding the recent scabies outbreak at Hillsides dementia care facility, including whether the source of the outbreak has been identified and what measures have been implemented to prevent similar outbreaks in the future?

1375 **Clerk:** Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, patient zero – the first carrier identified who had contacted scabies – was a staff member. In total, seven residents and three staff tested positive. Additionally, eight residents and 47 staff were treated as close contacts, as well as one relative. This is all as per Public Health protocols.

1380 We have undertaken increased awareness of symptoms for staff and facilitated rapid access to treatment and exclusion from work until treated. We have undertaken proactive work with the nursing and care agencies to ensure that line managers and staff are aware of symptoms and treatment requirements.

1385 We have provided additional information for the public regarding the signs, symptoms and treatment options for scabies on the GHA website. The Director of Public Health has chaired three Community Outbreak Control team meetings during 2023 and two outbreak meetings for the Hillsides outbreak.

Hon. A Sanchez: Could the hon. Member confirm whether scabies is still prevalent at the Hillside dementia care facility, or whether the problem has been eliminated for the moment?

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Hon. G Arias-Vasquez: Madam Speaker, as far as we are aware, the outbreak is under control.

Madam Speaker: Next question.

Q108/2024

**Governor's Parade Care Agency building –
Potential sale**

Clerk: Question 108. The Hon. A Sanchez.

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Hon. A Sanchez: Has the Government made any plans or engaged in discussions with third parties regarding the potential sale of the Care Agency building in Governor's Parade?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

1400

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, as mentioned by the Chief Minister last month, the Care Agency building in Governor's Parade will be vacated with staff relocated to new offices during the course of this year. The Government will, thereafter, make an announcement regarding its plans for this building in due course.

1405

Hon. A Sanchez: Could the hon. Member elaborate on where the Government plans to move the staff of the Care Agency to?

Hon. G Arias-Vasquez: Madam Speaker, I can confirm that we are engaging with the Care Agency for this move, and the move will be in the area of the dockyard.

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Hon. A Sanchez: Could the hon. Member confirm whether the Government is already renting these premises in the dockyard?

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Hon. G Arias-Vasquez: Madam Speaker, I would need advance notice of that question.

Hon. A Sanchez: Would the Government know who the landlords of these premises in the dockyard are, seeing as they know that they will be moving the members of the Care Agency there, as mentioned now by the hon. Member?

1420

Chief Minister (Hon. F R Picardo): The Government knows, Madam Speaker, and the Opposition knows because we have debated this already.

Hon. D J Bossino: Simply by way of clarification, Madam Speaker, are we talking about the Bassadone building? We have asked questions about this in the past, but we have not alighted on which government departments are moving to the Bassadone building. Can he confirm that the Care Agency will be moving to the Bassadone building?

1425

Hon. Chief Minister: Madam Speaker, I talked about the landlord, not the name of the building. The hon. Gentleman seems to have named the building. The answer that he got last time was that

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we were determining which Departments were going to the building that is owned and managed by that landlord. We are now able to confirm this is one of them.

1435 **Hon. A Sanchez:** But the hon. Member cannot confirm whether the space is being rented by the Government?

1440 **Hon. Chief Minister:** Madam Speaker, it is not that the hon. Member cannot confirm whether or not it has been rented, it is that the hon. Lady has asked whether the space is already rented. A rent is an amount paid at a periodic interval, which is a specific amount for a defined area of land which has already kicked in. Therefore, we need notice of the question in order to be able to confirm specifically that those arrangements have been entered into.

1445 I know and I have shared with the Hon. Minister that the date which enables all of these arrangements to kick in has not yet passed. For that reason, if the hon. Lady wants an answer to the question of whether or not the property is rented, we would have to go back and check which documents have been executed or whether they fall to be executed for a particular date when the rent starts to be paid.

1450 It is never useful to give an answer from memory and I caveat my answer on that basis, so that if it is not accurate I am not accused of having misled the House, but from memory I believe that the rent does not kick in until after 1st April.

Madam Speaker: Next question.

Q109/2024
Domiciliary care –
Number of complaints received

Clerk: Question 109. The Hon. A Sanchez.

1455 **Hon. A Sanchez:** Could the Government disclose the total number of complaints received by the Care Agency from family members or the general public regarding domiciliary care?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

1460 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, during the month of January, the Care Agency has received one complaint from a family member regarding domiciliary care. The complaint received was in relation to a request for a specific time and the hour not being available. The Care Agency has also received four complaints from clients regarding their own domiciliary care. These complaints were investigated and three were resolved immediately. The remaining complaint continues, as there are minimum English-speaking carers available.

1465 **Hon. A Sanchez:** Could the hon. Member elaborate on how these complaints are logged and documented, and who investigates these complaints?

1470 **Hon. G Arias-Vasquez:** Madam Speaker, I am not aware of who investigates the complaints, but I am aware that there is a log that is kept with the complaint and the manner in which the complaint has been resolved.

Hon. A Sanchez: Would the hon. Member happen to know whether the complaints are investigated independently, or are they investigated in-house by the Care Agency?

1475

Hon. G Arias-Vasquez: Madam Speaker, given that it is the Care Agency that receives the complaints, I would assume, and it is an assumption, that the Care Agency receives the complaints. The documents that show me the logs are Care Agency documents and they are independently reviewed on a case-by-case basis.

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Hon. A Sanchez: Independently reviewed by whom?

Hon. G Arias-Vasquez: Madam Speaker, as I have just said, I assume that it is by the Care Agency, given that the document I have produced is by the Care Agency.

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Hon. A Sanchez: So they are not independently investigated?

Hon. G Arias-Vasquez: Madam Speaker, not to my knowledge.

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Madam Speaker: Next question.

Q110/2024

Care Agency and ERS vacant posts – Numbers, details and duration vacant

Clerk: Question 110. The Hon. A Sanchez.

Hon. A Sanchez: Can the Government furnish a breakdown of the existing vacant posts in the Care Agency and Elderly Residential Services, including details on the position and the duration of each post unfilled?

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Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, I now hand over a schedule with the information requested.

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Answer to Question 110/2024

Answer to Question 110

CARE AGENCY

GRADE	FULL TIME	PART TIME	DURATION UNFILLED
<u>Admin Grades</u>			
Executive Officer	2		i) 1 year 6 months ii) 6 years
Administrative Officer	3		i) 6 months ii) 6 months iii) 3 months iv) 5 months
Training Coordinator	1	1	i) 2 years 10 months
Personal Secretary	1		i) 7 years
<u>Professional and Other Grades</u>			
Head of Service	1		i) 4 years
Team Manager	2		i) 1 year 2 months ii) 1 year 10 months
Senior Social Worker	5		i) 4 years 9 months ii) 4 years 9 months iii) 4 years 9 months iv) 4 years 9 months v) 4 years 9 months
Social Worker	1		i) 1 year 6 months
Assistant Social Worker	1		i) 2 years 10 months
Newly Qualified Social Worker	1		i) 10 months
Counsellor	1		i) 2 years 2 months
<u>DISABILITIES – Dr Giraldi</u>			
Deputy Manager	1		i) 1 year 1 month
Charge Nurse	1		i) 1 year 7 months
Registered General Nurse	3		i) 2 years 2 months ii) 3 months iii) 1 year 1 month
Care Leader	1		i) 5 months
<u>Disabilities – St Bernadette’s</u>			
Registered Nurse		1	i) 1 year 5 months
Enrolled Nurse	1		i) 1 year 1 month
Care Worker		1	i) 5 months

<u>Children's Services</u>			
Senior Care Worker	4		i) 1 year 2 months ii) 5 years 7 months iii) 4 years 9 months iv) 4 years 9 months
Care Worker	3		i) 2 months ii) 3 months iii) 4 months
Teacher	1		i) 8 years 8 months
<u>Drugs and Rehabilitation Services</u>			
Care Worker	3		i) 6 years 6 months ii) 6 years 5 months iii) 6 years 3 months
Registered General Nurse	1		i) 1 year 5 months
<u>Industrials</u>			
Hybrid Labourer		1	i) 6 years 3 months
Caretaker	1		i) 3 months

<u>Children's Services</u>			
Senior Care Worker	4		i) 1 year 2 months ii) 5 years 7 months iii) 4 years 9 months iv) 4 years 9 months
Care Worker	3		i) 2 months ii) 3 months iii) 4 months
Teacher	1		i) 8 years 8 months
<u>Drugs and Rehabilitation Services</u>			
Care Worker	3		i) 6 years 6 months ii) 6 years 5 months iii) 6 years 3 months
Registered General Nurse	1		i) 1 year 5 months
<u>Industrials</u>			
Hybrid Labourer		1	i) 6 years 3 months
Caretaker	1		i) 3 months

*there is no information when this vacancy was created and how long it has been unfilled.

Madam Speaker: I propose we move on to the next question, to give you time to consider the schedule.

Q111/2024
Care Agency employees –
Number on fixed-term contracts of less than two years

Clerk: Question 111. The Hon. A Sanchez.

1505

Hon. A Sanchez: Can the Government specify the number of care workers employed directly by the Care Agency who are on fixed-term contracts of less than two years?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

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Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, there are 24 people employed directly by the Care Agency who are on fixed-term contracts of less than two years.

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Madam Speaker: Any supplementaries on that? Next question.

Q112/2024
Care Agency –
Permanent and pensionable vacancies filled directly

Clerk: Question 112. The Hon. A Sanchez.

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Hon. A Sanchez: Could the Government provide information on the number of permanent and pensionable vacancies for carers that have been advertised and filled directly via the Care Agency for the following years: 2018-19, 2019-20, 2021-22, 2022-23, 2023-24 up to the current date?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

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Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, I now hand over a schedule with the information requested.

Answer to Question 112/2024

CARE WORKERS EMPLOYED FROM 01/01/2018 TO 16/02/2024

2018	
Number	SERVICE EMPLOYED
1	Children's Residential
2	Dr Giraldi
3	Dr Giraldi
4	Dr Giraldi
5	St Bernadette's

2019	
NAME	SERVICE EMPLOYED
1	Children's Residential
2	Children's Residential
3	Dr Giraldi
4	Dr Giraldi
5	Dr Giraldi
6	Dr Giraldi
7	Dr Giraldi
8	Dr Giraldi
9	Dr Giraldi
10	Dr Giraldi
11	Dr Giraldi
12	Dr Giraldi
13	Dr Giraldi
14	Dr Giraldi
15	Dr Giraldi
16	Dr Giraldi
17	Dr Giraldi
18	Dr Giraldi
19	Dr Giraldi
20	St Bernadette's
21	St Bernadette's
22	St Bernadette's
23	St Bernadette's
24	St Bernadette's
25	St Bernadette's
26	St Bernadette's
27	St Bernadette's
28	St Bernadette's

2020	
NAME	SERVICE EMPLOYED
1	Children's Residential
2	Children's Residential
3	Children's Residential
4	Children's Residential
5	Children's Residential
6	Children's Residential
7	Children's Residential
8	Children's Residential
9	Children's Residential
10	Children's Residential
11	Children's Residential
12	Dr Giraldi
13	Dr Giraldi
14	Dr Giraldi
15	Dr Giraldi
16	Dr Giraldi
17	Dr Giraldi
18	Dr Giraldi
19	Dr Giraldi
20	Dr Giraldi
21	Dr Giraldi
22	Dr Giraldi
23	Dr Giraldi
24	Dr Giraldi
25	Dr Giraldi
26	Dr Giraldi
27	Dr Giraldi
28	Dr Giraldi
29	Dr Giraldi
30	Dr Giraldi
31	Dr Giraldi
32	Dr Giraldi
33	St Bernadette's
34	St Bernadette's
35	St Bernadette's
36	Bruce's Farm
37	Bruce's Farm
38	Bruce's Farm
39	Bruce's Farm

2021	
NAME	SERVICE EMPLOYED
1	St Bernadette's

2022	
NAME	SERVICE EMPLOYED
1	Children's Residential
2	Children's Residential
3	Children's Residential
4	Children's Residential
5	Children's Residential
6	Children's Residential
7	Children's Residential
8	Children's Residential
9	Children's Residential
10	Children's Residential
11	Children's Residential
12	Children's Residential
13	Dr Girdi
14	Dr Girdi
15	Dr Girdi
16	Dr Girdi
17	St Bernadette's
18	St Bernadette's
19	St Bernadette's
20	St Bernadette's
21	St Bernadette's
22	St Bernadette's
23	St Bernadette's
24	St Bernadette's
25	St Bernadette's
26	Bruce's Farm
27	Bruce's Farm
28	Bruce's Farm

2023	
NAME	SERVICE EMPLOYED
1	Dr Girdi
2	Dr Girdi
3	Dr Girdi
4	Dr Girdi
5	St Bernadette's
6	St Bernadette's

2024	

Madam Speaker: We will pause that question to give you time to look at the schedule also, and we will come back to it.

Next question.

Q113/2024

**Care Agency care workers –
Numbers employed directly and through external companies**

Clerk: Question 113. The Hon. A Sanchez.

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Hon. A Sanchez: Could the Government provide a breakdown of the number of care workers directly employed by the Care Agency and the number subcontracted through external companies, along with the names of each subcontracting company?

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Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the number of care workers employed directly by the Care Agency is 181, and the number of subcontracted care workers employed by external companies stands at 455. The breakdown of care workers by subcontracted companies is as follows: Ada, 374; Meddoc, 67; We Care, 10; First Choice, 4.

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Hon. A Sanchez: Madam Speaker, from those figures it is evident that the Government is reliant on the use of subcontracted carers. Does it plan to expand the complement of care workers employed directly through the Care Agency, or does it plan to increase its reliance on subcontracted carers?

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Hon. G Arias-Vasquez: Madam Speaker, yes, we are planning on increasing the number of workers employed by the Care Agency. It is a matter of training those workers correctly, so that they are able to do so.

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Hon. Dr K Azopardi: When she answers yes to that question, would the increase in people being directly employed by the Care Agency mean a proportionate decrease of care workers employed by subcontractors?

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Hon. G Arias-Vasquez: Yes, that is precisely what we look to do.

Hon. Dr K Azopardi: And has the Government formed a view of the kind of numbers we are talking about? Is the first choice going to be offered to people who are currently employed by subcontractors, or does the Government have other people in mind?

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Hon. G Arias-Vasquez: We have not yet come to a view on that.

Hon. Dr K Azopardi: On any of that: numbers as well as sources of possible employees? Is that right?

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Hon. G Arias-Vasquez: That is correct.

Hon. D J Bossino: Madam Speaker, may I ask the Hon. Minister what is informing that policy decision in terms of the Government's current aim to increase the complement of directly employed employees at the Care Agency, which would lead to a corresponding – as she has answered now to the Hon. Leader of the Opposition – number of employees provided by subcontractors?

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Hon. G Arias-Vasquez: Madam Speaker, as I mentioned earlier, training is the key, so we want to get these workers trained to a standard that the Government is comfortable with, and then employ them by the Care Agency.

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Hon. D J Bossino: Is one reasonably able to come to a conclusion that the Government has concerns that the standard of training provided by the current service providers does not come up to scratch? It must do.

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Hon. G Arias-Vasquez: Madam Speaker, that is not the case. It is simply a case of diversification of the training opportunities available to Gibraltar residents, as well as planning for a non-negotiated outcome. The aim is to have the majority of Gibraltar residents employed.

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Hon. Dr K Azopardi: May I go back to Question 110, just to ask on that if –?

Madam Speaker: If we have finished with the supplementaries for Question 113 and the Hon. Ms Sanchez, whose question it was, is in a position to deal with that, then yes. Otherwise, we will give her the opportunity to do that before I take supplementaries on it.

1590

Are we finished with supplementaries on Question 113? I was not encouraging you to put a supplementary. I was simply – (*Interjection*) Well, you take it incorrectly then. If you did not have one in your mind before I was checking, I would suggest that it is not –

Hon. D J Bossino: I did, Madam Speaker, but I was going to stand with some trepidation.

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Madam Speaker: I will know for next time, then.

Hon. D J Bossino: The last reply she gave to me talked about the possibility of non-negotiated outcomes and all the rest of it. One understands the philosophy behind that and that that has been the catalyst behind the policy decision, but we are talking here about significant numbers. As it stands, overall, about 600 employees are required to provide a service if one adds the 455 to the 181. Given the potential time constraints, we have absolutely no idea what the conclusion of the talks will be or when we will find out. It is possible we –

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Madam Speaker: I think you had a question.

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Hon. D J Bossino: The question is: assuming that let's say in the next month, month and a half or two months we find out that we are unable to do a deal with Spain and the EU, is she confident that she will be able to fill the complement sufficiently to be able to provide an adequate service to service users in that very short timeframe?

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Chief Minister (Hon. F R Picardo): Madam Speaker, we are confident we will be able to continue to provide an adequate service to service users, even in the eventuality that the hon. Gentleman sets out, but perhaps not in the way that he postulates his question.

1615

Hon. D J Bossino: So there is something in the way I have postulated my question which has led the Hon. the Chief Minister to answer the way he has, but is he able to expand on that? If I were to postulate it as he did, what scenarios is he considering? I am looking at it from a very basic perspective. (*Interjection*) Yes, fair enough, but we need circa 600 people to provide the current standard of service and it is possible that by the end of March we end up with no deal. What is going to happen given the answer that the hon. Members have provided, which is that they are wishing to fatten up the employees of the Care Agency precisely to deal with a non-negotiated outcome?

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Hon. Chief Minister: No, Madam Speaker, the postulation of the question was based on whether we would be able to train 600 people in that period – in other words, in the period between now and the month in which he said rumours had led him to believe that that was when it was necessary. That postulation is entirely incorrect, but the issue that he raised, which was

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1630 whether or not we would be able to continue to provide the service, which will be the thing of interest to those listening and which will concern those listening – that if all of the things that he said were to happen, and therefore the basis on which he builds his question is a hypothetical, I might point out ... Despite that, I am giving confidence to the community that we will be able to provide the service without having to train 600 people in a month's time, because that is a completely irrelevant.

Q110/2024

**Care Agency and ERS vacant posts –
Numbers, details and time vacant –
Supplementary questions**

1635 **Madam Speaker:** I am going to ask the Hon. Ms Sanchez whether you are in a position to deal with Question 110: any supplementaries on that?

1640 **Hon. A Sanchez:** Can the hon. Member confirm whether the figures provided include those posts and grades that are currently filled by someone who is in an acting capacity, or have these been omitted from the figures?

1645 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, the figures provided do include all those that are currently filled by people acting up. In other words, it is a complete picture of all the vacancies.

Hon. A Sanchez: And given that some of these have been unfilled for quite a number of years, is the Government actively recruiting for these positions?

1650 **Hon. G Arias-Vasquez:** Madam Speaker, there is a variety of reasons why these posts remain unfilled: some are policy; some, as the hon. Member herself has pointed out, are actually people who are acting up into the roles; some have been seconded recently. The ones that are felt to be required are recruited actively, otherwise posts remain unfilled.

1655 **Madam Speaker:** Does the Hon. the Leader of the Opposition have a supplementary on this?

1660 **Hon. Dr K Azopardi:** Yes. Similar to that, because in the schedule that we have been handed there are some posts ... The Hon. Minister has clarified some are policy, some are not, and she said that to the extent that it is not policy, they are being actively recruited, but without giving us too much more information perhaps she can do that, because just looking at the schedule, there are five senior social workers that have been vacant for almost five years. There are posts here of over a year or two years; some care workers in drugs unfilled for six and a half years. Which ones in this schedule will remain unfilled as a matter of policy?

1665 **Hon. G Arias-Vasquez:** Madam Speaker, as I said, the list provided is a complete list of all the vacancies in the Care Agency. There are some – for example, the personal secretary position – which are likely to remain unfilled because of the budget constraints, so that is the reason for some of them.

1670 When you look at the social worker positions, there are some that are impossible to fulfil, notwithstanding recruitment drives. There are some positions which are actively being recruited for, including one that you have highlighted in Drugs and Rehabilitation Services and we are in the process of filling that vacancy.

As I said to the hon. Member, there is a variety of different reasons why, of these posts, some remain unfilled, some are actively being recruited and some are likely to remain unfilled for the foreseeable future, such as the personal secretary.

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Hon. Dr K Azopardi: Yes, okay, but I asked specifically which ones in the schedule are not going to be filled as a matter of policy. Is it that the Hon. Minister does not have that information, or is it that it is a fluid question? I will ask her that again, if I may, and perhaps she can give us some information. I am struggling to understand: how is it possible not to fill posts of social workers – because they are just not possible to fill? Surely, if you cannot fill them locally, you can recruit from overseas. Some of these vacancies are vacancies for more than four and a half years.

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Hon. G Arias-Vasquez: Madam Speaker, the post which the hon. Member specifically makes reference to, the senior social worker ... There are people temporarily promoted into those jobs. If, for example, someone is recruited from overseas, they do not automatically go into the Care Agency complement, so it would still come up as a vacancy, even though the position is filled. Even though a person has been brought to do that job, it will still come up as a vacancy in the figures that have been provided. It does not come up as part of the complement, in other words.

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Hon. Dr K Azopardi: I see. So can she help by saying, of the posts on the schedule, how many are in that category and how many reveal posts in respect of which nobody is acting?

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Hon. G Arias-Vasquez: Madam Speaker, I need notice of that question. I do not think I am able to do it on the trot now.

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Hon. Dr K Azopardi: I accept that she may think she needs notice of the question, but it just follows from the answer she has just given. She has made a distinction in relation to people on this list who are actually there. I am just asking how many are not there; that is all I am asking.

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Hon. G Arias-Vasquez: Madam Speaker, I have given an explanation as to the reason why some of these vacancies might appear as vacancies, but I am unable to go through specifics post by post – it is quite a long list – as to the reason why each and every post remains unfilled.

Hon. Dr K Azopardi: Yes, I understand, so can I invite the Hon. Minister to perhaps ask someone in the Department to do that exercise, and would she agree then to write to me with that information?

1705

Hon. G Arias-Vasquez: Madam Speaker, I am happy to do so.

Madam Speaker: All right, let's take the supplementaries in relation to Question 112. You have one on Question 110? All right.

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Hon. J Ladislaus: Madam Speaker, we have heard in her answer that there are a number of individuals within the Care Agency who are acting up within certain roles. Could the Hon. Minister confirm whether those individuals are being paid at a higher level in order to put them on a par with the role that they are fulfilling in the short term?

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Hon. G Arias-Vasquez: Madam Speaker, yes, you are paid for the acting post, not your previous position.

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Hon. J Ladislaus: I do accept the answer that has just been given, that there may be a person having been brought in and it is not reflected within the stats, but given the large number of unfilled roles that there do appear to be, would the Hon. Minister confirm whether the Care

1725 Agency is functioning at a deficit, or whether it is functioning as it should at the minute with the number of individuals within its contingent?

Hon. G Arias-Vasquez: Madam Speaker, the Care Agency is functioning with more individuals employed than it has ever had before.

1730 **Madam Speaker:** All right, we will take supplementaries for Question 112.

Chief Minister (Hon. F R Picardo): Just before you do that, seeing that it is quarter to six, can I suggest that this might be a convenient moment to recess and come back at six o'clock? The Government's intention is to finish the questions to the Hon. Minister for Health and Care this afternoon, and if we break now I think we will be able to finish at a relatively decent time.

1735

Madam Speaker: All right, we will take a break until 6 p.m.

The House recessed at 5.45 p.m. and resumed at 6.03 p.m.

Q112/2024
Care Agency –
Permanent and pensionable vacancies filled directly –
Supplementary questions

Madam Speaker: If my recollection serves me, we were about to take the supplementaries to Question 112. Does the Hon. Ms Sanchez have any questions?

1740

Hon. A Sanchez: Could the hon. Member clarify how many of these were new posts and how many were existing posts that had to be replaced?

Hon. G Arias-Vasquez: Madam Speaker, unfortunately, I do not have that information available.

1745

Hon. A Sanchez: Would she be able to send it to me, if it is made available to her?

Hon. G Arias-Vasquez: Madam Speaker, yes, I will.

1750

Madam Speaker: Next question.

Q114/2024
Provision of carers to Care Agency and ERS –
Subcontracted entities

Clerk: Question 114. The Hon. A Sanchez.

Hon. A Sanchez: Could the Government provide a detailed breakdown of all subcontracted entities currently providing carers to the Care Agency and ERS, including the value of each contract and payments made to each entity for the following years: 2018-19, 2019-21, 2021-22, 2022-23, 2023-24 to current date?

1755

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

1760 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, the GHA and, therefore, ERS does not employ or subcontract carers. The Care Agency uses the following entities to provide services. The detailed breakdown of costs per annum per entity is as follows for the provision of care workers.

1765 Meddoc: 2018-19, £54,431; 2019-21, £701,048.86; 2021-22, £1,116,438.48; 2022-23, £2,065,179.83; and 2023-24, £2,573,839.96.

Rainbow Services: 2018-19, £2,974,917.02; 2019-21, £8,046,569.06; 2021-22, £9,680,183.10; 2022-23, £9,337,313.83; and 2023-24, £10,426,661.25.

Grand Home Care: 2018-19, £252,388.76; 2019-21, £87,551.90. Grand Home Care were not used in 2021-22, 2022-23 and 2023-24.

1770 We Care was not used in 2018-19; 2019-21, £32,483.95; 2021-22, £76,266.93; 2022-23, £90,622.13; 2023-24, £209,741.68.

Hon. A Sanchez: And in all the contracts that the hon. Member has mentioned that exceed the threshold, can the hon. Member confirm that they have all gone out to tender?

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Hon. G Arias-Vasquez: Madam Speaker, I do not have the information available.

Hon. A Sanchez: Could the hon. Member confirm that in all of these contracts that she mentions there are written and signed contracts in place with all of these entities, that these contracts are up to date and that they include technical specifications for the services required?

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Hon. G Arias-Vasquez: Madam Speaker, I specifically did not make a reference to a contract and there are no contracts in place.

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Hon. A Sanchez: So there are no contracts in place for any of the arrangements that she mentions?

Hon. G Arias-Vasquez: That is correct. We are currently in the throes of arranging the contracts to be put in place, but there are no contracts in place.

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Hon. A Sanchez: Could the hon. Member elaborate on how the Government has been engaging with the services of these entities without any contracts in place and, obviously, any documents that lay out the technical specifications of the services and so forth with each of these entities?

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Hon. G Arias-Vasquez: Madam Speaker, whilst I do not have the detail available, I know that the Care Agency engages with each of these entities to provide standards etc. on a case-by-case basis, and it has been an evolving relationship which has happened with each of the three entities.

Hon. A Sanchez: But without any written contract in place, wouldn't the hon. Member agree that it leaves the service user in a bit of a dangerous situation, given that at any given moment either the Government can pull out from the arrangement or the care provider can potentially pull out from the arrangement, and it leaves the service user with the problem of lack of continuity of care, or the Government with the problem of finding itself without a care provider?

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Hon. G Arias-Vasquez: No, Madam Speaker, we would not agree that that is the case. For all these years the continuity of care has been provided. There are four agencies that provide a service and the Care Agency has always found a way to provide the service user with the care that it requires.

1810 **Hon. A Sanchez:** But the hon. Member has just confirmed that it has no contracts in place and that she is in the process of arranging these contracts, so potentially it is a danger because there are no contracts in place.

1815 **Hon. G Arias-Vasquez:** Madam Speaker, a contract confirms a relationship between two parties. The relationship is one that has been evolving and there has always been a service provider to the end user. The service has evolved over the years and there are four agencies that are providing these services, so whenever one is required to provide more workers, they do so. There has never been a shortfall in the service to the end user.

1820 **Hon. Dr K Azopardi:** There must be a rationale as to why they are putting contracts in place, so the Minister must agree that ... Presumably it is now convenient to put contracts in place. Isn't that the case? If there are no written contracts in place, what is the yardstick for the performance of the service if things are not stipulated that need to be provided? If the end user is to be protected, does the Minister not agree that it is better to delineate the services in a clear form?

1825 **Hon. G Arias-Vasquez:** Madam Speaker, as I have said, the relationship between the parties has evolved over the years and it is my view that it is best caught in a contract, but the relationship is one that is best caught in a contract now, in the same way that legislation can sometimes be picked up at a later point. However, that does not mean that the service has not been provided.
1830 There is a constant relationship with each of these entities. The review of the service is an ongoing review between the Care Agency and each of the agencies providing these services.

Hon. Dr K Azopardi: On the Meddoc contract, or the expenditure that the Minister has detailed, which goes from £54,000 in 2018-19, I think she said, to date in 2023-24, £2.5 million,
1835 more or less – which sites is that in relation to?

Hon. G Arias-Vasquez: Madam Speaker, care workers are provided by the Care Agency on any one of the sites as and when required. It is not that one service provider provides carers to one site. It is as and when. It is a very fluid relationship between the parties.
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Hon. Dr K Azopardi: So, as an example, it is not that Meddoc provides care workers in Bella Vista. There might be care workers provided by Meddoc, by Rainbow and by Grand Home Care all on the same site. Is that what she is saying?

1845 **Hon. G Arias-Vasquez:** Madam Speaker, Bella Vista is a bad example because Bella Vista is run by the ERS, and that is one of the specific contracts which are not under the Care Agency and ERS contracts, so that is entirely different, but to my understanding care workers are provided on an as-and-when basis as and when required by each of the agencies.

1850 **Hon. Dr K Azopardi:** Okay, but can I just ask, because perhaps I misunderstood the original answer ...? I thought she had said that the numbers that she provided were Care Agency. Is that right? Or was it Care Agency and ERS? Is it both, or just Care Agency?

Hon. G Arias-Vasquez: For clarification, Madam Speaker, these numbers are Care Agency
1855 numbers.

Hon. Dr K Azopardi: I see, so it is not ERS. So if, for example, Bella Vista is an ERS contract, the Bella Vista cost is not included in those numbers that she has given us – is that correct?

1860 **Hon. G Arias-Vasquez:** Madam Speaker, that is correct and I believe there is a further question later on which deals with that.

1865 **Hon. Dr K Azopardi:** Okay, but just staring at the question – Question 114 – it says, ‘Could the Government provide a detailed breakdown of all subcontracted entities currently providing carers to the Care Agency and the Elderly Residential Services ...?’ so we had anticipated that it would be answered here.

1870 **Hon. G Arias-Vasquez:** Madam Speaker, in relation to ERS, the services are subcontracted, so the carers are not subcontracted by the ERS. There is an important distinction to be made there. The ERS does not subcontract carers, it subcontracts a service. The Care Agency subcontracts carers.

1875 **Hon. Dr K Azopardi:** Okay, but the question asks for a detailed breakdown of subcontracted entities currently providing carers. That, with respect, does not make the distinction that the hon. Member has just drawn. By pocketing entities that provide services and making a distinction with those that provide carers ... That is not a distinction drawn by the question. If, for example, Meddoc is providing services to Bella Vista under the contract, they are also, presumably, providing carers, aren’t they? They must be providing people as well.

1880 **Hon. G Arias-Vasquez:** Madam Speaker, the information that the hon. Member is seeking is provided later on. I can provide you with that information here and now if you would like me to provide you with that information here and now, but the question is asked more specifically later and it is provided later on. It is at Question 119.

1885 **Hon. Dr K Azopardi:** I see, but can I just ask this, because Question 119 is about Meddoc and that would not capture any other ERS contract with any other entity: is there any other entity not covered by Question 119?

1890 **Hon. G Arias-Vasquez:** No, the ERS only subcontract to Meddoc. There is no other entity which the ERS subcontracts to. The Care Agency subcontracts to these four companies.

Madam Speaker: The Hon. Mr Clinton.

1895 **Hon. R M Clinton:** Thank you, Madam Speaker. The Minister has told the House that there are no contracts. Can I ask the Minister, then, on what basis payments are made? One of the providers, I think she said, received something in the order of £10 million in a year. How are payments determined, or how are valid invoices accepted in the absence of a contract? How does this work in practice?

1900 **Hon. G Arias-Vasquez:** Madam Speaker, in practice, invoices are received, they are vetted by the Care Agency, they are confirmed true or otherwise, and then they are paid.

1905 **Hon. R M Clinton:** Yes, Madam Speaker, but how are the invoices vetted? They must be vetted against something. How is the person vetting able to determine whether the invoice is subject to an agreement of sorts? When I say agreement, there must be something that would validate whether that invoice is correct or not. What is it that has been used to do this, because if there is no contract ...? I do not know whether she means there is no written contract but there has been some informal verbal agreement over years, but there must be something, or some internal memorandum that somebody has produced somewhere saying, ‘These are the rates we will pay and it has been agreed on such and such a date.’ Otherwise, is she asking us to believe that somebody just receives random invoices from these service providers and pays them with nothing?
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1915 **Hon. G Arias-Vasquez:** Madam Speaker, that is exactly what does not occur. There is an hourly rate that is agreed between the parties. There is also an agreed procedure for when a patient leaves hospital, for example, and requires domiciliary care. The patient leaves with a package of care with a stipulated number of hours. That stipulated number of hours is then confirmed. That is then reviewed and everything is recorded in detail. So we have a record of, for example, the packages of care, the hours that are worked, and that is then reviewed and made sure that the numbers work. So it is not that someone picks up an invoice and pays that invoice. There is a procedure whereby the hours worked are checked against the hours that are approved, and those hours approved are then put against an hourly rate.

1925 **Hon. R M Clinton:** Precisely, which is what I would expect to happen where you have a contractual arrangement. So the hourly rates must have been agreed in writing – is that not the case?

Hon. G Arias-Vasquez: Yes, Madam Speaker, that is exactly the case. There is no actual contract, but the hourly rate was agreed in writing.

1930 **Madam Speaker:** The Hon. Mr Bossino.

1935 **Hon. D J Bossino:** I am grateful, Madam Speaker. The hon. Member has been dwelling upon the payment arrangements and the effects of tariffs and the hours that have to be provided to a particular ... service users and all the rest of it. That can be a partly written contract, partly oral and all the rest of it. The bigger concern that I have is perhaps the macro issues between both parties. In other words, things like obligations, liabilities, warranties, covenants and all the rest of it. Presumably that is what she now wants to address after a period of negotiation with the service users and to reduce all of that in a written contract, which is the Government's aim.

1940 Can I ask her, in relation to that, when she expects to be in a position to sign off on these contracts? How far advanced is she in the negotiations and in drafts and all the rest of it? Is it imminent, or is it going to take another x number of months, or indeed years? Given the payments which are being made, certainly on this side of the House we consider that it is all rather unsatisfactory.

1945 **Hon. G Arias-Vasquez:** Madam Speaker, unfortunately, it is not possible to say. We are in a process of trying to get through this as quickly as possible. It is not possible to set a direct deadline for this.

Madam Speaker: Next question.

Q115-16/2024

Care Agency service provision –

Contracts with private entities; monitoring and regulation re service standards

1950 **Clerk:** Question 115. The Hon. A Sanchez.

1955 **Hon. A Sanchez:** How many contracts have been entered into between 2012 and 2023 between the Government/Care Agency with any private entity for the provision of care services, providing (a) a list of these contracts; (b) an overview of services provided and the value of the consideration paid in respect of each; and (c) a copy of the service agreements and corresponding tender documents of each?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

1960 **Hon. G Arias-Vasquez:** Madam Speaker, I will answer this together with Question 116.

Clerk: Question 116. The Hon. Sanchez.

1965 **Hon. A Sanchez:** How are subcontracted agencies providing services to the Care Agency independently monitored and regulated to ensure standard of services?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

1970 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, as I have just confirmed, the Care Agency does not have any contracts with any private entities for the provision of care services.

As the hon. Member may appreciate, Madam Speaker, I am unable to share copies of the commercial contracts across the floor of this House. The Government, however, is committed to ensuring the implementation of a system to deliver the standards of the Care Quality Commission.

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Hon. A Sanchez: I am happy to hear that the Government is committed to implementing a Care Quality Commission, but my question is at present how are these subcontracted agencies independently monitored and regulated. As the hon. Member has just explained in the previous question, you have centres and facilities that have carers from various different subcontracted agencies delivering care, and at present it does not seem that there is any independent body regulating any of them. On top of that, she confirms that there is no contract or detailed technical specification of the services required, so it does not seem to me that there is anything that is independently monitoring the standards of care. Maybe she can elaborate on how this is being done presently.

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Hon. G Arias-Vasquez: Madam Speaker, currently, in the absence of a Care Quality Commission, care workers are subcontracted to provide domiciliary home care support in people's homes. The agencies have supervisors who monitor the services and provide feedback and raise any concerns to the Care Agency. In addition, monthly meetings are held between the Care Agency and any of these companies.

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The Care Agency also provides these agencies with a care plan individually tailored to each client, to ensure that carers are aware of the services that are required in each and every home. Staff at the subcontracted agencies have a QR code, where they log in and out of their working day. All packages of care more than 21 hours are reviewed to ensure that the clients receive the appropriate care for their needs and the views of the clients and relatives are also taken into account. Complaints, as I confirmed before, are also taken into account and reviewed.

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A survey has also been conducted by the Care Agency and these companies, which allows clients the opportunity to express their views and provide feedback on services received. Most of the feedback received has been positive. There were a few minor issues raised, where clients wanted to change the times of their services, and, whenever possible, this has been accommodated.

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Care workers are also engaged to support care provision in learning, disability and children's services, and work alongside directly employed care workers. The agency care workers also have the same level of supervision as employed care workers. The Care Agency is involved in the recruitment and selection of agency care workers, and has regular meetings with the agencies to review any concerns raised. Should there be any instance where care provision is not to the standard required, the agency removes the carer. The Care Agency has a code of conduct for health and social care workers. All staff are subject to this code of practice. In the interim, that is what is being done.

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2010 **Madam Speaker:** The Hon. the Leader of the Opposition.

2015 **Hon. Dr K Azopardi:** I am just trying to understand the consistency between the original answer, if I may, and the previous answer to the question. As I heard the hon. Lady, she said that the Care Agency does not have contracts providing care services – I think that was the original answer – but in the previous question she detailed a breakdown of entities providing carers to the Care Agency, so presumably there are ... Are we stuck on the word ‘contracts’? Is that what it is? There is an agreement to provide certain services – carers – to the Care Agency, because she has given us figures in respect of Meddoc, Rainbow, Grand Home Care and We Care. So how can it be that there are no contracts providing care services? Surely there are agreements.

2020 **Hon. G Arias-Vasquez:** Madam Speaker, there is no written contract. There are agreements and, as I explained previously, the agreements have evolved during the years that these agencies have been used.

2025 **Hon. Dr K Azopardi:** That is helpful. There are agreements. There may not be written contracts in what a commercial lawyer might interpret in a big document of 50 pages, but there must have been an exchange of letters or emails detailing services and hourly rates and things that would be provided in respect of carers to the Care Agency. That kind of written information must exist, surely.

2030 **Hon. G Arias-Vasquez:** Madam Speaker, yes, there is exchange of emails, there is confirmation of the hourly rates etc. There is no written contract in the way that a commercial lawyer would understand there is a contract in place. There are procedures. I have just highlighted the procedures that the Care Agency goes through to make sure that there is a certain standard in the care that is provided, but what is meant is that there is no written contract. The relationship has evolved, practices have evolved, and the basic terms such as ... the hourly rate is an agreed rate between the entities.

2040 **Hon. Dr K Azopardi:** Can I just clarify, then, because the hon. Lady has asked about the contracts, and the original answer says there are no contracts, but we are now agreeing that there are agreements evidenced in writing and the Hon. Minister has given us specific sums for the period 2018 right through to 2024, but this question, Question 115/2024, asks for the period 2012-23. In relation to the period 2012-23, there would have been expenditure in respect of these services to entities. Does she have those sums?

2045 **Hon. G Arias-Vasquez:** Madam Speaker, in the period 2012-24, the total figures for each of the entities are as follows: Meddoc, £6,523,160.73; Rainbow Services, £49,659,897.28; Grand Home Care, £5,373,738.72; and We Care, £409,114.69. There is a slight nuance there because the period of 2012 to 2015 are the figures for the Care Agency and the Elderly Residential Services. After that, it was split out, and these are the figures for the Care Agency alone.

2055 **Hon. A Sanchez:** In respect of the original question, Question 115, the hon. Member says that she cannot provide a list of the contracts because the contracts do not exist; there are no contracts in place. I assume that she cannot provide a copy of corresponding tender documents either. That is part (c) of the question. There are no tender documents to provide because they do not exist either, and there is no copy of a service agreement because that does not exist either. She has left that part of the question out. And an overview of the services provided – that is part (b) of the question – she cannot provide either, because she seems only to have answered the part on the contracts, saying that there are no contracts in place with any of the subcontractors.

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2065 **Hon. G Arias-Vasquez:** Madam Speaker, I never avoid answering any questions and I never avoid giving any information. There are no tender documents, and the – (*Interjection by Hon. A Sanchez*) There are no contracts, there are no tender documents. A relationship has evolved over the years. I can repeat the same information again: the relationship between the parties has evolved over the years but there is no written contract and there are no tender documents.

2070 **Hon. A Sanchez:** [*Inaudible*] Are there cases where the sum has exceeded the tender thresholds, they have not gone out to tender, so they have not gone through the procurement regulations. That is what you are stating.

2075 **Chief Minister (Hon. F R Picardo):** No, Madam Speaker, that is not what we are stating, because there is an argument that the contracts are contracts for each of the care packages required, and probably each of them would not exceed the tender thresholds. I say ‘probably’ because there may be one where there is care provided for somebody who needs care 24 hours a day, and that may be in excess of £2,000, but what you have here are all of the companies that provide this service in Gibraltar. In other words, it is not that we have chosen one over another company. These are all of the companies in Gibraltar that provide this service, and all of them provide it to the Government. So there is not anybody in the market who has not got a contract from the Government in this respect. Quite the opposite. In fact, it is important to highlight that there was another player in the market called Grand Home Care, and that entity no longer exists in the market. What happened here – and I do not want to pre-empt another question that is on the Order Paper – is that the Government felt that it was being overcharged for the services that were being provided to the Government, and what the Government did was negotiate with all of the players in the market to reduce the amount that the Government was being charged, in other words to get the best deal for the taxpayer. What we have seen, which we have talked about before in this House, is that the Government has invested hugely in the provision of domiciliary care and the provision of care to those in our community who need it, when we inherited a spend of approximately £300,000 a year and we are now spending, in some years, in the region of eleven or twelve million pounds. That is what we are saying, Madam Speaker.

2090 **Madam Speaker:** Any more supplementaries? Yes, Ms Ladislaus.

2095 **Hon. J Ladislaus:** I am going back to ensuring standards of service, so Question 116. We have heard about and we welcome the development of a Care Quality Commission, which was certainly a manifesto commitment of ours as well, but I take the Hon. Minister back to ensuring standards of service. Part and parcel of ensuring those standards is that issues of continuity are dealt with. There are many members of our community who flag issues of continuity, and by that I mean that they get a different carer often coming through, so that you build a rapport with one carer and then suddenly you get a separate carer. There are very high numbers of carers coming through the doors of some individuals. My question is will the Government commit to addressing the issue of lack of continuity of care as part and parcel of ensuring standards of service?

2105 **Hon. Chief Minister:** Madam Speaker, I appreciate that the hon. Lady has not been in this House before, but the things that we have said in this House before are publicly available information. Just because somebody has not followed the debates and has not followed the information being provided in this House, it does not mean that it is not publicly available information. The Hon. the Father of the House was very kind earlier on when he said, ‘Although the hon. Lady may not be aware, this is what we have said before.’ We have dealt with this issue of continuity before on a number of occasions in this House.

2110 The Government’s position is this: we believe that we should have, where possible, home-grown carers, and therefore we are training carers so that, where possible, Gibraltarians take the job of carers. The unions support us in that respect. For that reason, we do not give long-term

contracts in care to those who are not necessarily resident in Gibraltar. This is a longstanding rule which has applied also in other areas of our community – for example, in terms of policing and in terms of working in the Hospital there is a residence requirement in terms of those who get long-term contracts. But there is another side to this coin, which is the employees themselves. It appears that there are some in this community – and we have ventilated this before in this House – who believe that the Government should shackle itself to certain non-resident workers and provide them with long-term contracts, so that they can continue to provide the care to certain members of our community, the reasons for which I understand from the point of view of the members of the community who want to have the same carer. In some instances, the Government is prepared to do that. For example, where you have a vulnerable person who builds a relationship with a carer and finds it difficult to build relationships, then part of providing the care is continuing to provide the same carer, but nobody addresses in that context that the carer might decide to get another job. They are saying the Government should give the long-term contract to the carer so that the carer can continue to provide the care to X, but they would not for one moment insist that the carer, if they get a better job or a promotion prospect, should not be able to go to that better job or get the promotion, even if it means no longer providing the care to X. They are asking the Government to enter into a one-sided obligation, in effect, in circumstances where to do so would mean that we would fail in our manifesto and policy and ideology commitment to always be free to provide those jobs to long-term residents of Gibraltar whom we train to do those jobs, and would put us, in the context of a potential no-negotiated outcome, at the mercy of those who would then say, ‘Now you have long-term contracts with these people they have to be able to get through the Frontier; if they cannot, you are going to have a difficulty,’ but not at the mercy of the individuals, all of whom could, the following day, say, ‘I have got a better job in Algeciras and now I am going, and Mr X’ – or Mrs X or little X – ‘no longer has me as a carer because I have decided I have got another job.’

These carers do hugely important and difficult jobs. They are very draining jobs. We acknowledge that. We understand that. We understand that some people need to move on because they cannot continue to do the jobs that require the level of intensity and commitment that they do, and of course we would not shackle them and say that they could not move on to a promotion or to another job. The hon. Lady needs to understand that that is why we have taken the attitude that we have taken, and that is the issue that we have ventilated before in this House.

Hon. J Ladislaus: I am grateful to the Hon. Chief Minister for the explanation, but it does not deal with what we just heard the Hon. Minister for Health state a few moments ago, which is that even within these three companies that provide the services, carers are sent to different locations on each occasion. Correct me if I am wrong, but perhaps a carer has been to Mr Smith’s house today: that carer might not return tomorrow because they might be a carer from a different company being sent. Is anything being done to address that issue on a practical level? That could go some way to alleviating the issue?

Hon. G Arias-Vasquez: Madam Speaker, the complaints that I raised before are often things like this, the change of carer etc. It is not on a daily basis that people shift around. People are sent to different locations, but not on a daily shift. When someone is with a carer on a longer-term basis and there is a change of that carer and there is a complaint ... those are the sorts of complaints that the Care Agency receives frequently and the Care Agency tries to deal with, insofar as they are able to. As the Chief Minister has said, if the person has moved on to a different job there is very little that can be done, but a large majority of the complaints that the Care Agency receives are in relation to continuity of care, and if and when they can, and if they are able to, and if the work continues there, and if the circumstances permit, they will endeavour to try to accommodate that individual.

Madam Speaker: Next question.

Q117-19/2024

Meddoc Ltd –

**Details re contracts in place with any government entity;
service agreements and tender documents**

2165 **Clerk:** Question 117. The Hon. A Sanchez.

Hon. A Sanchez: How many contracts are in place at today's date between the Government and/or the GHA and/or the Care Agency and/or any other government-owned entity with Meddoc Ltd for the provision of services?

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Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, I will answer this question together with Questions 118 and 119.

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Clerk: Question 118. The Hon. A Sanchez.

Hon. A Sanchez: How many contracts are in place at today's date between the Government and/or the GHA and/or the Care Agency and/or any other government-owned entity with Meddoc Ltd for the provision of services, providing (a) a list of those contracts; and (b) an overview of the services provided and the value of the consideration paid in respect of each?

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Clerk: Question 119. The Hon. A Sanchez.

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Hon. A Sanchez: In respect of the Meddoc agreements referred to in the previous question, would the Government provide a copy of the service agreements and corresponding tender documents for each to the Opposition?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

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Hon. G Arias-Vasquez: Madam Speaker, the Care Agency does not hold any contracts with Meddoc Ltd for the provision of services.

ERS, through the GHA, has three contracts with Meddoc Ltd for the provision of services as follows: Hillside, the John Mackintosh Wing and Bella Vista.

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The GHA contracts are for the provision of a managed service for the Elderly Residential Service, which includes nursing, labourers and facilities including catering and domestic care.

With regard to Question 119, the services are for the provision of nursing, labourers, and facilities to include catering and domestic staff. As the hon. Member may appreciate, I am unable to share copies of commercial contracts across the floor of the House.

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Madam Speaker: Any supplementaries? Yes, the Hon. the Leader of the Opposition.

Hon. Dr K Azopardi: Again, to clarify, the hon. Lady says there are no contracts with the Care Agency, but she has, in answer to my previous supplementary, agreed with me, I think, that there are agreements – I am not going to use the word 'contracts', there are agreements – with a number of entities in respect of which she has given figures: Meddoc £6.5 million, Rainbow £49.6 million. So there are agreements between the Care Agency and a number of entities for the provision of some kind of services. Does she agree?

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Hon. G Arias-Vasquez: Madam Speaker, we can enter into semantics. There are no contracts, there are no agreements, there are no written agreements. There are facts on which the

relationships between the parties are governed – let’s put it that way. There is a price per hour that has been agreed. There are certain conventions which have been agreed between the parties as to how the relationship progresses. There is no written email which stipulates how the relationship works. The relationship has evolved over the years, as I have said on numerous occasions previously. There are no written contracts, there are no written agreements, there is no document where the relationship is set out between the parties. It has evolved throughout the years.

2220 **Hon. Dr K Azopardi:** The hon. Lady will forgive me: I thought we had some progress. I do not think it is a question of semantics, with all due respect to her. There may not be a contract in the sense of an identifiable document which is 60 pages long, but if I write an email in response to an invitation setting out rates, and you respond and say, ‘We agree,’ that is an agreement, a contract. What I am rather troubled with is I thought she had agreed with my hon. colleague Mr Clinton that there must be some document where rates are set out. I thought she had agreed with that. Now, in her answer just a few moments ago, she seems to suggest there is nothing.

2225 Can I ask her again? Surely there must be some kind of document, exchange of email or letter in which services are invited and there are rates provided in respect of which there is agreement between the GHA and Care Agency and the entity.

2230 **Hon. G Arias-Vasquez:** Madam Speaker, this is like 101 contract law. There are emails which set out the rates at which the parties agree to provide services. Yes, there are those emails. The rates are agreed. There is no contract. There is no agreement in place between the parties which I can hand over. There is an agreement in place as to the rate. There is an email which sets out an agreement between the parties as to the rate at which they are prepared to work.

2235 **Madam Speaker:** Yes, the Hon. Mr Clinton.

2240 **Hon. R M Clinton:** Thank you very much, Madam Speaker. May I ask, Madam Speaker ...? It may be that the Minister may not be able to answer this, and maybe the Father of House might answer this, but is there anything in an instruction or directive from the Financial Secretary’s Office requiring the purchase of services to be evidenced in writing in some form or manner, so that the Financial Secretary’s Office, the Treasury or the Principal Auditor, God forbid, can actually come back and check the performance of contracts and payments etc? Is there nothing that the Financial Secretary’s Office has issued as a directive requiring such documentation?

2245 **Chief Minister (Hon. F R Picardo):** Madam Speaker, the hon. Gentleman’s question would require encyclopaedic knowledge and analysis of every document that has ever emerged from the Financial Secretary’s Office to understand whether such criteria have ever been set out in writing by the current or any former Financial Secretary, which would require notice in order to try going back to the appointment of the first Financial Secretary to determine whether such a document exists. I can tell the hon. Gentleman that nothing that the hon. Lady has said suggests that there is not such a set of objective criteria for the purposes of determining the payments made in respect of the Care Agency’s payments to these entities.

2250 **Madam Speaker:** The Hon. Ms Sanchez had a question?

2255 **Hon. A Sanchez:** In her initial response the hon. Member mentioned Hillside, Bella Vista and the John Mackintosh Wing. In relation to Bella Vista and the tender awarded to Meddoc for the sum of approximately £1.4 million in 2017, is she in a position to confirm what other tender bid submissions were made under some of these bids?

2265 **Hon. Chief Minister:** Madam Speaker, I think to go back to the financial year 2017 we would need notice of the question. If it is any consolation, we were not asked at the Committee Stage of the Budget debate in that year that question in respect of that expenditure, or the year after.

Madam Speaker: Next question.

Q120/2024
Care Agency and ERS –
Breakdown of individual overtime expenses

Clerk: Question 120. The Hon. A Sanchez.

2270 **Hon. A Sanchez:** Could the Minister provide a breakdown of individual overtime expenses for the Care Agency and ERS, including grade, post and department, for the following years: 2021-22, 2022-23, 2023-24 up to the current date?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2275 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, I now hand over a schedule with the information requested.

Answer to Question 120/2024

Care Agency

Overtime Summary	2021/22	2022/23	2023/24*
	£	£	£
Post:			
Social Workers	12,238.80	32,586.86	33,839.64
Admin	18,846.64	26,605.65	35,076.18
Unit Managers	7,224.04	14,579.67	14,633.30
Care Worker	112,650.00	207,339.28	243,420.30
Nurses	11,935.11	4,302.19	575.87
Other **		1,187.15	3,453.67
Industrials	2,490.04	15,531.01	18,025.96

ERS

Overtime Summary	2021/22	2022/23	2023/24*
	£	£	£
Post:			
Nurses	687,668.54	575,693.86	433,284.39
Industrials	467,719.93	409,259.72	374,327.19

Madam Speaker: All right, we will move on to the next question, so that you have some time to look at it.

Q121/2024
Care Agency Finance Director –
Source of remuneration

2280 **Clerk:** Question 121. The Hon. A Sanchez.

2285 **Hon. A Sanchez:** Regarding the recently appointed Finance Director for the Care Agency as confirmed by the Hon. Minister in the parliamentary session of December 2023, could the Government specify whether this individual receives remuneration from another department or agency or government-owned company other than the Care Agency, and, if so, furnish further details?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2290 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, I can confirm that the same individual has a parallel appointment as Finance and Procurement Adviser to the Ministry for Health, Care and Business. I can further confirm the post holder receives remuneration in respect of this appointment.

2295 **Hon. A Sanchez:** Can the hon. Member elaborate on how much this remuneration is exactly?

Hon. G Arias-Vasquez: Madam Speaker, her remuneration is £82,763 per annum.

2300 **Hon. A Sanchez:** Can the hon. Member confirm whether this vacancy had been advertised?

Hon. G Arias-Vasquez: Not that I know of, Madam Speaker.

2305 **Hon. A Sanchez:** In relation to the previous question asked about the recently appointed Finance Director for the Care Agency, the hon. Member stated that it was before her time and that she was not aware whether this vacancy had been advertised; it was on an interim basis and the recruitment for the selection of this post had not yet commenced. Now she has confirmed that this same individual is remunerated by another department and this vacancy has also not been advertised. Can she confirm when the recruitment process for this second vacancy will be advertised?

2310

Hon. G Arias-Vasquez: Madam Speaker, I am not yet able to do so.

Hon. A Sanchez: Could I ask the hon. Member whether this individual is a local person who has resided in Gibraltar for more than three years?

2315

Hon. G Arias-Vasquez: Madam Speaker, she has not been resident in Gibraltar for more than three years. She is currently resident in Gibraltar and she is not a Gibraltarian. That was the first question, no?

2320

Hon. A Sanchez: I did not ask her whether she was a Gibraltarian; I asked her if she was local.

Hon. Dr K Azopardi: I think you asked 'resident'.

Hon. A Sanchez: Yes, a local resident.

2325

Madam Speaker: In any event, put a question if you have another one.

Hon. A Sanchez: *[Inaudible]*

2330

Hon. G Arias-Vasquez: Madam Speaker, the individual involved has very specific experience. She was a chief finance officer and a deputy CEO in a National Health Trust in the UK. She is highly effective, with a proven track record in strategic delivery at board level. She has held senior positions in acute mental health, learning disability and with ambulance NHS providers across the UK. She has a wide portfolio of responsibilities outside of finance, including procurement, estates, facilities, operational performance and business intelligence. She is troubleshooting for the Ministry and I think she is a valuable asset.

2335

Hon. A Sanchez: Madam Speaker, I am not denying that, but if the vacancies had been opened up, then there would have been a recruitment process and she could have applied along with anybody else who wanted to. That opportunity would have been made available to everybody else, along with all local applicants, and they would have been given that opportunity.

2340

Madam Speaker: Question?

2345

Hon. A Sanchez: Why haven't they carried out this process, and when do they plan on carrying out this recruitment process?

Hon. G Arias-Vasquez: Madam Speaker, we have confirmed that the vacancy will be open in the future, but at present this individual is carrying out the job.

2350

Hon. A Sanchez: Could I ask the hon. Member to confirm whether this individual is related to the Director General?

Chief Minister (Hon. F R Picardo): Madam Speaker, I do not think we talk about relationships in the House in this way, and neither do I think the Government would want to be talking about relationships between people in this way. If the hon. Lady wants to have a conversation behind the Speaker's Chair, we are happy to do so there.

2355

Madam Speaker: Yes, the Hon. the Leader of the Opposition.

2360

Hon. Dr K Azopardi: I am slightly confused, because we are talking about different vacancies and so on. The Hon. Minister gave a figure of £82,000. Is that the all-in remuneration or is it ...?

What sum is it in respect of the total remuneration, and beyond the salary does she get any other benefit in kind?

2365

Hon. G Arias-Vasquez: Madam Speaker, this individual has two separate jobs. She is employed as Finance Director for the Care Agency and she is remunerated as Finance Director for the Care Agency, and she is separately employed as Finance and Procurement Adviser to the Ministry for Health and is remunerated for that separately.

2370

In respect of your second question, she also gets a one off tax-exempt accommodation allowance of £8,500.

Hon. Dr K Azopardi: Is that £8,500 a year? And what is the total salary for both posts?

2375

Hon. G Arias-Vasquez: Madam Speaker, the accommodation allowance is a one-off accommodation allowance. The addition is the amount that I said last time plus the amount I have said this time. *(Interjections)*

Hon. Chief Minister: Well, look it up: it is publicly available information.

2380

Hon. Dr K Azopardi: We are not trying to be difficult with each other, surely. The hon. Lady presumably has the information in front of her. I am told on this side of the House that it might be in the region of £160,000. Is that correct?

2385

Hon. G Arias-Vasquez: Madam Speaker, I am not trying to be difficult. I have the answer in relation to this question. Last time, I provided the answer probably in the region of seventy ... I do not want to commit to it, but it was in that region. So add the figure from last time and the figure from this time, and you get the complete remuneration package for her two separate jobs.

2390

Madam Speaker: The Hon. Mr Clinton.

Hon. R M Clinton: Madam Speaker, speaking as a former accountant, that is a particularly generous. Can I ask the Hon. Minister, given this post does not appear to have been advertised, how was this individual identified and selected for two roles within the service? It just does not seem to make sense to this side of the House.

2395

Hon. G Arias-Vasquez: Madam Speaker, this appointment predates my time in the Ministry, so I am unable to answer that question.

2400

Hon. R M Clinton: Madam Speaker, she represents the Government. Surely someone on that side of the House will be able to answer the question of how this individual was identified.

Hon. Chief Minister: Madam Speaker, the hon. Gentleman asked the question of the hon. Lady. The hon. Lady represents *this* administration.

2405

Hon. R M Clinton: Madam Speaker, without going into semantics, I cannot remember how many times when we have asked questions of a particular Minister the Hon. Chief Minister has stood up and said, 'No, we decide who answers a question.' Either they are the Government or they are not. He has the corporate memory for the Government: surely he can answer the question.

2410

Hon. Chief Minister: I do have the corporate memory for the Government, Madam Speaker, and Sir Joe Bossano has the corporate memory for Gibraltar, in my view. I cannot answer this

2415 question because I was not the Minister involved in dealing with this recruitment. Neither was this recruitment referred to me during the course of the last administration.

Hon. R M Clinton: Madam Speaker, is the Chief Minister telling the House that the recruitment of an individual that was not advertised, with a pay package of £150,000, was not brought to his attention? Is that what he is telling the House?

2420 **Hon. Chief Minister:** No, Madam Speaker, I said I did not *handle* the recruitment process.

Hon. R M Clinton: Madam Speaker, the Chief Minister is obviously aware of the process, but he still is unwilling to tell the House why this particular individual was selected. It is not as if we cannot find local talent to fill these two jobs, and suddenly ... at £150,000 it is probably more than the Financial Secretary officially gets paid. So I ask again: can anybody on that side of the House explain how this individual was identified?

2430 **Hon. Chief Minister:** It is not as much per hour as the Opposition are paid, Madam Speaker, given the number of hours that they perform and the salaries that they obtain. The hon. Gentleman, if he wants to insist, can ask the question as many times as he likes in as many different permutations as he likes, but I am unable to assist the House.

Madam Speaker: Next question.

Q122/2024
Autism spectrum disorder –
Waiting time for referrals for full assessment

Q123-25/2024
Autism spectrum and developmental language disorders –
Numbers of children diagnosed; number with dual diagnoses

2435 **Clerk:** Question 122. The Hon. A Sanchez.

Hon. A Sanchez: Could the Minister provide an update on the current waiting time for referrals for full assessment of autism spectrum disorder at the Gibraltar Health Authority?

2440 **Clerk:** Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, I will answer this question together with Questions 123 to 125.

2445 **Clerk:** Question 123. The Hon. A Sanchez.

Hon. A Sanchez: Could the Government provide the current number of children aged nought to 18 in Gibraltar who hold a diagnosis for autism spectrum disorder?

2450 **Clerk:** Question 124. The Hon. A Sanchez.

Hon. A Sanchez: Could the Government provide the current number of children aged nought to 18 in Gibraltar diagnosed with developmental language disorder?

2455 **Clerk:** Question 125. The Hon. Sanchez.

Hon. A Sanchez: Could the Government provide information on the current number of children aged nought to 18 in Gibraltar who hold a dual diagnosis of autism spectrum disorder and developmental language disorder?

2460

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Hon. G Arias-Vasquez: Madam Speaker, it is not possible to accurately determine a time from referral to full assessment of autism spectrum disorder, as the process involves a multidisciplinary team approach with several steps and can be varied depending on the individual case.

2465

The current number of children aged nought to 18 in Gibraltar who hold a diagnosis for autism spectrum disorder within the primary care electronic patient record is 197.

The current number of children aged nought to 18 in Gibraltar diagnosed with a language disorder within the primary care electronic patient record is 721. This figure includes but is not exclusive to developmental language disorder.

2470

The number of children aged nought to 18 in Gibraltar who hold a dual diagnosis of autism spectrum disorder and language disorder is 97. This figure includes but is not exclusive to developmental language disorder.

2475

Hon. A Sanchez: [*Inaudible*] she does not have the figures of those who have been diagnosed with developmental language disorder only?

Hon. G Arias-Vasquez: Yes, that is right. The figures involved are for language disorder but not exclusive to developmental language disorder.

2480

Madam Speaker: Next question. (*Interjection by Hon. A Sanchez*) Yes, go on.

Hon. A Sanchez: Could the hon. Member clarify whether the assessments and the diagnosis for ASD are given by a qualified paediatric consultant locally employed by the GHA on a permanent, full-time basis, or whether we are reliant on a consultant who comes over every so often to carry out the assessments?

2485

Hon. G Arias-Vasquez: My understanding is that from children aged nought to five the consultant comes abroad once a month – it is once every month she comes over – but for the children aged five to 18 it is either the paediatric team or the Mental Health Service team that approves the diagnosis of autism.

2490

Hon. A Sanchez: And in relation to Government Press Release 89/2020 in February 2020, could the hon. Member confirm if the Multi-Disciplinary Autism Assessment Panel (MAAP) is still functional and whether children are still referred to this panel for assessment?

2495

Chief Minister (Hon. F R Picardo): Madam Speaker, I cannot remember a reference to that press release in any of the questions. To be asked in February 2024 whether something that was said in a press release in 2020 is still relevant I think is something of which we would deservedly require notice.

2500

Hon. A Sanchez: Surely the Minister for Health would know if the MAAP is still functional and whether children are being assessed through the MAAP, even if I do not make reference to the press release of 2020.

2505

2510 **Hon. G Arias-Vasquez:** Madam Speaker, I am unable to confirm whether the MAAP is still in existence or not. What I do know is what is currently in existence. There is a neurodevelopmental pathway, which is the ultimate goal, but the stats show that since October 2023 numerous initiatives have been put in place in order to lessen the waiting lists for children waiting for an autism diagnosis. For example, the number of children with ADOS assessments completed is now 27, the number of children on the ADOS waiting list is 47, and, out of these, 28 have been allocated to the Mental Health Service and 19 to the paediatric therapy team, which is what I made reference to before – that some are referred to the paediatric team and some are referred to the mental health team, depending on a decision made by the clinicians in each instance. The number of children who have attended the multidisciplinary team diagnostic clinic is 18, and the number of children awaiting booking in for an MDT diagnostic clinic is nine. So the initiatives in place and the appointments of the senior paediatric support workers have made a significant difference already.

2520 **Hon. A Sanchez:** Madam Speaker, as this progress is being made can the hon. Member say if we are any closer to the publication of the new autism pathways?

Hon. G Arias-Vasquez: The discussion with the team for the neurodevelopmental pathways is progressing, and yes, we are closer.

Q120/2024
Care Agency and ERS breakdown of individual overtime expenses –
Supplementary questions

2525 **Madam Speaker:** Before we go on to the next question, I am going to revisit Question 120 and ask the Hon. Ms Sanchez, in the first instance, whether you have any supplementaries on that.

2530 **Hon. A Sanchez:** Could the hon. Member elaborate on the measures that are in place to control overtime and TOIL and the protocols put in place to monitor and accurately record these hours, and the expenditure incurred as a result?

Hon. G Arias-Vasquez: Madam Speaker, is that a supplementary question? There is a very similar question later on.

2535 **Madam Speaker:** The supplementary was in respect of Question 120. Is that your supplementary in respect of that question?

Hon. A Sanchez: Yes.

2540 **Madam Speaker:** Question 120 provided a schedule, which I gave you some time to look at. Is there anything arising out of that schedule that you want to ask? That was your question in relation to Question 120? That is the question.

2545 **Hon. G Arias-Vasquez:** As can be seen in the Care Agency figures, there is not excessive overtime here. The overtime is reviewed carefully by each manager, and there is a four eyes policy on it. Similarly, in the ERS, all overtime is reviewed by the managers involved.

Madam Speaker: Next question.

Q126/2024

**Deputyship application process –
Guidance notes and support for parents**

Clerk: Question 126. The Hon. A Sanchez.

2550

Hon. A Sanchez: Is the Government contemplating the release of guidance notes on the deputyship application process, and are there initiatives in place to support parents applying for deputyship as their children reach maturity, aiming to alleviate financial burden relating to fees and legal costs?

2555

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the issue of guidance notes for deputyship applications is a matter for the judiciary.

2560

The Registrar of the Supreme Court issued a Circular to all Chambers – Circular 11/2014 – on 23rd December 2014 containing a Practice Direction by the Chief Justice relating to the filing of applications in the Court of Protection. This can be found on the Gibraltar Courts Service website.

2565

Fees for the filing of applications are set out by the Chief Justice in the Supreme Court Rules 2000. However, a judge may reduce or remit a fee upon request if it appears that owing to exceptional circumstances it would involve undue hardship. Legal assistance to cover legal costs can also be granted in the normal way by the Registrar of the Supreme Court upon application for specified proceedings. No representations have been made to HMGoG by any parent in such circumstances and therefore there is no initiative, other than those described above, in this respect.

2570

Madam Speaker: Next question.

Q127-29/2024

Guardian *ad litem* –

**Criteria re proposal of individuals funded by taxpayer money;
appointments made in court cases where funded by Government or legal assistance**

Clerk: Question 127. The Hon. A Sanchez.

2575

Hon. A Sanchez: Could the Government please state where members of the public can find the criteria used by government agencies to decide whether to propose an individual for the appointment of the role of guardian *ad litem* funded by taxpayer money?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2580

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, I will answer this question together with Questions 128 and 129.

Clerk: Question 128. The Hon. A Sanchez.

2585

Hon. A Sanchez: Could the Government please state what criteria, including experience and qualifications, are used by government agencies when making a decision as to whether an individual is suitable for appointment of the role of guardian *ad litem* funded by taxpayer money?

Clerk: Question 129. The Hon. A Sanchez.

2590 **Hon. A Sanchez:** Could the Government disclose the number of guardians *ad litem* appointed in court cases over the last two years who have been paid for by government agencies and/or by legal assistance?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2595 **Hon. G Arias-Vasquez:** Madam Speaker, persons interested in appointment as a guardian *ad litem* should apply in writing to the Chief Executive of the Gibraltar Courts Service enclosing their CV for consideration.

2600 The Gibraltar Courts Service, with approval of the Chief Justice, approves persons for appointment as guardians *ad litem* who are qualified and experienced in social work or who have other suitable experience and who are not professionally conflicted by other work they may undertake.

Guardians ad Litem have been appointed by the Courts in 13 cases since 1st January 2022 to date. All have been or will be paid by the Gibraltar Courts Service.

2605 **Hon. A Sanchez:** The hon. Member mentions 13 cases. Can she confirm whether it was the same individual appointed for all 13 cases, or whether it was a different individual appointed for the 13 different cases?

2610 **Hon. G Arias-Vasquez:** Madam Speaker, unfortunately I do not have that information.

Hon. A Sanchez: One of the questions was for the Government to disclose the number of guardians *ad litem* appointed in court cases over the last two years. Does she have the number of guardians *ad litem* that have been appointed? I did not ask for the number of cases; I asked for the number of guardians *ad litem*. Does she have this information?

2620 **Hon. G Arias-Vasquez:** Madam Speaker, the way it was phrased is 'guardians *ad litem* have been appointed by the courts in 13 cases'. I am unaware if it is 13 instances of the same individual, 13 individuals appointed or seven individuals appointed twice and one additional one.

Hon. A Sanchez: The hon. Member says 'in relation to criteria and qualifications, social work and other suitable experience'. Can she expand on 'suitable experience'?

2625 **Chief Minister (Hon. F R Picardo):** Madam Speaker, this is not something which the Government decides, and so therefore I would refer the hon. Lady to the references in the Children Act which make it an issue for the judiciary to determine on application whether somebody hits that standard or not. This is not something for which we are answerable. It is a matter in the independent purview of the judge in each case. I am probably addressing that to a person who has had more experience than any of us here.

2630 **Madam Speaker:** I am having difficulty keeping quiet on this. *(Laughter)*

Hon. Dr K Azopardi: Can I ask, just on the on the rates of payment, how does that work? Does the Minister have information on that? What are the rates of payment for those individuals?

2635 **Hon. G Arias-Vasquez:** Madam Speaker, if I can refer the hon. Member to section 92(8)(c) of the Children Act, reference is made there to regulations which set out the payment by the agency of fees.

2640 **Hon. Dr K Azopardi:** I see, so is the Minister saying that the rates would be found in those regulations? Does she have it with her, or is she referring me to those?

2645 **Hon. G Arias-Vasquez:** Madam Speaker, regulations, as the hon. Member is well aware, are public documents and I presume that the rates are set out there as permitted under the Children Act.

2650 **Hon. A Sanchez:** Because I understand that the hon. Member may have misunderstood it by the way that it was written, would she be able to send me the number of guardians *ad litem* currently on the register at a later date?

Hon. G Arias-Vasquez: Madam Speaker, I do not think the question was misunderstood. The question is answered as the question has been asked. If the hon. Member wishes to write to me, I am very happy to clarify any doubts that she may have.

2655 **Hon. Dr K Azopardi:** With respect, if there was a misunderstanding, we suggest the misunderstanding was on the Government side because it says, 'Could the Government disclose the number of guardians *ad litem* ...?' The *number* of guardians *ad litem*. The Minister has responded with the number of cases in respect of which there has been a guardian *ad litem* appointed. That is a different answer. What we have asked is 'disclose the number of guardians *ad litem*'. So, with respect, we think we should not be writing to the Government. We invite the hon. Lady, who has misunderstood the question – or her officials – to write to us with the answer to the question that we posed.

2665 **Hon. Chief Minister:** Madam Speaker, we completely disagree. We think that the wording of the question does not lead to the conclusion that the hon. Gentleman suggests. We think we have answered it properly. We think we have answered it in a way that gives them the information that they want, and if they think that we have not, they have the option of either writing to us and setting out in a clearer way what it is that they want, or asking the question next time in a clearer way and we will provide it.

2670 **Madam Speaker:** Any other supplementary, or I will move on to the next question?
Next question.

Q130/2024
Maritime fuel –
Plans for diversification

Clerk: Question 130. The Hon. G Origo.

2675 **Hon. G Origo:** Madam Speaker, does the Government have any plans to diversify from the sale of fossil fuel trade and move away to cleaner fuels like ammonia in line with the reported trends from the global maritime industry?

2680 **Clerk:** Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, HM Government of Gibraltar is making significant progress in supporting the transition of the maritime industry towards greener fuels and ultimately transitioning away from fossil fuels. It must be

noted, however, that the advent of greener fuels such as ammonia are at the nascent stages, in the same way that possible other greener fuels include methanol and hydrogen, among others.

2685 HM Government of Gibraltar, through the Gibraltar Port Authority, is keeping up to date with developments in the industry as the pilot schemes testing the viability of these new fuels and, more importantly, the source of these new fuels is being explored.

2690 As an example, the hon. Member mentions ammonia, and whilst ammonia is readily available as a manufactured product in support of agriculture in industrial quantities, this type of ammonia is considered brown ammonia. Its manufacture comes at a very significant cost in terms of greenhouse gas emissions and other impacts to the environment, thereby negating any benefit from transitioning to this fuel from a climate benefit perspective.

2695 The interesting developments which are being trialled at this point involve green ammonia and blue ammonia. Green ammonia is ammonia that has been produced in a 100% renewable and carbon-free process. Blue ammonia is a different manufacturing process that involves production of ammonia with the addition of carbon capture at the manufacturing stage. These are the forms of ammonia that can potentially deliver significant climate benefits to shipping and many other sectors. Unfortunately, at present, production of both blue and green ammonia are at small-scale trial stage, which, although offering promise, are still pending development into large scale processes to meet the demands of the maritime industry. A similar situation exists with regard to other future fuels such as hydrogen and methanol.

2700 In the meantime, HM Government of Gibraltar is proud of the role that Gibraltar plays in facilitating and supporting the transition towards greener fuels in the present. Gibraltar is one of the very few ports worldwide that can offer both conventional fuels as well as LNG fuel and biofuel deliveries to vessels opting to take up these currently viable fuels, which are already available in industrial scale, to reduce their environmental impact. In particular, LNG is a fuel which is readily available and has a significant part to play in the energy transition, whilst the biofuel scenario is seeing greater uptake and consequently a significant ramping up of production capacity worldwide.

2710 Madam Speaker, we continue to work together with the industry to make sure we are ready to support the maritime sector once these new fuel solutions achieve the level of maturity required for their uptake as a mainstream fuel for the maritime industry.

2715 **Madam Speaker:** Next question.

Q131/2024
Electricity generated in Gibraltar –
Breakdown by source

Clerk: Question 131. The Hon. G Origo.

2720 **Hon. G Origo:** Can the Government provide details as to the actual amount of electricity generated in Gibraltar in megawatts between the period of the first day of January to the 31st day of December, broken down by the source from where the electricity was generated, for the following years: 2019, 2020, 2021 and 2022?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2725 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, I now hand over schedule with the information requested.

Answer to Question 131/2024

Answer to Question 131

The total amount of power generated from the 1st day of January to 31st day of December for 2019, 2020, 2021, and 2022, is shown in the table below in MWh:

Year	Total
2019	226,315.55
2020	224,907.73
2021	226,206.64
2022	225,647.34

The totals provided are further broken down by source in the table below in MWh:

Year	North Mole Power Station	Energyst (North)	Energyst (South)	South District Power Station	SO Energy	Gibraltar Mechanical & Electrical Services Ltd	Himoinsas	Waterport Power Station	Renewable Energy
2019	85,753.10	82,779.34	24,936.30	14,082.58	285.68	86.22	284.32	17,076.90	1,031.11
2020	149,675.80	62,073.92	8,011.57	956.14	-	-	-	2,925.60	1,264.70
2021	182,315.40	41,383.74	609.93	-	-	-	-	-	1,897.57
2022	188,892.00	33,917.86	673.96	-	-	-	-	-	2,163.52

Note that the fuel combusted at the North Mole Power Station is almost in its entirety natural gas.

Madam Speaker: Whilst we give you time to consider that, we will move on to the next question.

2730

Clerk: Question 132. The Hon. J Ladislaus.

Chief Minister (Hon. F R Picardo): Sorry, Madam Speaker, I know we are about to change subject and that the Hon. the Minister for Health, Care and Business and just about everything else has a large number of questions left, which I do not think we would be able to get through today if we were to try to continue to plough through them. I was going to propose that after this question we should adjourn until tomorrow at three o'clock, deal with my questions, and then, after that, deal with the balance of the questions due to the hon. Lady.

2735

I am conscious that there may be supplementaries on this one, and you may therefore want to consider allowing those supplementaries, and then I would move the adjournment.

2740

Madam Speaker: The Hon. the Chief Minister is referring to Question 131, taking supplementaries on that now before introducing a new question.

2745

Hon. Chief Minister: Before I move the adjournment.

Madam Speaker: All right. Are you in a position to formulate any supplementaries? Yes, the Hon. Mr Origo.

2750

Hon. G Origo: I am grateful to the hon. Lady opposite for the breakdown of the table provided, and I can see, from the statistics that have been given, the numbers are much in line with those that were provided for the year 2022-23, so I put the following question with the following preamble to the hon. Lady.

2755 In 2019, the Gibraltar Parliament declared a state of climate emergency. We enacted
legislation to tackle this climate emergency and made the commitment to reach net zero by 2045.
Given that we have only been averaging 1% in renewable energy output for the last five years, can
the Government really say that it is taking this climate emergency seriously?

2760 **Hon. G Arias-Vasquez:** Madam Speaker, yes, we are.

Hon. G Origo: I am grateful. Madam Speaker, I refer to the Climate Change Strategy of 2021,
where the Government published its ambitious plans to increase the share of Gibraltar's
renewable energy to 20% by 2025, 50% by 2030 and 70% by 2045. What steps will the Government
be taking to reach these targets, given that the first target enshrined is 20% by 2025 and is now
2765 just some months away, and we are currently only averaging 1%?

Hon. G Arias-Vasquez: Madam Speaker, we are taking steps constantly to improve our solar
power and discussions are currently taking place with numerous big players to provide a bigger
proportion of solar energy in particular.
2770

Hon. G Origo: I am grateful. Madam Speaker, would the hon. Lady opposite not then agree
that given the target of 20% by 2025 just being some months away, and the fact that we are
currently at 1%, this target is actually not going to be attainable?

2775 **Hon. G Arias-Vasquez:** Madam Speaker, not necessarily.

Hon. Dr K Azopardi: Will the Minister agree that given the figures that my hon. colleague has
just put in his supplementaries, a number of supplementaries, and given the target that the
Government has, there have to be radical improvements next year for them to get anywhere close
2780 to their target? Isn't that the case?

Chief Minister (Hon. F R Picardo): Well, Madam Speaker, there has to be an improvement of
19%. It does not seem so radical to me that we might be able to get very close, because once you
prove the concept you can move very quickly to increase the amount that you take. In fact, I was
2785 trying to identify the article I had read, to refer to the hon. Gentleman privately, that there is now
a huge improvement in the type of solar panel that you can use, and the solar panels of the future
produce more than 20 times the power that the current solar panel produces, and those solar
panels of the future are going into production already. So it might not be so radical a change that
is required.

2790 We do not agree that there are just months to go, because when you say there are just months
to go, as has been said in one of the two supplementaries that we have had on this subject – and
obviously a number of supplementaries have been asked, but in the two supplementaries that we
have had – actually, by our count there are closer to 22 months left than just months to the end
of 2025, which was when we would have to meet the target. We would hope that in trying to
2795 meet the target we would have the full and fulsome support of all Members of the House.

Hon. C Sacarello: Madam Speaker, I think this reflects the Government's lack of willingness to
look at diversification of the portfolio of renewable energy, but wouldn't the Hon. Chief Minister
agree that it might make sense to implement the long talked about smart metering system, which
2800 would enable individual households to contribute to the grid and reduce the strain on government
resources? Smart metering was something mooted in 2017. I have had personal experience and
discussions with Minister Cortes on this and it is something which to date, to my knowledge, has
yet to be rolled out large scale. So my question is: will the Government be implementing this; and
if so, how soon will the smart metering be implemented?
2805

Hon. Chief Minister: Madam Speaker, my understanding is that we are already rolling out smart meters and that the new meters are smart meters, so we do not accept that we are not committed, far from it. In fact, we are totally committed. That is why we are the ones who brought the motion on the climate emergency to the House, that is why the Father of the House, in the course of his speech, which dealt with the economics of the future of Gibraltar, not just the public finances, dedicated an important part of his speech to the issue of the climate emergency, that is why we have been taking steps in this direction for some time, and that is why G1 is now an electric vehicle and not a diesel-burning or petrol-burning vehicle: to show our commitment to these issues, both in terms of the emissions that we create when we generate electricity and the emissions that we create when we use vehicles. And so the hon. Gentleman's premise, which is that we are not committed to dealing with the climate emergency, is a false premise, which we do not, for one moment, accept.

Hon. C Sacarello: Madam Speaker, I would like to thank the Hon. Chief Minister for his reply. Whil Hon. C Sacarello: st I do not disagree that the Government is committed – clearly the Bill was passed – what I am questioning is the practicality of the rollout and their commitment in terms of results, because at the end of the day it is a results-driven process that leads to success in this particular area. As a result, I re-ask the question: when will the smart metering allowing individual households to feed electricity back into the system be rolled out across all of Gibraltar?

Hon. Chief Minister: Madam Speaker, the hon. Gentleman now has not repeated his question, although he said what he was doing was repeating his question. He asked us when we were rolling out smart meters. Now that I have told him that we are starting to roll out smart meters, he has asked me when we are going to roll them out across the whole of Gibraltar. It would be impossible for any Government of any party political complexion to roll out smart meters across the whole of Gibraltar: first of all, because you could not get them; second, because it would cost hundreds of millions to do so; and third, because you would not have the manpower to do so. Rolling them out means what? Rolling them out in one month, so that the whole of Gibraltar has them in one month, or rolling them out over 150 months, which is 12 years? The hon. Gentleman is being insufficiently precise in the way that he is postulating his question, which shows that his thinking on these issues is insufficiently precise.

What we are doing is trying to hit the deadlines in the climate emergency legislation that we brought to this House. We are committed to doing so. We think that this is the right way to do so. Diversification of different forms of renewable energy is an issue, but it is a complex issue in Gibraltar. The tidal energy work is not yet sufficiently mature to be able to bring it to Gibraltar. Wind energy in Gibraltar is not as easy as it is around us. Solar is the most reliable. Solar is improving. Already, we are producing a serious percentage from solar. We think we can produce even more. The Minister for the Environment is not here. He has this data also at his fingertips.

Madam Speaker, we believe that we are not just committed, we are rolling out in the right way. We will hit the targets, we are committed to hitting the targets. We know that having implemented our LNG power station, although that is a fossil fuel, we are emitting a lot less noxious fumes, and we know that therefore we did the right thing when we stopped the grimy, smelly, diesel power station that they wanted to put at the Upper Rock Nature Reserve, in the area of Lathbury, which would have blighted the views to the south. We think we are doing the right thing, and the public, on balance, thought we were too. That is why we are here and they are there.

Hon. C Sacarello: Madam Speaker, I am grateful. That was a very elaborate answer involving a lot of smoke and mirrors, but can I ask the Hon. Chief Minister to confirm when individual households will be able to feed back into the grid?

2860 **Hon. Chief Minister:** Madam Speaker, that is a completely different question, and to preface
it by a suggestion that somehow my answer involved smoke and mirrors is only to try to break
down the detail of what I am talking about. The smoke I was talking about was the smoke that
would have been emitted from the diesel generating sets that they were committed to. The
mirrors are the solar panels that we are using to generate electricity. I assume that is what he is
saying. He has moved the question on to far beyond what the original question is. If he wants to
know when we will have the ability for each household in Gibraltar to generate its own electricity
and feed it back into the grid, I am afraid I am not able to tell him when we will be able to do that
2865 because the majority of people in Gibraltar live in flats and they would find it very difficult to set
up solar panels unless they do it on their balconies or on their windows.

Madam Speaker: We will not take any more questions today.

Adjournment

2870 **Chief Minister (Hon. F R Picardo):** Madam Speaker I move that the House should now adjourn
to tomorrow at three o'clock to deal with questions to me and thereafter to continue and finalise
the questions to the Hon. Minister for Health, Care and Business.

Madam Speaker: I now propose the question, which is that this House now adjourn to
tomorrow at 3 p.m.

2875 I now put the question, which is that this House do now adjourn to tomorrow at 3 p.m. Those
in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to tomorrow at 3 p.m.

The House adjourned at 7.35 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.02 p.m. – 7.00 p.m.

Gibraltar, Thursday, 22nd February 2024

Contents

Prayer	3
Standing Order 7(1) suspended to proceed with Government Statement.	3
Questions for Oral Answer	5
Chief Minister	5
Q217-19/2024 Customs Boat Section – No patrols over recent weeks	5
Q220/2024 Grand Battery House – Future use and management	8
Q221/2024 Gibraltar Football Association – Loans made; purpose; repayment agreements.	9
Q222/2024 Royal Gibraltar Regiment – Act; Pensions regulations; and others	11
Q223/2024 Import Duty – Collected for January 2024	12
Q224/2024 Credit Cards – Issuance to public servants or Ministers	12
Q225/2024 Public Audit Bill – Coming to Parliament.....	13
Q226-231/2024 Treasury Department – Monthly reconciliations.....	14
Q232/2024 Gibraltar Air Terminal Limited – Latest audited management accounts	17
Q233/2024 Gibraltar Investment Holdings Limited – Breakdown by financial years	18
Q234-241/2024 Pensions Act Amendment – Actuarial advice sought	20
Q242/2024 Sir Joshua Hassan House – Plans	27
Q243-244/2024 Hassan Centenary Terraces – Prevention of spraying cements.....	28
Q245-248/2024 Red ID Card issuance – Calendar years 2016-2023	31
Q249/2024 Meddoc Limited – Principal Auditor’s report	32
Q250-51/2024 Global Health Insurance Card – UK-EU Trade and Co-operation Agreement	34

Health, Care and Business.....	36
Q132/2024 GHA Dentists – Children’s time slots	36
Q133/2024 Dental nurses – How many currently employed	37
Q134/2024 Prosthetic limbs – Numbers; external providers	38
Q135/2024 Occupational Therapists – Vacancies opened	39
Q136/2024 Crisis Intervention Team – Mental health service users.....	40
Q137/2024 St Bernard’s Hospital – Mental health A&E; facilities and staff.....	41
Q138/2024 GHA General Stores – Stock-taking controls.....	42
Q139/2024 GHA service contracts – Up to date.....	44
Q140/2024 GHA Departments external services – Arrears owed	45
Q141/2024 Annual leave – Administration and management	46
Q142/2024 Approval of overtime – Mechanisms in place	47
Q143/2024 Overtime payments – Totals paid	48
Q144/2024 Ambulance refitting contract – Going out to tender	49
Q145-150/2024 BESS batteries – Supplier	50
Q151/2024 Power cuts – Power station; distribution network faults.....	51
Q152/2024 Liquefied/LNG natural gas – Average power station escapes	53
Q153/2024 Power’s Drive Tunnel incidents – AquaGib’s health, safety and contingency plans	54
Q155-156/2024 Casemates Square – Dates of meetings; stakeholders’ inclusion	55
Q157/2024 Main Street Consultative Group – Formation; members; objectives.....	57
Q158/2024 Alzheimer’s and dementia – Early detection	58
Q143/2024 Supplementaries	60
Q159/2024 Fireworks (Control) Act – Commencement	62
Q160/2024 COVID boosters – Numbers administered in 2022-23.....	63
Q162/2024 Births in Gibraltar – Calendar years 2018 to 2023.....	64
Q163/2024 Pharmacy identity – Name and ultimate owners	64
Questions for Written Answer	65
Adjournment	68

The Gibraltar Parliament

The Parliament met at 3.02 p.m.

[MADAM SPEAKER: Hon. Judge K Ramagge GMH *in the Chair*]

[CLERK TO THE PARLIAMENT: J B Reyes Esq *in attendance*]

PRAYER

Madam Speaker

Standing Order 7(1) suspended to proceed with Government Statement.

Clerk: Meeting of Parliament, Thursday, 22nd February 2024.

Suspension of Standing Orders. The Hon. the Chief Minister.

5

Chief Minister (Hon. F R Picardo): Madam Speaker, I beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) in order to proceed with a Government Statement.

Madam Speaker: Those in favour? (**Members:** Aye.) Those against? Carried.

10

Hon. Chief Minister: Madam Speaker, the Government has been monitoring developments in respect of two dutiable commodities in the course of the current financial year. We have been concerned in the case of tobacco to continue to ensure that the price of tobacco in Gibraltar is designed to suppress any potential growth of the illicit market in such products.

15

We are equally concerned to ensure that the market in automotive fuel continues to be accessible to those who need to use their vehicles for work or family purposes. Madam Speaker, a vehicle today is not a luxury; for many it is an essential tool. In the circumstances, Madam Speaker, the Government now makes the following announcements.

20

The duty on each master case of tobacco will go up from midnight last night, that is to say zero hours today, Thursday, 22nd February, by £100. That is the equivalent of 20 pence per packet of 20 cigarettes, £2 per carton, or £10 per 1,000 sticks – the latter being the international customs measure for such duties.

25

This measure is designed to ensure that we keep to the international obligations Gibraltar has acquired in the years that we have been in Government and adds to the battery of measures we have introduced to ensure the control of the tobacco market in Gibraltar. Additionally, in relation to the market in automotive fuel the Government is today re-introducing for another six months the fuel duty discount which had been in place until 31st December 2023.

30

Madam Speaker, we consider that the price competition from around Gibraltar is damaging to suppliers and consumers in Gibraltar in this commodity and for that reason we are taking this step.

Madam Speaker: Does any Member wish to ask any questions for the purposes of clarification?

35

Hon. Dr K Azopardi: Madam Speaker we note the statement. I should say, perhaps, flagging initially that we saw that the Chief Minister was going to make a statement in the Agenda that was circulated at around 2 p.m. today, but we had not had a copy, an advance copy, of the

statement even though the Chief Minister had indicated on a previous occasion that he would try to circulate an advance copy of statements to the Opposition.

And, of course, we understand that sometimes it is not possible for that to happen but it strikes me, having heard his statement, that this is not that kind of statement which was either urgent or something that perhaps did not or was not being conceived of for some time because there must have been thinking on it. So perhaps the Chief Minister might consider responding on that point as to the reasons why that statement was not shared.

We welcome the reintroduction of the fuel duty discount, albeit for the six-month period. It may be something that, in due course, the Government wants to reflect further but we understand that a six-month period would allow them to do that and we welcome that.

In relation to the to the tobacco increases can I just ask for clarification: is this a purely fiscal measure driven by financial reasons or the other reasons that the Chief Minister has said, or is this also something that is related to the ongoing discussions with the EU in respect of a possible new treaty and the parallel discussions, of course, with Spain in respect of such matters?

I am grateful.

Hon. Chief Minister: Well, Madam Speaker, first of all let me say I am pleased to hear that at least the Government can count with the support of the Opposition in relation to the fuel duty discount. I had no doubt that when it came to reducing the cost of something, they would be on our side, at least for now.

On the issue of the tobacco, Madam Speaker, let me tell the hon. Gentleman that what I have said are the reasons, are the reasons. That is to say, in order to control the market in tobacco and to avoid any illicit activity. All illicit activity that there has been in the past has been driven by price and what we are doing is ensuring that we are keeping to the commitments that we have given in respect of, not just price but also quantities.

Hon. Members may recall that there was an investigation involving the European Anti-Fraud Agency, also known as OLAF, some years ago. I think it predates any of them being Members of this House, where there was a commitment from Gibraltar that we would not exceed 10 million sticks a year and all of the issues that we look at relate to those obligations.

So this is a measure driven by the advice we have about the possibility of the Gibraltar market going beyond what we have agreed is the right size of the Gibraltar market in the context of its surroundings, its proper market in the context of its surroundings and its own proper size.

Finally, Madam Speaker, in the context of what the hon. Gentleman said about a statement, I think I have demonstrated since we agreed that we would try and give Members copies of statements during the course of the day in which we expect to deliver them, or earlier, if possible, that we keep to that. This is not such a statement.

The reason I did not share this statement with the hon. Gentleman is because this is a statement which relates to the increasing and lowering of duties; and he will recall from the time that he was in Government, I expect, I do not know whether he was ever involved in the drafting of budget measures and the delivery of a budget speech, I mean in my Government, some of my Ministers get involved. I understand that in Governments led by leaders of the party that Members opposite represent, this was very much something done in a unitary way; that is to say, only one person did it. But in my Government it is a collegiate thing and the only people who knew about these measures were the people who needed to know because it is a measure that relates to how duties will be charged, etc.

So, on this occasion I did not share the statement with him. If the tables were ever to be reversed and a leader of the party that they represent was not at budget time going to make such a statement, we would not expect to be told ahead of the time that such a statement would be made. I would say, with the greatest of respect to the hon. Gentleman, that it did not relate to a lack of confidence between him and me – which, of course, there is a confidence to be able to share information between him and me – but it relates to the fact that if these things get out,

I would have thought the hon. Gentleman would have wanted to be able to say, 'Well, I did not know, so it could not have got out through me.'

90 Because, of course, as he will recall there was one instance, I think, in the past when a budget measure, many years ago, I think the only person who will remember will be Sir Joe Bossano, where a budget measure appeared to have got out, there was a run in a particular commodity and there had to be an investigation of the House as a result of all of that.

95 So for that reason, Madam Speaker, although my statement was ready and was shared with you, it was purposely not shared with him on this occasion because of the nature of the statement, it is not a purely political statement, it is a revenue-raising statement and for that reason it would not have been shared.

Obviously, in relation to fuel, it is slightly different. I would not have expected that if he needed to fill his car, he would not have gone today because he will know it will be cheaper to go tomorrow but because the Government is doing that on purpose.

100 Madam Speaker, I hope that that has dealt with the issues the hon. Gentleman has raised, and I am happy to deal with any other issues that any other hon. Member may wish to raise.

Madam Speaker: Any other hon. Member wish to speak?

105 **Hon. Chief Minister:** In that case, Madam Speaker, I commend my Statement to the House.

Questions for Oral Answer

CHIEF MINISTER

Q217-19/2024

**Customs Boat Section –
No patrols over recent weeks**

Clerk: Chief Minister's Questions.
Question 217. The Hon. J Ladislaus.

110 **Hon. J Ladislaus:** Can the Hon. Minister please state the reasons why there have been no Customs Boat Section patrols in our waters over recent weeks?

Clerk: Answer the Hon. the Chief Minister.

115 **Chief Minister (Hon. F R Picardo):** Madam Speaker, I will answer with Questions 218 and 219.

Clerk: Question 218. The Hon. J Ladislaus

120 **Hon. J Ladislaus:** Can the Hon. Minister state the reasons why the HMRC Marine Sections fleet is currently out of action and what is being done to remedy this?

Clerk: Question 219. The Hon. J Ladislaus.

125 **Hon. J Ladislaus:** It is understood that there are plans to move the Gib Oil Station from the Mole due to health and safety concerns. Are there also plans to move the HMRC marine crew to new premises?

Clerk: Answer the Hon. the Chief Minister.

130 **Hon. Chief Minister:** Madam Speaker, H.M. Customs has been provided by the GSLP Liberal Government that I lead, for the first time in its history with bespoke assets for their hugely important law enforcement work. This is work that they do in British Gibraltar territorial waters. Indeed, the clear policy difference between the party Members opposite and the party and coalition that I lead, is that we have always explicitly recognised H.M. Customs Gibraltar as a law enforcement agency and they have long had a policy of not considering H.M. Customs Gibraltar a law enforcement agency.

135 I can tell the House that H.M. Customs now has three vessels we provided funding for and which they voted not to fund – namely *HMS Sentinel*, *HMS Searcher* and *HMS Seeker*. As is routinely the case, some of the vessels or their engines require programmed maintenance and may be unavailable at different times.

140 Occasionally due to operational accidents or other use cases, maintenance of more than one vessel may have to occur at the same time, thereby depleting the availability of the bespoke marine assets available to the collector and his law enforcement agents at any point in time. But gone are the days, Madam Speaker, when the collector and his team had to rely, as they did when the party opposite was in power, on confiscated assets in order to discharge their important law enforcement actions.

145 *HMS Searcher* was subject to a collision with a drugs vessel in August 2021. During that incident, two and a quarter tons, 2,236 kilos of cannabis were seized and four persons arrested. The occupants were convicted and served custodial sentences. I do not know who sentenced them.

150 *Searcher* sustained structural damage, all of which was successfully repaired in the UK. The vessel has been installed with new engines and is waiting for new navigational equipment. *HMC Searcher* has been back in the water since last week. It is undergoing sea trials and the engines are being run in. The vessel should be fully operational in coming days.

155 *HMC Sentinel* and *HMC Seeker* have been in service at different times during the period of *Searcher's* repair. They too are now going to benefit from new engines. Madam Speaker, it would obviously not, however, be in the public interest to advertise the details of availability, or lack of it, of maritime law enforcement assets. To do so would only be in the interest of bad actors, who I am sure the hon. Lady and no other Member of this House would wish to even, inadvertently, assist and I say that with no hint of irony. The Government and H.M. Customs are aware of the works proposed at the Gib Oil Compound at the North Mole.

160 Enquiries have already been made on health and safety implications on the adjacent HMC Marine Section Station. As yet there are no plans to relocate this station. Notwithstanding this, the footprint of the North Mole is being looked at holistically by the Government and this includes the area of what we might call the current customs building.

165 **Hon. J Ladislaus:** I am grateful. Could the Hon. Minister confirm when they expect that *Searcher* will return to full operational duty?

170 **Hon. Chief Minister:** I refer the hon. Lady to the answer I gave a few moments ago.

Madam Speaker: Now the supplementals.

Hon. Dr K Azopardi: I think he said that it is in the water since last week, but did that mean that it is fully operational since last week? Is that what he meant?

175 **Hon. Chief Minister:** The vessel should be fully operational in coming days, I said.

Madam Speaker: Next question.

Hon. D J Bossino: May I ask a question?

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Madam Speaker: Well, you may if you are prompt.

Hon. D J Bossino: The reason, because I thought that I was – (*Interjections*)

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Madam Speaker: I am looking at the Members of the Opposition carefully before I flag the next question and I have no hint that anybody wanted to ask a question.

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Hon. D J Bossino: In the very last words of his reply the Hon. Chief Minister talked about in answer to a question in the Order Paper 209/2024 about the North Mole, the question is phrased as the Mole and he referred to the North Mole. He said it is being looked at holistically by the Government. Can he give a bit further information in relation to that? What the Government is considering in that respect?

195

Hon. Chief Minister: No, Madam.

Hon. D J Bossino: Why?

Hon. Chief Minister: Because it is a process that has just begun.

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Hon. D J Bossino: But is there anything else which prevents him from providing that information? Just because it has just begun is not, in my book, a sufficient reason for the Government not to provide further information? Can he not give some information, even if it is just by way of headline issues which the Government is considering doing in that particular area?

205

Hon. Chief Minister: Hon. Member, it is not my obligation to waste ... well in fact, it is my obligation not to waste the time of the House by referring the House to things which are public. So the hon. Gentleman knows that we are looking at a potential new cruise liner terminal and cruise liner terminal redesign. The hon. Gentleman knows that Gib Oil is undergoing some works and the hon. Gentleman knows that we have said that we are looking at the whole area holistically.

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That means that you are taking a blank canvas approach to the whole thing and I have told him we have just begun to do that. So I cannot tell him more because anything I will tell him now is just to say, look we have started to look at this whole area to see what is the best way to take it forward with the public commitment there is to a new cruise liner terminal, the public statements that there have been about Gib Oil redoing its facilities there; the L&G facility, which the public are aware the GSD were against but is now there; the power station, which the public are aware the GSD wanted to make a diesel-fired one up at the Upper Rock Nature Reserve, burning grimy, smelly diesel; and we went instead for L&G.

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All of those things are the things that we are looking at holistically. We have started to do that, there is no other reason beyond the fact that we have just begun and we are going to take advice on it, that I do not want to tell him anymore. Because if we are going to take advice on it, we are going to ask, not space planners because it is not an office, but architects to look at what the best layout is working with the Port, working with Customs, working with Gib Oil, working with the Electricity Authority, etc.

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I have told him, I have told them, that we have started the process of doing that. I cannot tell him more other than we have started the process of doing that. If I do, in fact, tell him more, if

I were to tell him, which is not the case, that I actually think that the cruise liner terminal should be located at the southern end of the plot rather than the northern end, he will say: 'What is the point of you getting architects, you already think that you know better than anyone and you have decided what is going to happen?'

We have not; it is a blank canvas. We are looking at it holistically; we want to make sure that we have the best possible final plan. We have no view on whether the cruise liner terminal should be on the south, the north, the east or the west, although if it were east or west it might fall into the sea. So that is why I am not saying more, Madam Speaker.

Hon. D J Bossino: The hon. Gentleman, I do not know, seems rather irate this afternoon (*Interjection*) and this is what actually prompts me to get up and ask him a further question because when it gets like that, there is something going on. (*Laughter*) That is my default position.

Madam Speaker, given that he is refusing to answer the question and he talks about a blank canvas, it does not seem to be much of a blank canvas, so many things going on in that limited area does not have much of a blank canvas as he suggests? But given that the reason why he is not answering the question as to what the Government's holistic plans are for the area is because he has just started looking at it, can he at least advise us when he thinks he will be in a position to provide that answer, given that it is time which is preventing him from providing the answer?

When does he think he will be in a position – and I will not hold him to it. But when does he think he will be in a position to provide us with further information?

Hon. Chief Minister: Well, Madam Speaker, the hon. Gentleman and I know each other very well. But sometimes we misjudge each other. The hon. Gentleman is wrong to think that because I have given him an animated answer, when he has got up to insist on more detail on something on which there is not more detail, that there is somehow something to hide. But I do understand that that is his default position.

In other words, when he is told the truth, he wants to go behind it. He is the doubting Thomas, if he will permit me, of Gibraltar politics. Without putting his finger in the wound he will not believe that one is suffering a bleeding wound from a Roman spear. But look, I do not accept from him, Madam Speaker, especially as a Gibraltarian, that you cannot have a better distribution of things being done in a limited space because, actually to a very great extent, that is what Government is about in Gibraltar.

It is about the Rubik's Cube that is Gibraltar. Just say the word 'relocations' in the presence of the Deputy Chief Minister and you understand what a Rubik's Cube Gibraltar is. I cannot give him a time frame, Madam Speaker, but I expect that we will want to do that exercise relatively quickly, because on that depends the delivery of various manifesto commitments, which we wanted to deliver in the time frame of the lifetime of this Parliament.

Madam Speaker: Next question.

Q220/2024
Grand Battery House –
Future use and management

Clerk: Question 220. The Hon. E J Reyes.

Hon. E J Reyes: Madam Speaker, can Government provide this House with details of its intentions for the future use and management of Grand Battery House?

Clerk: Answer the Hon. the Chief Minister.

275 **Chief Minister (Hon. F R Picardo):** Well, Madam Speaker, the Government is currently reviewing all matters relating to the management of Grand Battery House, with senior Members of the Royal Gibraltar Regiment. We should be in a better position to make a statement in the coming months.

Hon. E J Reyes: Thank you, Madam Speaker.
Is it Government's intention to renew the terms and conditions or perhaps to remove the use or the management of Grand Battery House from the regiment itself?

280 **Hon. Chief Minister:** Well, Madam Speaker, the Government's intention is to continue to work with the senior members of the Royal Gibraltar Regiment, whom we are talking to at the moment, to reach a determination of what it is that we consider is in the public interest to do in respect of Grand Battery House and to then make a statement, as I have just said.

285 **Madam Speaker:** Next question.

Q221/2024
Gibraltar Football Association –
Loans made; purpose; repayment agreements

Clerk: Question 221. The Hon. E J Reyes.

290 **Hon. E J Reyes:** Has Government, or any Government-owned company, made any loans to the Gibraltar Football Association over the last 10 years, and if so what was the purpose and repayment agreements in respect of each of those loans?

Clerk: Answer the Hon. the Chief Minister.

295 **Chief Minister (Hon. F R Picardo):** Madam Speaker, His Majesty's Government of Gibraltar advanced a total of £965,930.10 to the Gibraltar Football Association during the financial year 2014-15 and 2015-16.

In financial year 2014-15, £919,176.10 was advanced.

300 In financial year 2015-16, £46,754 was advanced. This was repaid in one instalment on 6th February 2017; and £83,072.97 was paid by the GFA in respect of interest on the amount advanced.

305 Since the new project began the Government has advanced £524,139.81 by way of loan advance which we expect to be fully repaid, with interest, as the project preparation work is completed and the finance secured flows.

Hon. E J Reyes: Thank you, Madam Speaker.

In the first loans made in the financial years 2014-15 and 2015-16 of almost £966,000 the Chief Minister has failed to highlight what the purpose of that loan was.

310 **Hon. Chief Minister:** The development of the plans for the then stadiums that the GFA were pursuing.

315 **Hon. Dr K Azopardi:** Madam Speaker, can I just ask: he gave two figures, £965,000, which I understood from his answer was repaid in 2017; and then a further sum of £524,000 advanced for what he called a new project. Can I ask him when that £524,000 was advanced and does he mean by the new project, the new stadium?

Hon. Chief Minister: I understand, Madam Speaker, and in the course of the last two financial years; and I do mean the new stadium.

320 **Hon. Dr K Azopardi:** Madam Speaker, can I also ask whether the Government intends to advance further sums in respect of that project; and is the advance to GFA itself, or is it to an entity because there is an entity mentioned in the planning application, for example?

325 **Hon. Chief Minister:** Madam Speaker, I believe the answer to the first part of his question is yes; and to the second part of his question, we are advancing to the covenant of the GFA, but to Stadium Developments Limited, which is 100% owned by the GFA, which is the development company for the stadium.

330 **Hon. Dr K Azopardi:** And can I ask how much more they intend to advance?

Hon. Chief Minister: That is led, Madam Speaker, by the cost of the project as it would be in respect of any other project, whether there needs to be revisions which require further fees, etc.

335 **Hon. Dr K Azopardi:** And are these advances primarily for the architects fees and things like that, or is it in relation to more substantial funds directed at the construction project itself?

Hon. Chief Minister: As I understand it, Madam Speaker, it is architects and professional fees related to the designs.

340 **Hon. Dr K Azopardi:** And can I ask the Chief Minister then to respond on this issue. He will recall, obviously as it is his commitment, but that in the run up to the last election, initially that there had been an announcement made by the Father of the House in the stadium itself saying that there would be the use of savers' money.

345 There was then a backtracking of the Government and there was a manifesto commitment by his party, his coalition, ahead of the last election that there would not be a stadium built which was funded with the need of savings-bank money or taxpayers' money. Is this not a reversal of the promise he made to the people of Gibraltar?

350 **Hon. Chief Minister:** Far from it, Madam Speaker, this is exactly what I promised the people of Gibraltar. It is a delivery on the clear commitment that we entered into, that this money will actually be repaid before the building process starts and with interest, just as we did last time. The hon. Gentleman might care to work out that we took 8.6% interest from the GFA last time on the loan that we advanced.

355 This is the use of the taxpayers' money for the purposes of advancing, but to be repaid with interest, so that by the time that the building of the stadium starts, we will have been repaid in full and with interest. Therefore, if the hon. Gentleman cares to analyse the commitment that I gave against the information I have given him today, he will see that as usual, as ever, and as we always do, we are keeping entirely 100%, our word to the people of Gibraltar.

360 **Hon. Dr K Azopardi:** That is just the argument that the Father of the House deployed on television and in other media outlets when he was asked, he was trying to explain, to justify the use of savings bank monies that it would be provided at interest. But there was a public outcry at the use of savings-bank monies, as there was at the idea that taxpayers' money would be used.

365 The interest that you might get is not a justification for the public outcry and it was in the face of public outcry that the GSLP Liberals gave a commitment not to use savings-bank monies or taxpayers' monies and is this not just an abdication of that commitment?

Hon. Chief Minister: The hon. Gentleman would not understand a commitment if it slapped him in the face, Madam Speaker. There is a huge difference between investing in something and receiving interest, using the money to build and staying there and receiving interest whilst you are repaid, and advancing monies for plans and getting paid before building starts.

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So far from being a reversal of our commitment this is a clear delivery on my word and the word of every one of the Members of the GSLP Liberal slate that we gave to the people of Gibraltar and ensuring that we are repaid before building starts. We are honouring our commitment. We are maintaining our commitment. We are delivering on our commitment as we always do, Madam Speaker.

Madam Speaker: There have been seven supplementaries on this. (*Interjections*) There have been seven supplementaries on this question, that is sufficient. Next question.

Q222/2024

**Royal Gibraltar Regiment –
Act; Pensions regulations; and others**

Clerk: Question 222. The Hon. E J Reyes.

380

Hon. E J Reyes: Can Government provide details in respect of developments and possible updates it is working upon, which may require to be legislated either through this Parliament or via subsidiary legislation pertaining to the Royal Gibraltar Regiment Act, Royal Gibraltar Regiment Pensions Regulations and other possible connected laws.

385

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Well, Madam Speaker, His Majesty's Government of Gibraltar published the Gibraltar Regiment Amendment Bill 2024 yesterday, which is a Bill that will amend the Gibraltar Regiment Act to provide a regulation-making power in the main Act. Should the Parliament approve the Bill, it is envisaged that subsidiary legislation will be promulgated for the purposes of the calculation of the payment of pensions.

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Separately, the Government is drafting legislation that will also amend the Gibraltar Regiment Act and that legislation touches on disciplinary matter. The draft will amend the Gibraltar Regiment Act 1998, in order to replace the existing disciplinary regime applicable to the Royal Gibraltar Regiment, with one based on the current regime for the UK Armed Forces by applying the UK Armed Forces Act 2006 and related legislation.

395

Hon. Dr K Azopardi: Can I just ask the Chief Minister in terms of the timing of that legislation because we noticed that it was published yesterday under cover of an extraordinary *Gazette*. Is the reason for that that he intends to certify urgency and take that soon?

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Hon. Chief Minister: Madam Speaker, the legislation had been pending certain changes. As we understand it, the legislation is urgent because it delays the payment of recalculated pensions in keeping with case law that developed in the UK, but which requires statutory change in Gibraltar in order for the payments to be made in a particular way, and for the manner in which the regulations can be made.

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Hon. Members will know that it is not possible for a Bill touching matters relating to defence to be moved without the consent of the Governor under our Constitution; and so all of those stars aligned in time for publication yesterday and if not impossible, will take the Bill either this session or the next session. It is a very short Bill, as hon. Members will have seen.

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Madam Speaker: Next Question.

Q223/2024
Import Duty –
Collected for January 2024

Clerk: Question 223. The Hon. R M Clinton.

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Hon. R M Clinton: Madam Speaker, can the Government advise the amount of import duty collected for the month of January 2024?

Clerk: Answer, the Hon. the Chief Minister.

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Chief Minister (Hon. F R Picardo): Madam Speaker, the import duty collected for January 2024 is £8,856,928.31.

Madam Speaker: Next question.

Q224/2024
Credit Cards –
Issuance to public servants or Ministers

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Clerk: Question 224. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise, what is its policy in respect of the issuance of credit cards to public servants or Ministers?

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Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Madam Speaker, Government policy is to keep the number of credit cards issued to public servants or Ministers to a minimum. Only 28 credit cards are in issue, 11 are issued from the address of the London office, 17 are issued to Gibraltar addresses. Of these 17, eight relate to Ministers.

435

The other holders are: Mr Glendon Martinez, the Chief Secretary; Mr Charles Santos, the Financial Secretary; Mr Michael Llamas, the Attorney General; Mr Richard Ullger, the Commissioner of Police; Mr Dominique Searle, the Head of the Gibraltar Office in London; Mr Edgar Lopez, the Head of the Gibraltar Financial Intelligence Unit.

440

Additionally, the Chief Minister's three close protection officers all also hold a credit card for emergencies whilst travelling.

The list of persons holding a credit card issued to the address of the London office are as follows: Mr Peter Canessa, the Chief Minister's Principal Private Secretary; Mr Clive Golt, the Media Director; Mr Joe Bossano, the Minister for Inward Investment and the Savings Bank; Mr Michael Llamas, the Gibraltar Attorney General; Mr Kevin Bossino of the Gibraltar Tourist Board, the CEO; Mr Gareth Flower of the Ministry of Justice, Trade & Industry; Mr John Reyes of the Gibraltar Parliament, I think relating to a previous role; Mr Paul Astengo of the Finance Centre; Mr Dominique Searle, also of Gibraltar House, London; Mr Tyrone Duarte of Gibraltar House, London; and Mr Nicholas Fromings of Gibraltar House, London.

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450 All credit card requests are approved by the Financial Secretary.

Hon. R M Clinton: Madam Speaker, I am grateful to the Chief Minister for the comprehensive answer.

455 Can I just ask him two questions: supplementary one, are all these credit cards issued or held with the same banking institution? And secondly, if I heard him correctly, there would appear to be some duplication in the sense of the London-issued and the Gibraltar-issued cards or Gibraltar address cards in that there are card names in common in that an individual can hold both a card with a London address and a card with a Gibraltar address?

If that is so, what is the rationale for that?

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Hon. Chief Minister: Well, Madam Speaker, the rationale for that is that there are only, as far as I can see, two people who hold both a Gibraltar card and a UK card. That is Joe Bossano, you would not think he would be off on a spending spree on anything. And you would be lucky if you found him spending on anything, (*Laughter*) even, if I may say so, dinner in New York! And Mr Dominique Searle who, I believe holds the credit card for good reason, in both Gibraltar and London.

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In respect of his question on institutions, I believe that all of the Gibraltar cards are held in one institution and all of the London cards are held in another institution.

470 **Madam Speaker:** Next question.

Q225/2024
Public Audit Bill –
Coming to Parliament

Clerk: Question 225. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise when he intends to bring the Public Audit Bill to Parliament?

475

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Madam Speaker, the draft Public Audit Bill is being reviewed, it is currently in the process of discussion between the Financial Secretary and the Principal Auditor. I should, therefore, soon receive a brief from the Financial Secretary, which will enable the Government to take a view on the Bill and how it should proceed to publication.

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Madam Speaker: Next question.

Q226-231/2024
Treasury Department –
Monthly reconciliations

485 **Clerk:** Question 226. The Hon. R M Clinton.

Hon. R M Clinton: Madam Speaker, can the Government advise what steps it has taken to ensure the Treasury Department is up to date in performing monthly bank reconciliations, a matter the Principal Auditor described in his recent report on section 3.2.24 as I quote, ‘an essential control tool’?
490

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Madam Speaker, I will answer together with questions 227
495 to 231.

Clerk: Question 227, the Hon. R M Clinton.

Hon. R M Clinton: Madam Speaker, can the Government advise the status of the arrears recovery legislation referenced by the Principal Auditor, section 3.3.7, in his recent report?
500

Clerk: Question 228, the Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise why the Principal Auditor has found in his recent report, 3.10.4, that there is no formal contract in place for the use of International Hansard Services from the Isle of Man?
505

Clerk: Question 229, the Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise what steps it has taken to ensure that statutory authorities agencies are submitting their accounts to the Principal Auditor by the stipulated dates and not lagging, as noted by the Principal Auditor in his recent report, section 4.1.13?
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Clerk: Question 230, the Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise what steps will be taken to ensure that the accounts of bodies for whom the Principal Auditors as certified are tabled in Parliament in a timely fashion, since he notes in his recent report, 4.1.16, that there are 19, I quote 19, sets of statutory accounts that require to be laid in Parliament in accordance with the requirements of the law.
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520

Clerk: Question 231. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise when it expects the Principal Auditor’s report for the financial year ended 31st March 2019 to be tabled?
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Clerk: Answer, the Hon. the Chief Minister.

Hon. Chief Minister: Madam Speaker, the Government will address all these matters in the context of the debate of the Motion set down by the Hon. Mr Clinton. *(Interjection)*

530 **Hon. Dr K Azopardi:** Madam Speaker, we struggle to understand how all of this is relevant to the motion that we have tabled, because the motion that we have tabled is in relation to the delays of the reports, together with a motion on the Public Accounts Committee.

These questions are tabled for specific answer and they deserve an answer. So, Madam Speaker, I am directing the issue to you, I think, because I consider it an issue on which there has been a specific set of questions and the answer given is simply avoiding giving us an answer on these issues through a reply that has no substance.

Madam Speaker: You are directing the matter to me before the Hon. the Chief Minister rises. My view, in the short experience I have had, is that whilst the Speaker is responsible for questions, the Speaker is not responsible for the answers given by Government Ministers. That is a matter for them.

To my understanding, if it is your view that a Minister has refused to answer a question, then the same question may be tabled three months down the line and then it would be a matter for me to decide whether that question has been taken before and refused. That is my understanding. If the Hon. the Chief Minister wants to comment, I will let you comment afterwards.

Hon. Chief Minister: Madam Speaker, I am grateful.

The hon. Gentleman says that the Motion that they have tabled does not deal with these issues and therefore how can I refer these matters to the debate on the Motion? Well, the Motion that they have tabled may not be the Motion that this House votes upon. The Motion that they have tabled may be amended, and the amendment may be making the Motion wider and the Government's view is that these issues, which the hon. Gentleman wants to ventilate, are ones which are properly ventilated in the context of that Motion and which we will address.

In other words, I have a note of all of these questions in my draft of the speech I will give in the context of the Motion. I will address all of these issues in the context of the Motion when I go through all of the issues that the Motion raises for the Government as drafted, and indeed as it is likely to be amended by the Government.

So there is no question, Madam Speaker, of us seeking to avoid answering these questions. I have registered the questions that hon. Members have asked and I am going to deal with each of them in the context of my reply, such as it may be in the context of when I reply, to the hon. mover and to others, depending on when my turn comes.

Hon. Dr K Azopardi: Madam Speaker, first of all, of course, we accept your ruling, so I will ask a supplementary, if I may, on this issue.

Madam Speaker, the Hon. the Chief Minister says he is not going to answer these questions because he is going to address it in the Motion and he says, 'Well, you cannot assume that the Motion that has been tabled is the one that is going to be voted on.' But there precisely lies the rub. There is no Motion on which he could hinge the answers which he is going to give on the substance to these questions.

It is a prospective thing that he is going to propose on amendment, presumably in the normal device, where he is going to seek to amend our motion and then insert his wording in respect of which he will then hook his reliance on answering on these things. And in any event, what will happen at that stage is, of course, we will be deprived of the opportunity to ask supplementary questions on these issues, a long list of issues, (*Interjection*) because it is not going to be an opportunity for a question and answer session.

Is it not simply the case that the Government, once again, is obfuscating and avoiding questions on scrutiny and accountability?

Hon. Chief Minister: Not at all, Madam Speaker, although I do realise that what he does is when he raises the tone, he is going to later go to the video, extract it and put it on his Insta-feed with some words about 'Azopardi once again seeks to make scrutiny of the Government'. That is

what we are witnessing, Madam Speaker. We are almost witnessing Parliament by TikTok which I suppose, to a very great extent, Madam Speaker, is for me to salute the hon. Gentleman in his embracing of modern technology.

585 Madam Speaker, if the hon. Gentleman cares to look at the questions and look at the Motion as actually drafted, much of it already fits in directly to the issues that hon. Members are raising, calling on the Government to assist the Principal Auditor in completing his work in the public accounts. Well, that goes directly (*Interjection*) to the questions that the hon. Gentleman is asking about when statutory accounts are going to be filed, when contracts are going to be provided for,
590 how we are going to ensure that we help the Principal Auditor.

The hon. Gentleman does not have to wait for me to amend the Motion to see where all of these things fit in the context of the Motion. There is a rule that we should not pre-empt the debates that are coming, that we should not pre-empt things that are coming on the Order Paper. And the hon. Gentleman knows that all of these issues in this Question Time, when they lead to
595 supplementaries are going to take us very close to offending the rule that Question Time should not be a pretext for a debate.

The Hon. Mr Clinton has, in my view, Madam Speaker, done the right thing. He has put a Motion down. We have been urging him for many years to put motions down, instead of trying to use Question Time as a pretext for a debate. Now we are going to have a debate and in that debate
600 we will address all of these issues.

It is not, Madam Speaker, that I have decided I am not going to answer these questions, it is that I have given him the answer that we are going to address all of these questions in the context of the Motion. And there, Madam Speaker, although they might be deprived of the opportunity to ask supplementaries, I will give information which (a) they will be able to reply to in their own
605 speeches. Mr Clinton will speak last. And (b) will enable them to ask questions in the next session of the House, specifically about all of the things that I say, upon which they will then be able to also ask further supplementaries.

Far from not providing open, transparent, accountable Government we are giving them more. We are going to give them this information in the debate, they are going to be able to get up and answer without the stricture of having to ask a question to make a point, and that will enable
610 them to try and squeeze the last pip out of the Motion on the Principal Auditor's report.

Madam Speaker, not only are we answering once, we are going to answer more than once also in the Motion and then he will be able to dramatically raise the tone more than once and extract that bit and put it on TikTok too.
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Hon. Dr K Azopardi: As someone who is not on TikTok, but I will take lessons from him on social media because he is a master. How can he stand there with a serious face – although there was a smirk coming towards the tail end of his contribution – because I suspect that not even he was really believing what was coming out from his mouth.
620

How can he really expect the people of Gibraltar, who have witnessed in front of them, the Principal Auditors report in its glorious technicolour over 900-pages that shows obfuscation of information of normal requests from the Principal Auditor to officials and to Ministries. How can he expect them to believe that he is opening himself up to scrutiny when, at the first opportunity in this House, at the first opportunity after the Principal Auditor's report, when my hon. Colleague
625 has put questions in the House, his first tactic has been to avoid them and to put them and launch them into the Motion.

Why is he so scared? Why is his Government so scared about opening itself up to scrutiny? And I said that out loud.

Hon. Chief Minister: Madam Speaker, we are not scared. We are delighted to face this scrutiny because this is the scrutiny that demonstrates, Madam Speaker, that we are doing things right. That is to say, Madam Speaker, there is now a Principal Auditor who is doing the job of finding the needles in the haystack. There is a Principal Auditor who, in the years in which Gibraltar featured
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635 its highest revenue ever and its biggest surpluses ever, is still rightly identifying where we could have done better. That is absolutely the role of the Principal Auditor.

What the Principal Auditor's report is not, Madam Speaker, is an opportunity for one political party to try and make hay over the other, because that is to play politics. What Question Time is not, Madam Speaker, is a pretext for a debate. What the Principal Auditor's report should lead to, as Mr Clinton has rightly done, is a debate about the issues that are raised.

640 What it is wrong to do, Madam Speaker, is to try and pretend that these are questions, when in fact they are pretexts for a debate; and what it is certainly wrong to try and do, Madam Speaker, is to pretend that we are not answering the question, when all I have told him is that I will give him the answers to these questions and address them in the context of the debate, so that they are dealt with in their proper context.

645 Why is it, Madam Speaker, that they do not want to deal with this in their proper context? Why is it that they want to pretend to extract these issues and then to pretend that they are trying to advance the cause of scrutiny when all they are trying to do is advance the cause of their own spin? (*Interjection by Hon. Dr Azopardi*)

650 **Madam Speaker:** I am going to stop it there with a proviso, because I do not want this to become a debate. You have had your answer. If the Hon. Minister is of the view, as I say again, that he has not had an answer and that the Hon. the Chief Minister (*Interjection*) the hon. Member, I beg your pardon. This Hon. preface still has me struggling.

655 If the hon. Member remains of the view that the Hon. the Chief Minister has not answered his question, then he is free to ask the same question in three-months-time and I will take a view on that. At the end of the day, an answer to the question is an answer to the question that is given by the Hon. Chief Minister and it is not either for yourself or myself to insist on a particular answer.

So, to that end the answer you have is the answer you have, and I am going to stop it there otherwise this will become a debate.

660 Next question.

Q232/2024

Gibraltar Air Terminal Limited – Latest audited management accounts

Clerk: Question 232. The Hon. R M Clinton.

665 **Hon. R M Clinton:** Well, Madam Speaker, can the Government provide the latest audited or management accounts for Gibraltar Air Terminal Limited?

Clerk: Answer, the Hon. the Chief Minister.

670 **Chief Minister (Hon. F R Picardo):** Madam Speaker, as I committed to do on the glorious morning of 13th October 2023, the accounts of the Government-owned companies, including Gibraltar Air Terminal Limited, will be made available with effect of 1st April 2024.

675 **Hon. R M Clinton:** Madam Speaker, Gibraltar Air Terminal Limited has been receiving an amount of £13 million a year, it would appear. His commitment to, I understand it, was the audited accounts and put them on some website. Now, whether those are going to be the full audited accounts or something else, I do not know, but surely the Government has got management accounts.

So can the Government, at least, give us the management accounts for Gibraltar Air Terminal Limited?

680 **Hon. Chief Minister:** Madam Speaker, I am very grateful for the hon. Member's candour. I think that what he has wanted all the time that he has been asking for the accounts are the management accounts and he will probably want the cash book, too. The answer to that is going to continue to be 'no', but as from 1st April, a date that I suggest to him he should keep free, he will have available all of these accounts.

685 **Hon. R M Clinton:** Madam Speaker, I just have two further supplementaries. When he says 'the accounts', can he confirm to this House that they will be (a) audited; and (b) the full accounts and not abbreviated accounts? And then secondly, Madam Speaker, what exactly is Air Terminal Limited doing with £13 million a year?

690 **Hon. Chief Minister:** Well, Madam Speaker, we will publish the accounts of the companies. I am not an accountant, so in the same way as he is not a lawyer, and I accept that we all use terms of art, I am committed to the publication of the accounts. What that means in detail I would have to take advice on.

695 In terms of what Gibraltar Air Terminal Limited is doing with £13 million a year, first of all, he will see it from the accounts. I am not going to be drawn any further. Second, it is a company they created, it is a company that trades because they created it to trade, it is doing the trading that they, in Government, created it to trade in at the cost and loss that they created it to trade and lose in.

700 **Hon. R M Clinton:** Madam Speaker, I can see I am going to have no joy getting the accounts. But when he talks about £13 million loss, is he actually saying that Air Terminal is incurring a £13 million loss a year? Or is that £13 million being used to cover capital expenses and/or loan repayments?

705 **Hon. Chief Minister:** Madam Speaker, I am not going to be drawn on further detail of the accounts because I have already said that the accounts will be published on 1st April.

Q233/2024

Gibraltar Investment Holdings Limited – Breakdown by financial years

Madam Speaker: Next question.

710 **Clerk:** Question 233. The Hon. R M Clinton.

Hon. R M Clinton: Madam Speaker, can the Government provide a breakdown by the following financial years of how Gibraltar Investment Holdings Limited has apportioned the company contribution received from Government being 2018-19, 2019-21 and 2021-22?

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

Chief Minister (Hon. F R Picardo): Yes, Madam Speaker, I now hand over a schedule with the information requested. These figures show that the monies voted go to fund the trading companies they created when in Government and the losses for which they did not provide.

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ANSWER TO QUESTION 233

2018/2019

Gibraltar Co-Ownership Company Limited	£500.00
Westside Two Co-Ownership Company Limited	£500.00
Brympton Co-Ownership Company Limited	£500.00
Kings Bastion Leisure Centre Company Limited	£2,000,891.93
Gibraltar Bus Company Limited	£4,343,081.97
Gibraltar Car Parks Limited	£6,539,540.24
Gibraltar Air Terminal Limited	£12,114,985.86

2019/2021 (Double Year)

Gibraltar Co-Ownership Company Limited	£1,000.00
Westside Two Co-Ownership Company Limited	£1,000.00
Brympton Co-Ownership Company Limited	£1,000.00
Kings Bastion Leisure Centre Company Limited	£5,314,672.34
Gibraltar Bus Company Limited	£6,904,748.38
Gibraltar Car Parks Limited	£27,488,870.31
Gibraltar Air Terminal Limited	£20,288,708.97

725

2021/22

Kings Bastion Leisure Centre Company Limited	£2,090,207.18
Gibraltar Bus Company Limited	£5,069,504.74
Gibraltar Car Parks Limited	£7,666,178.14
Gibraltar Air Terminal Limited	£15,174,109.94

In the year 2021/2022 the contribution did not meet the funding required by the companies and additional funding was provided by Gibraltar Investment (Holdings) Limited to the sum of £1,230,572.58, as follows:

730

Additional Funding 2021/22

Kings Bastion Leisure Centre Company Limited	£85,738.39
Gibraltar Bus Company Limited	£207,946.45
Gibraltar Car Parks Limited	£314,459.62
Gibraltar Air Terminal Limited	£622,428.12

Madam Speaker: I will move on to the next question to give you time to consider the schedule.

Q234-241/2024
Pensions Act Amendment –
Actuarial advice sought

Clerk: Question 234. The Hon. R M Clinton.

735 **Hon. R M Clinton:** Madam Speaker, can the Government advise if it has sought any actuarial advice when it amended the Pensions Act to allow 100% commutation of Government unfunded pensions?

Clerk: Answer the Hon. the Chief Minister.

740

Chief Minister (Hon. F R Picardo): Madam Speaker, I will answer with 235 to 241.

Clerk: Question 235. The Hon. R M Clinton.

745 **Hon. R M Clinton:** Sorry, Madam Speaker, does the Government accept that its method of commuting unfunded pension schemes with Credit Finance Company Limited has resulted in a loss to the public purse of £6 million due to the unexpected death of pensioners?

Clerk: Question 236. The Hon. R M Clinton.

750

Hon. R M Clinton: Can the Government provide a copy of the agreements entered into with Credit Finance Company Limited and any side letters in respect of the financing of early exit scheme payments?

755 **Clerk:** Question 237. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government provide a split between amounts due under commutation of pensions and early exit scheme financing for the following amounts and years, as extracted from the notes to the audited financial statements of Credit Finance Company Limited:

2012 £8,033,870
2013 £19,706,892
2014 £33,046,612
2015 £55,814,422
2016 £69,609,896
2017 £84,709,559
2018 £103,330,338
2019 £121,360,959
2020 £134,633,625
2021 £143,085,584, and
2022 £150,551,607

760 **Clerk:** Question 238. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise for each of 31st December 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013 and 2012 how many individuals had their Early Exit Scheme financed with Credit Finance Company Limited in that particular year?

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Clerk: Question 239. The Hon. R M Clinton.

770 **Hon. R M Clinton:** Can the Government advise for each of 31st December 2022, 2021, 2019, 2018, 2017, 2016, 2015, 2014, 2013 and 2012 how many pensioners had their pensions commuted with Credit Finance Company Limited in that particular year?

Clerk: Question 240. The Hon. R M Clinton.

775 **Hon. R M Clinton:** Can the Government provide a copy of the agreement entered into with Credit Finance Limited dated 30th June 2023, but with an effective date of 1st April 2012, in respect of the commutation of pensions, together with any side letters such as that dated 11th October 2023 revising the waiving of debts?

Clerk: Question 241. The Hon. R M Clinton.

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Hon. R M Clinton: Can the Government advise how many Public Servants there are in the old final salary scheme who have not yet retired and has the Government estimated the funding required for full commutation of all remaining participants?

785

Clerk: Answer, the Hon. the Chief Minister.

Hon. Chief Minister: Madam Speaker, the Government did not seek specific actuarial advice on this matter, but hon. Members will recall that the issue of commutations was a policy commitment of the GSLP Liberals in 2011 and was extensively debated at the time. Moreover, there is no loss to the public purse due to the unexpected death of pensioners.

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The Government will not provide copies of agreements, signed letters, etc. related to Credit Finance Company Limited, nor splits of sums paid for commutations or early exit packages as that would, in effect, amount to giving the House the management accounts of that company or its cash book.

795

The number of individuals who have had their early exit schemes financed with Credit Finance Company Limited can be confirmed and is as follows. In 2012 zero; in 2013 one; in 2014 22; in 2015 15; in 2016 15; in 2017 19; in 2018 31; in 2019 21; in 2020 16; in 2021 16; and in 2022 14.

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The number of pensioners who had their pensions commuted with Credit Finance Company Limited for each of the years ending 31st December 2012 to 2022 is as follows: in 2012 65; in 2013 89; in 2014 96; in 2015 122; in 2016 108; in 2017 88; in 2018 118; in 2019 123; in 2020 91; in 2021 83 and in 2022 89.

805

There are 1,349 actively employed public servants in the old final salary scheme. The Government annually estimates the final commutation costs of the eligible retirees for the following financial year.

Hon. R M Clinton: A balanced view. I will come back to 233 once I have dealt with this.

810

Madam Speaker, in answer to 235 the Government has advised the House that he took no actuarial advice on commutation of pensions, but it was a policy decision and the Chief Minister does not accept there is a £6 million loss.

But I presume that the Chief Minister has had sight of the audited accounts of Credit Finance Limited and in fact on page 1 on the Director's Report it talks about the agreements entered into with the Government; and then, as a part of this agreement, the company agreed to waive certain debts due from the Government.

815

The amount waived at the date of signing was £5,779,390. This amount was revised and agreed by both parties on 11th October 2023 to £6,037,102. The amount waived relates to debts that remained unpaid as at 30th June 2023 by the Government in respect of pensioners who had passed away since the effective date of this agreement, up to and including 30th June 2023.

So, Madam Speaker, does the Government still maintain there has not been a loss of £6 million?

820 **Hon. Sir J J Bossano:** Madam Speaker, when the system that provides these payments to civil
servants – which is an improvement on what was there before which was limited to 25% - the
exercise that was done on the incidence of death from people that had retired showed, quite
clearly, that the profits of the longer-living pensioners was more than sufficient to cover the
825 percentage that would die at an earlier age; and therefore the notional £6 million that would not
have been paid if it had been a pension instead of a gratuity which, of course, has been to the
benefit of the widows and therefore solved the problems of the disappearance of WOPS because
now the reason why many civil servants welcomed this was because they were able to get a
revenue stream by reinvesting the money predominantly in the savings bank and if they
830 unfortunately passed away earlier than is normal nowadays, then the widow had that pot of
money.

So with an average survival rate of 18 years there was enough being gained in the savings on
the pensions, to cover the potential of the numbers that historically had been passing away earlier
than those 18 years. So, on the assumption that no civil servant would survive 18 years on a
pension it balanced; and therefore since all the demographic markers that we have is that in fact
835 people are living longer, of which I am an example, (*Banging on desk*) it means that many civil
servants retire at 60 and some retire at 55, as they can.

So 78 now, is not an excessively old age and therefore the position of that notional money was
something that was introduced retrospectively because the advice that was given – I am not
qualified to pass judgement on the accuracy of that advice – was that in order to avoid having to
840 get provisions for potential liabilities, actuarially it was necessary to have – this was what the
auditors suggested – it was necessary to have a commitment from the Government that Credit
Finance would be reimbursed for the fact that the stream income of the premature death of the
pensioners had happened.

So if some civil servant retired and within a couple of years he passed away then of course the
845 widow benefited, but the company would have had the loss from the 16 remaining years that the
person had not lived. Right? In fact, the reality is that I think the first one that is going to be going
past the 18th year is probably due in the next 12 months and there are many more in the pipeline
that will have been passing the 18th year as we go into the future. But already at this level we
have a situation where, for those who passed away there has been a £6 million benefit to the
850 widows which has been a good thing.

The Government has not had to pay this money because it was waived because the money that
was made as profit on the receipt of the pensions – which go up every year – so we are getting a
return on the pensions whereas we have paid a fixed sum, was more than sufficient to cover that
£6 million and produce a profit for the company. Once the stream of payments produces enough
855 money to cover all the exposures, the amount that the consolidated fund pays to Credit Finance
comes to an end.

So in effect, the scheme has proved more successful than we really anticipated because we
have had three very positive effects. We have had Credit Finance having a profitable return on its
loans, that is to say the loans that are serviced which are received from the Savings Bank, a service
860 from the profits of this stream of pension payments, and there is a surplus on which the company
pays tax to the Government.

So the Government gains the tax on that surplus, which is a profit of Credit Finance, that is
after having waived the £6 million; and in addition as we go into the future the liability to existing
pensioners will be coming to an end, not because they have passed away but because we have
865 gone beyond the point that it is necessary for the recovery of the money that has been invested
in the provision of the lump sums taken into account the potential death rate of the pensioners.

I think this was made clear at the very early onset of the 2011 Government when I think this
question was raised from a Member on that side of the House – and in fact I think it was Sir Peter
Caruana who said, 'Well, look, the only risk is if there was a sudden increase in deaths or of course
870 if we had a virus that only affected civil servants then we would have a problem.' But such a virus
is not likely to exist.

875 So I think what we have experienced to date with the scheme – and I hope that what I have told the hon. Members will make them change their mind about their commitment to get rid of it – actually has been a win-win situation for all the three parties, the Government, the company and the Savings Bank, and of course the fact that for those who pass away early, there is at least the comfort of an amount of money that goes to the widow and therefore that is an additional benefit, the £6 million.

880 **Hon. R M Clinton:** Madam Speaker, I am grateful to the Father of the House for his comprehensive explanation.

885 But, Madam Speaker, does he not accept that writing off £6 million is effectively 60% of his reserves? He had reserves of £10 million at the end of December 2022 and this was the post-balance sheet event as he knows, in June 2023, and he has effectively had to write off 60% of his profits. Is this sustainable going ahead? Does he have any financial projections in terms of his experience to date in terms of how this is panning out and how he likely thinks it may look in the future?

890 **Hon. Sir J J Bossano:** I have just explained to him, Madam Speaker, that in fact the idea that there should be a commitment to pay, which creates the £6 million, is something that was introduced because that was a recommendation from the auditors of the company. As far as I am concerned, there should not have been and it would only mean that the return that we are getting from the consolidated fund charges ... The money that is going as payment for pensions is going to Credit Finance, right, and that money would have produced £6 million more in profit if that amount had not been waived.

895 Well, look, £6 million more in profit would be less money in the consolidated fund and more money in Credit Finance. In other questions, he seems to be concerned that there should be more money in the consolidated fund and less money in other entities, but at the end of the day this is not money that goes to third parties.

900 If there was £6 million less in the consolidated fund because consolidated fund charges went up by £6 million and the money was paid, all that Credit Finance would have to do was give a dividend of £6 million back to the Government. There is nothing to be concerned about when the two parties are both in the public sector and it is just a mechanism that I devised, originally, which in effect, as I have explained in one of my budget contributions, was something that was prompted by the fact that just before we came in, the GSD Government had been experimenting with using the Savings Bank to provide annuities and they had actually set up the structure to do so. Then they abandoned the idea and I was in the Opposition when I was told about this proposal that they were looking at and then I thought well, look, if it is possible to do an annuity, which is where somebody gives up a lump sum and gets a revenue stream, then it should be possible to do a reverse annuity, where somebody gives the revenue stream and gets rewarded with a lump sum.

910 When I looked at the figures, it was clear that the risk which could only happen if the incidence of death was very high in the civil service, or if in fact the life expectancy was declining but in a situation where it was already the case when we started that the percentage of people who did not reach 78 was quite small, and every year more people will reach 78, and by the time you reach 78 the thing becomes totally self-financing. There is no exposure at all.

915 So it is a scheme that will become more profitable with the passage of time, to the extent that instead of what would have happened in the absence of this scheme, which is that if we all get to live to 90, then the consolidated fund charges would keep on increasing. It was what led the previous administration to having to take, I think, the step of bringing to an end the final salary pension, as has happened in other countries, has been frankly the fact that when these pensions were originally created people were living to more than 70 – males in particular, living to more than 70 was fairly rare.

920 So the reality is that a scheme that was sustainable when people live to 70, is not necessarily sustainable if people live to 90 because that means you are paying 20 years more. The scheme

925 that we have done actually reduces the cost of the consolidated fund as well because by the time
that the person has reached 78 – if he is retiring at 60, or 73 if he is retiring at 55 – the payment
of the pension is no longer necessary from the consolidated fund because Credit Finance will have
recovered from the stream of the income. The income is part interest and part repayment of the
capital and the pension is repaid in full in an average age of 18 years, and therefore you need to
930 compensate for those who do not live to be 78 by having the people who live beyond 78.
Everything points to that in Gibraltar, like in the rest of Europe, that there is going to be many
more people living beyond 78 than there have been in the past.

That will mean that there will be a situation where, at some point in time the curve that we
have at the moment is still going up of the annual increases, I think it is now about £30-odd million
in the consolidated fund for the payment of pensions, that that curve will then start dropping
935 quite steeply and whoever is in Government at that time will be the direct beneficiary of the
scheme we have put in place.

Hon. R M Clinton: Madam Speaker, I am grateful to the Hon. Minister.

940 Can I ask him, which is related in fact to all the questions, would he agree that the nature of
the scheme that he has put together is effectively a financing scheme, as he described, a reverse
annuity? You get a lump sum in return for a stream of payments, but on which the Government is
effectively paying interest. So would he agree that the £150 million that is showing as outstanding,
or the debt according to the accounts of Credit Finance Limited, is in fact a debt of the Government
to the amount of £150 million, at least as at 31st December 2022?

945

Hon. Sir J J Bossano: No, Madam, because the debt is incurred by the pensioner who is given
the money. The money is not given to the Government. (*Interjection*) So, when Sir Peter Caruana
used the scheme on his retirement he gave up his pension and in effect he borrowed the money
from Credit Finance and the Government is using his pension to repay the money that he
950 borrowed and to service the interest.

So how can that be a loan to the Government? The money did not go to the Government. The
money went to the individual that gave up the revenue. The Government continues to pay that
revenue but will not pay it in respect of Sir Peter Caruana because, I hope he will have a very long
life, and then the payments will stop. He will have had his money and whoever is in Government
955 then will have a lower burden on the consolidated fund charges. But if the hon. Member wants to
call everything a debt of the Government even if the Government is servicing from a payment due
to an individual, a debt incurred by that individual, which is what is happening.

Hon. R M Clinton: However, Madam Speaker, the Government is causing to be charged to the
960 consolidated fund interest. The Government is paying interest to Credit Finance. Does the Minister
accept that? And if it is paying interest to Credit Finance, how can it be paying interest on a loan
that it says it does not have?

Hon. Sir J J Bossano: We would require the person that took the loan, to pay. So the individual
965 that was given the money and has the money to spend, which is not money that has been given
to the Government, if it was a loan to the Government, the individual that has received that loan
has signed his pension to Credit Finance.

So Credit Finance now receives the pension and the pensioner says, 'Instead of me repaying
you the money and instead of me paying you interest, take my pension and out of that pension
970 take part of it as the interest that I would have to pay you and the balance as the repayment of
the capital sum.' That rate of interest has been calculated so that it will achieve the full repayment
of the loan to the individual of the lump sum in 18 years. So in 18 years, if there was no pension
and if we gave the loan to an individual simply on his own credit rating and he had no revenue
from the Government that would be the same payment that would be made.

975 If somebody takes a loan from Credit Finance and says to Credit Finance, look, as I can in some cases of hardship in the public service where they are our employees, we can make a loan available to somebody and that person would then be required to agree for the interest and an amount over and above the interest, for the gradual repayment of the loan to be deducted from his salary.

980 So you can do the same mechanism to give somebody a loan and that person will then take a pay cut and the pay cut will be the amount that is paid to Credit Finance in respect of the loan and an element to repay the capital so that there will be, as is always the case, that originally it will be nearly all interest and then gradually the capital side keeps on growing and the interest starts coming down. That is how all the loans that are loans plus capital repayment work, and the hon. Member knows that. Well, when it happens in a salary he could not possibly think that is
985 somebody lending their money to the Government. It is the same mechanism; instead of being the salary, it is a pension.

Hon. R M Clinton: Madam Speaker, would the Minister be willing to provide the House with a *pro-forma* agreement so we can have a look through it for ourselves?
990

Hon. Sir J J Bossano: I will not commit myself.

Hon. R M Clinton: Moving on to Question 237. I think the answer to that will be given those splits, but given that the Government must have the same information as its side as Credit Finance
995 will have, does the Government not have the information as to the splits as I have requested?

Hon. Sir J J Bossano: The numbers being given is on the number of individuals. I do not think the figures are readily available of what each individual got. It is related to their service and their age.
1000

Hon. R M Clinton: Sorry, Madam Speaker, I think the Hon. Minister has misunderstood me. I was referring to Question 237 in terms of the amounts showing outstanding in terms of how much had been paid over in financing schemes for commutation of pensions, early exit schemes; and as I was saying if this is on the Credit Finance side, it must be reflected in the Government's
1005 books or there must be a record on the Government's side in terms of the level of financing at the end of each period.

Hon. Sir J J Bossano: If the hon. Member wants any further clarification, I am quite happy to look at anything with the information and the statistics before me, which I have not got.
1010

Hon. R M Clinton: I am grateful to the Minister if he would do that.

Finally, Madam Speaker, if I go to Question 240, in terms of how many people there may be still within – sorry I am actually looking at 241 – are still in the old final salary scheme? I think the number I was quoted was about 1,349; it could be wrong.

1015 Does the Minister have any sense of the funding costs that might represent? Because my concern, Madam Speaker, is given that there is £150 million already that has been financed, how much more in terms of actual money would be required to finance these remaining members of the old scheme? Even if it is just an assumption, a worst case assumption of 100% commutation, because if it is anything like the £150 million we have already got, is he concerned that Credit
1020 Finance may not be able to find the money to commute these prospective pensioners?

Hon. Sir J J Bossano: Madam Speaker, this is a very good investment for the Savings Bank and it is a very good scheme for the public finances of the Government. Because I can tell the hon. Member that it is very easy to see how, in the absence of the scheme, the cost of the pension
1025 element of the consolidated fund charges would grow to a higher level – and that was the concern that made them end the final salary pension scheme.

1030 So this deals with reducing that. The more there is of this, the bigger the benefit to the consolidated fund and the bigger the returns to the Savings Bank because this is a liability that exists already. The Government has got, today, a liability to pay final salary pensions to 1,000 people.

1035 If this scheme was not there, the cost of that liability to that 1,000 people would be inescapable. What this does is it allows that liability – which is not increased because of the scheme it stays exactly the same way – to be funded in a way that will produce an earlier reduction in the level and a return on the investment in providing capital sums, which will service the income of the Savings Bank and allows the Savings Bank to give better interest to depositors.

1040 So there is nothing here that you can say, ‘Well, look, that is a risk and it is a bad thing.’ There is no risk, the risk is already there. If you remove this tomorrow the amount that the public purse will face is already there in the remaining entitlement to a final salary pension. So that has to be the starting point. If you take Credit Finance out and you take out the commutation and you take out what we put, you are left with something that is a bigger liability and will cost money.

1045 So by definition, if this produces a lower liability and in addition a stream of money that adds to the profits of the Savings Bank, gives more money to pensioners, produces a pot of money for surviving widows. I know that the hon. Member opposite is wanting to find something that is wrong with it, something that is wrong, but I am sorry to have to disappoint him. All of it is good. There is nothing bad.

Hon. R M Clinton: Madam Speaker, I am just asking questions.

1050 But, Madam Speaker, he has not actually answered my question. My question was really about the future funding costs of these 1,000-odd pensioners. Does he have a handle in terms of the capital sum that might be required if all these 1,000 pensioners commuted their pensions 100%, how much more money would Credit Finance need to provide those commutations?

1055 **Madam Speaker:** I think that is a hypothetical question because you are answering: if *this* happened, what would happen?

Hon. R M Clinton: No, Madam Speaker, it is an actual question. As the Minister said the Government has an actual liability, so he knows exactly how many people we are talking about. It is not hypothetical at all.

1060 **Madam Speaker:** What is hypothetical is if all the 1,000 people died at once, then what would happen? That is a hypothetical question. I am disallowing it as a hypothetical question.

1065 **Hon. R M Clinton:** Madam Speaker, with respect, I did not say everybody dies at once. I said if everybody commutes at once.

Madam Speaker: The premise is still the same. It is a hypothetical question. Well, Member, have another supplementary.

1070 **Hon. R M Clinton:** Thank you, Madam Speaker. Let me rephrase the question: in terms of these - let's round it down 1,000 pensioners, can the Minister put a handle in terms of what the potential long-term liability would be of these 1,000 pensioners?

1075 **Hon. Chief Minister:** Madam Speaker, this is a worse hypothesis than the one that you were addressing: 1,349 people who are still in the final salary scheme does not mean 1,349 people who will be entitled to a pension. Some of them will have entered Government service just before the final salary pension was stopped.

1080 Until those people have done 33⅓, they are not entitled to the final salary pension and so they might therefore not be entitled to commute. So every aspect of the hon. Gentleman's question is based on a hypothesis. It is impossible to extrapolate forward other than on further hypothesis: *if* the 1,349 do 33⅓, *if* they choose to commute, what is the liability? The answer to which would be it is impossible to say because each of them would then be – if they were to do that, hypothetically at different levels of entitlement.

1085 You might have somebody who spends all their life as an AA and an A0 and ends at the top scale of A0; or you might have 500 of those; or you might have somebody who ends as SO; or you might have 20 of those. It is impossible to do the calculation based on the basis that the hon. Gentleman has set which is, in any event, for the right reason that you have set out, a question based on a hypothesis.

1090 **Madam Speaker:** Next question.

Sorry, before we move on to question – I think 242 – is the Hon. Mr R M Clinton in a position to ask any supplementaries on 233? (*Interjection*) All right, then we will move on to the next question.

Q242/2024

Sir Joshua Hassan House – Plans

1095 **Clerk:** Question 242. The Hon. D J Bossino.

Hon. D J Bossino: What plans does the Government have in respect of Sir Joshua Hassan House?

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

Chief Minister (Hon. F R Picardo): Madam Speaker, Sir Joshua Hassan House will be vacated with staff relocated to new offices. The Government will make an announcement regarding its plans for this building in due course.

1105

Hon. D J Bossino: I take it that is the CSRO that lives there? Is he able to provide the House with an indication as to when that is likely to happen? In other words, when the move is likely to happen?

1110 **Hon. Chief Minister:** Madam Speaker, it is certainly on the cards to happen during the course of this calendar year. I do not from memory want to commit to a date, but I think refurbishment of new places is already ongoing, I think. So, I hesitate to say it is imminent, I want it to be imminent, but certainly in this calendar year.

1115 **Hon. D J Bossino:** And as to the destination, the new destination, is he able to provide further information?

Hon. Chief Minister: As to the new destination, did he say. Right, I see. Yes, I understand it is Leanse Place.

1120

Hon. D J Bossino: Is that Government owned or not? No, it is not. No, I think I have the answer, but I will ask him anyway. That is not Government owned, that is privately owned?

Hon. Chief Minister: Yes, that is privately owned.

1125 **Madam Speaker:** Whilst the hon. Member mops up, (*Laughter*) is there any other supplementaries?

1130 **Hon. Dr K Azopardi:** Sorry can I just ask, my hon. Colleague to my right, asked about, I mean that was the CSRO, but when the Chief Minister in his original answer talks about the relocation of the offices at Sir Joshua Hassan House, does he mean the whole building, the whole length of the building? That is much presumably occupied by other offices, not just the CSRO, is it?

Hon. Chief Minister: Madam Speaker, from memory, I think it is now just the CSRO.

1135 **Hon. D J Bossino:** Once the area has been mopped up ...
Can I ask the hon. Member what the intentions are in respect of the soon-to-be-vacated property?

1140 **Hon. Chief Minister:** Madam Speaker, I refer the hon. Gentleman to the answer I gave a few moments ago.

Hon. D J Bossino: I did not quite catch that.

1145 **Madam Speaker:** The hon. Member is multi-tasking at the moment. (*Laughter*)

Hon. D J Bossino: That is an impossibility for this particular gender.

Madam Speaker: I am not going to comment on that. (*Laughter*)

1150 **Hon. D J Bossino:** But I am not sure, he said that the intention is to move the property – sorry the current inhabitants of Sir Joshua Hassan’s House out – but does he have information as to what the Government then intends to do once it is vacated, in relation to that building? What are the intentions in relation to the soon-to-be-vacated Sir Joshua Hassan House?

1155 **Hon. Chief Minister:** Madam Speaker, my first answer, before he spilt his drink, was that the Government will make an announcement regarding the plans for this building in due course.

Madam Speaker: Next question.

**Q243-244/2024
Hassan Centenary Terraces –
Prevention of spraying cements**

1160 **Clerk:** Question 243, the Hon. D J Bossino.

Hon. D J Bossino: Are measures being put in place to prevent the further spraying of cements during the construction of Hassan Centenary Terraces?

1165 **Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Madam Speaker, I would answer with 244.

Clerk: Question 244, the Hon. the Leader of the Opposition.

1170 **Hon. Dr K Azopardi:** Madam Speaker, are Government considering the implications of the recent fire at Hassan Centenary Terraces generally or in terms of the methodology of construction of high-rise buildings; legislation governing such issues, resources or fire safety and if so what issues is it considering, or what steps would it intend taking?

1175 **Clerk:** Answer, the Hon. the Chief Minister.

Hon. Chief Minister: Madam Speaker, the contractor has advised that they have revised their operational procedures to prevent an incident of this nature from happening again. The construction methodology adopted by the contractor building Hassan Centenary Terraces, is appropriate for high-rise buildings. Hassan Centenary Terraces are designed and constructed to the latest British Standards and Building Regulations, including those pertaining to fire safety, which were updated following the Grenfell Tower fire.

1180 From a general perspective, current fire safety requirements comply with legislation and the GFRS requires best industry practices to be adopted to make buildings safer. The GFRS works closely with the Government to look into having the best response support mechanisms in place, both human and equipment-wise to tackle these sorts of situations.

1185 **Hon. D J Bossino:** In relation to my question, if I may, Madam Speaker, and he may not have the answer with him, is he able to advise this House what measures have actually been put in place in order to prevent the spraying of cement from happening again?

1190 **Hon. Chief Minister:** Madam Speaker, I am told that the incident occurred due to human error when a check procedure failed to be carried out by the contractor's foreman. So that is what is now being redoubled down on to ensure it does not happen again.

1195 **Hon. Dr K Azopardi:** If I may turn to 244, noting what the Chief Minister says in respect of the answer to 244, I think a distinction needs to be drawn, would he agree?— in terms of the buildings that are under construction and buildings that are commissioned after construction. Indeed, that distinction was drawn by the Fire Service itself in reacting to the response it had to give to the fire at Hassan Centenary, the building that was under construction on the 23rd floor. It made that point that, of course, the infrastructure to deal with a fire with a building that has already been built and commissioned is easier in terms of, for example, the Fire Officer at that stage I think referred to if they needed to deploy water carriage in a building under construction. So a completely different exercise to one that is under construction.

1200 So dealing first with the issues of buildings under construction, what discussions is the Government having with the Fire Service or is it receiving any advice from the Fire Service as to the impact of resources, perhaps, in relation to issues such as that?

1205 **Hon. Chief Minister:** Madam Speaker, the Government has not had any representations made to it by the Fire Service that it does not have the resources to deal with the fires that may occur in a building during the course of construction.

1210 **Hon. Dr K Azopardi:** Well, I would perhaps invite the Chief Minister to consider that this: that the Chief Fire Officer in the context of the construction of Hassan Centenary Terraces, and not in relation to this incident in an interview that he gave with GBC on 12th April 2023, he made the point that the response team to deal with Grenfell which was 200 fire fighters and gave an example of the response to a fire in a restaurant in London involving 70 fire fighters, but said that in Gibraltar they only have a crew of 12 on duty at any given moment and discussed the issue of

resources although, of course, he made the point diplomatically, that you can always aspire to have more resources.

1220 But I just wonder, in the context of the subsequent incident, have there been any discussions with the Fire Service in respect of the possibility of greater resources? Do they need greater resources? Have they considered, in light of the fact that there are a number of high-rise buildings being built, that they need further resources to deal with incidents in those buildings?

1225 **Hon. Chief Minister:** Madam Speaker, I do not know how the hon. Gentleman has journeyed from the building whilst it is being built to actual buildings like Grenfell. Is it that he has moved on, I ask myself, from asking me a question about a building site and is now asking me a question about a finished tall building? Because he also told us in another interview that was given by the Chief Fire Officer, the Chief Fire Officer had said that once a building is finished and it has all the
1230 infrastructure in it, it is easier to deal with a conflagration, should it occur in that building.

So, Madam Speaker, what I would say to him is that we have a very fluid discussion with the Fire Service in Gibraltar, and indeed with the Airport Fire Service in Gibraltar. Every year, at budget time, we look at all of the requests that they make and we together then determine what it is that should be voted for in any particular year.

1235 I would imagine it would have been the same in their time. As a result, I think, that we have now the best-resourced Fire Service we have ever had. I have not had any suggestion put to me by any Chief Fire Officer, or those who attend with him when we have our budget discussions, that there is any resource that they would highlight as a red flag that needs to be provided for which is not being provided for. Although no doubt, given what the hon. Gentleman has said
1240 today, they might be encouraged in this spending round to ask for more.

Hon. Dr K Azopardi: I do not know if they would be encouraged by me, I mean they might just be encouraged to consider the position given the incident we have had in January, and it is not a journey that is difficult to explain that in the context of the discussions that I had. Because first of
1245 all, I made the distinction that the Fire Service itself does make that distinction between buildings that have not been commissioned and are under construction and buildings that are commissioned and subsequently.

But the strong point that came through I would say two in these, first of all the comments made to the media is the amount of resources you require to deal with fires in high-rise buildings,
1250 one; and secondly, the incident in January a few weeks ago provides an example. We were very lucky to emerge from it quickly because of the fast response of the excellent Fire Service that we have. But my question is: is there an ongoing investigation and in the context of that investigation is there going to be a reassessment of the position? That is really what I was asking.

1255 **Hon. Chief Minister:** Well, Madam Speaker, now the hon. Gentleman has moved further forward and is now asking me whether there is an investigation into the fire.

Madam Speaker, I imagine that the Chief Fire Officer and his team – who are absolutely excellent, as we said at the time in particular of the fire at Power’s Drive, but not just when there is a fire – and who do sterling work in the approach that they take not just to dealing with a fire,
1260 but in particular to preventing fire – will be investigating what happened and if as a result of that there is a need for further resources, they will tell us. But they have not told us yet.

Madam Speaker, before we over-dramatise things, this was a fire in a skip. In other words, this was not a fire in the building, which was at large. This was a fire contained in a skip, although it was tremendously alarming because of the smoke that it created, but it was a fire in a skip on the
1265 top floor and an open area of a building which arose during construction.

Madam Speaker: Next question.

Q245-248/2024
Red ID Card issuance –
Calendar years 2016-2023

Clerk: Question 245. The Hon. the Leader of the Opposition.

1270

Hon. Dr K Azopardi: Madam Speaker, how many applications for the first-time issue of a Red ID Card to an applicant were submitted in each of the calendar years between 2016 to 2023 inclusive, broken down by each calendar year?

1275

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Madam Speaker, I will answer with 246 to 248.

Clerk: Question 246. The Hon. the Leader of the Opposition.

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Hon. Dr K Azopardi: Madam Speaker, how many applications for the first time issue of a Red ID Card to an applicant were granted in each of the calendar years between 2016 to 2023 inclusive, broken down by each calendar year?

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Clerk: Question 247. The Hon. the Leader of the Opposition.

Hon. Dr K Azopardi: How many applications for the first time issue of a Red ID Card to an applicant who had previously held a civilian registration card, were granted in each of the calendar years between 2016 to 2023 inclusive, broken down by each calendar year.

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Clerk: Question 248. The Hon. the Leader of the Opposition.

Hon. Dr K Azopardi: How many applications for the first time issue of a Red ID Card to an applicant who had previously held a civilian registration card was submitted in each of the calendar years between 2016 to 2023 inclusive, broken down by each calendar year?

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Clerk: Answer, the Hon. the Chief Minister.

Hon. Chief Minister: Madam Speaker, I now hand over a schedule with the information that the hon. Gentleman has requested.

1300

ANSWER TO QUESTION 248

Answer to Questions 245 and 246

YEAR	SUBMITTED	GRANTED
2016	1086	1000
2017	840	830
2018	792	783
2019	672	665
2020	712	703
2021	1210	1190
2022	1561	1517
2023	1138	1111

Answer to Questions 247 and 248

YEAR	SUBMITTED	GRANTED
2016	370	356
2017	362	361
2018	318	316
2019	264	262
2020	310	308
2021	444	439
2022	802	790
2023	674	657

1305 **Madam Speaker:** Right, I propose we move on to the next question whilst the hon. Member has time to consider their schedule.

**Q249/2024
Meddoc Limited –
Principal Auditor’s report**

Clerk: Question 249. The Hon. the Leader of the Opposition.

1310 **Hon. Dr K Azopardi:** Madam Speaker, does the Government accept the criticisms made by the Principal Auditor in his 2016-17 and 2017 report in respect of the grant of three contracts totalling approximately £4.8 million to Meddoc Limited in relation to the provision of services at Bella Vista, Hillside and the John Mackintosh Wing?

Clerk: Answer, the Hon. the Chief Minister.

1315 **Chief Minister (Hon. F R Picardo):** Madam Speaker, no, Madam. The Government will address all these matters, however, in the context of the debate of the Motion set down by the Hon. Mr Clinton.

1320 **Hon. Dr K Azopardi:** Madam Speaker, there are a number of criticisms made by the Principal Auditor that the procurement regulations were not followed, that there was no written record of all stages of the of the tenders, and indeed, no signed formal contracts. The agreements were legally binding, but no formal contracts exposed services and exposed people, exposed users.

1325 He concluded in his report that he was unable to conclude that the contracts were awarded to the best tender submission. In that context, does the Chief Minister not have any comment to make in respect of that central finding?

1330 **Hon. Chief Minister:** Madam, I have been asked whether I agree with the finding and I have said no. The hon. Gentleman cannot say that I did not answer his question. I actually said, I do not agree with the finding of the Auditor. So if he is asking me now, in a slightly lengthier written bit that he had prepared for himself as a supplementary, to repeat my view, I repeat my view and I will give him more details in the course of the debate that we are going to have on Monday in respect of the Motion that has been set down by Mr Clinton.

1335 I think the findings of the Auditor are wrong. I will explain why during the course of the debate. This is Question Time and it should not be a pretext for a debate.

Hon. Dr K Azopardi: Well, we know that the hon. Member does not want to debate this issue and indeed not provide information on it. We know – and by the way I had not written down my question, we know that all three contracts were awarded to Meddoc. We know, that in respect of one of them – at least one of them – they were not the highest bidder because it had been
1340 awarded to a different company and then that offer was withdrawn.

Were they, Meddoc, the lowest bid on Bella Vista and the John Mackintosh Wing tenders?

Hon. Chief Minister: Madam Speaker, the hon. Gentleman cannot have it both ways. He cannot get up and say we know that the hon. Gentleman does not want to debate this issue when
1345 I have told him, in fact, that I want to debate this issue during the course of the debate. But of course the difficulty that he has is that this is not the debate, this is Question Time; and as his own mouth has demonstrated, he wants a debate and I am happy to give him a debate.

What I am not happy to do, Madam Speaker, is to pretend that we are not in Parliament, that we are in court, that he is the cross-examiner and I am the sitting duck. I am very happy to have
1350 the debate and to have all of these issues ventilated in the debate.

The fact is of course, Madam Speaker, he does not want a debate. He wants just to take pot shots in questions and not have a debate where we are able to respond fully to all of these issues; and where necessary confirm that the Principal Auditor is right; and where necessary say where we think the Principal Auditor is wrong. A debate we are ready to have, standing here like
1355 sitting ducks to have him take pot-shots at us we are not prepared to play.

Hon. Dr K Azopardi: If he is a sitting duck, he is a sitting duck of his own making, by continuing to display to the people of Gibraltar a total unwillingness to answer simple questions. Because he is right, this is not a debate; and he is right that this is question and answers and I am asking him
1360 a simple question.

We know that of the three contracts awarded to Meddoc they were not at least the lowest bidder in respect of one of them, which was notionally awarded to someone else. I am asking, in relation to the Bella Vista and John Mackintosh Wing tenders, were they the lowest bidder? It is a simple question.
1365

Hon. Chief Minister: And like every question, Madam Speaker, that the hon. Gentleman puts, it comes with a trick; with a trick designed to try and give him a political advantage. That is why we will answer all of these questions and provide all of this information in the context of the debate, where we are able freely to set out all of the facts without having to fall foul of the rule
1370 that this is Question Time, not time for a debate.

Madam Speaker, we are not sitting ducks of our own making. What we are, Madam Speaker, is responsible for every penny of the public's money that we spend; responsible to ensure that we get the best deal every time; responsible to ensure that those who get tenders from the public are not people who owe us hundreds of thousands of pounds in PAYE and in Social Insurance; responsible to ensure that we do the right thing every time in each sector including, in particular,
1375 the sector that is the care of the elderly.

The hon. Gentleman can smile all he likes and he can think that he has got us if he wants, but during the course of the debate we will demonstrate that every decision taken was the right decision taken, and that every right-thinking Gibraltarian would have done the same thing. He is
1380 the one who is afraid of debating it.

Hon. Dr K Azopardi: Madam Speaker, why does he not realise that in ducking – ducking as a sitting duck that he is – the simple question that I am asking as to whether they were the lowest bidder. Every time he stands up and refuses to answer that simple question, every time he is
1385 sending a clear message to the people of Gibraltar. Does he not realise that? Does he not realise that he is sending the message that he does not want to answer simple questions because there are things to hide?

Hon. Chief Minister: Far from it, Madam Speaker.

1390 I am delighted to come here on Monday and provide all of the facts and all of the facts will
demonstrate to the people of Gibraltar that actually what we did, in that context, was absolutely
the right thing. And perhaps, Madam Speaker, if he were true to himself and if he were true to
our obligation of loyalty to the people of Gibraltar, on Monday when he speaks after me or before
me, or whether he speaks before me perhaps out of this place, he might then say having now all
1395 of the facts and understanding in the context of this debate what happened, in relation to the
Meddoc contract and in relation to the other issues that the Principal Auditor has raised, I realise
that the Government was right.

That they acted properly, that the Chief Minister was the subject of innuendos from me during
the course of Question Time, which were unfair. I take it all back, he did the right thing. I support
what the Government did on the Meddoc contracts. Perhaps on Monday, if he is true to himself,
1400 he will do that at the end of that debate.

Madam Speaker: Next question.

Q250-51/2024
Global Health Insurance Card –
UK-EU Trade and Co-operation Agreement

Clerk: Question 250. The Hon. the Leader of the Opposition.

1405 **Hon. Dr K Azopardi:** Madam Speaker, can I ask, yes: pending the conclusion of negotiations on
a Treaty for a new relationship for Gibraltar with the EU, are the Government seeking confirmation
that British Gibraltarians and British citizens resident in Gibraltar can be issued with a Global
Health Insurance Card, or GHIC Card, under the UK-EU Trade and Co-operation Agreement, or
under some other arrangements?

1410 **Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Madam Speaker, I will answer with 251.

1415 **Clerk:** Question 251. The Hon. Leader of the Opposition.

Hon. Dr K Azopardi: Following the recent meeting with Lord Cameron, will the Chief Minister
update the House in respect of the negotiations towards the conclusion of a treaty on a new
relationship with the EU?

1420 **Clerk:** Answer, the Hon. the Chief Minister.

Hon. Chief Minister: Madam Speaker, the United Kingdom Global Health Insurance Card, or
UK GHIC, is a card that is issued by the UK NHS to persons who establish an entitlement to one,
1425 under the UK Social Security Legislation. In the context of arrangements made between the UK
and the EU under the UK-EU Trade and Co-operation Agreement, the UK GHIC provides card
holders with the right to access State-provided healthcare during a temporary stay in the EU.

British Gibraltarians, who are not resident in the UK, or British citizens resident in Gibraltar, are
not entitled to a UK GHIC, this being a product of UK Social Security Legislation, which is distinct
1430 from Gibraltar Social Security Legislation. We nonetheless continue to look at related options.

Alongside the Deputy Chief Minister, I met with the UK Foreign Secretary, Lord David Cameron, in London on 29th January. The meeting took place shortly after round 16 of negotiations with the EU, which took place in Brussels from 23rd to 25th January.

1435 As Members of the House are aware, this was not the first time I have met Lord Cameron but it was indeed the first time I saw him in person in his new role. The Foreign Secretary needs no introduction to matters concerning Gibraltar. He knows the issues affecting us in detail and he has demonstrated his commitment to Gibraltar as evidenced, not just by his agreement to see me when he was pressed with the complexity of other world events, but also as the House will recall, by his visit as Prime Minister in the lead-up to the Brexit referendum, the first by any sitting Prime
1440 Minister since 1967.

During our meeting, we discussed the latest developments in relation to our negotiations with the EU and the meeting was also an opportunity for us to reaffirm the close relationship that Gibraltar and the United Kingdom have. This relationship of close partnership, which is now closer than ever, is what has steered the successes that we have so far delivered in the Brexit process
1445 and I am confident that, together, we will successfully take this last step in the process towards a final negotiated outcome.

The Government remains firmly committed to working hand-in-glove with the Foreign Secretary and the UK Government, generally, to reach that goal as soon as practically possible. But it would be imprudent and irresponsible to simply assume that we will get there. Because of
1450 this, Lord Cameron and I also recognise the importance of continuing our work on no-deal planning, an area that the Deputy Chief Minister has been working on closely with another friend of Gibraltar, the Minister for Europe, Leo Docherty, who we also met separately on that day.

The Foreign Secretary was unequivocal in that he will not agree to anything that would compromise on Gibraltar's sovereignty and I can assure the House, as I have done time and again,
1455 that the Government's red lines on sovereignty, jurisdiction and control are impenetrable. Members of the House will recognise that the issues at hand are complex and should not be prejudged in any way at this late stage; and it is at this late stage where the most complex issues are brought to the fore, of course. Nonetheless, I am convinced that with the help of our partners in the UK Government we will arrive at an agreement that is safe and beneficial for Gibraltar
1460 because anything other than that will not be agreed to by my Government.

Hon. Dr K Azopardi: Can I ask in relation to 250, which is the healthcare arrangements, obviously the whole scheme that led to a GHIC Card, the Global Health Insurance Card, is embedded in the Trade and Co-operation Agreement. It is a complex agreement and in the Social
1465 Security protocol which, at first sight, looked as if it was a benefit for UK Nationals or yes UK citizens ... British citizens.

Has the Chief Minister tabled discussions with the UK or taken legal advice as to the scope of the entitlements? Or is the answer that he gave in respect of the entitlement, a product of discussions with the UK, or a product of our own assessment of the scope of the agreement?
1470

Hon. Chief Minister: It is the obvious understanding of a reading of the agreement.

Hon. Dr K Azopardi: He will see from my question that I asked whether there can be an arrangement, not just under the UK-EU Trade and Co-operation Agreement, but under some other
1475 arrangements. Are there, in the context of the discussions that we are having, envisaged provisions, should there be an agreement that would lead to the issue of a similar card for Gibraltar?

Hon. Chief Minister: Madam Speaker, I have stoically ensured that we have not disclosed any aspect of the detail of the negotiations so far. We are now in the final throes and I am not going
1480 to, for that reason at this stage, err into the area of disclosing details of the agreement. But I will

say to the hon. Gentleman, as I have before on this subject, that we continue to look at the subject of healthcare as part of the negotiations.

1485 **Hon. Dr K Azopardi:** On 251 and of course understanding the delicate nature of the discussions and the timescales and where we are and so on, can I ask the Chief Minister whether, in his view, there has been progress since last time I asked on this issue. If he will recall that when I posed this last question they were towards the end of the last round of technical talks.

1490 So can I ask whether, in his view, there has been progress, are there new technical talks envisaged, or any new formal round of negotiations envisaged from now till Easter?

Hon. Chief Minister: Madam Speaker, the hon. Gentleman has really asked three questions there at the end, the answer to all of which is yes.

1495 **Madam Speaker:** Before we move on to the next question, I would ask the Hon. Leader of the Opposition whether you have any supplementary questions on question 248, which was the schedule of the Red ID Cards? No supplementaries? All right. Next question.

1500 **Hon. Chief Minister:** I am just conscious that we are about to change the sitting duck from this one to another one. And I wonder, Madam Speaker, whether in order to allow Hon. Members to reload and the ducks to put on their appropriate life jackets, we might recess for 20 minutes until 5.20 p.m.?

Madam Speaker: All right, we will have a short recess until 5.20 p.m.

The House recessed at 5.05 p.m. and resumed its sitting at 5.25 p.m.

HEALTH, CARE AND BUSINESS

Q132/2024

GHA Dentists –
Children's time slots

1505 **Clerk:** We continue with questions to the Hon. Minister for Health, Care and Business. Question 132. The Hon. J Ladislaus.

1510 **Hon. J Ladislaus:** Madam Speaker, how long are the time slots currently available for a child being seen by a GHA dentist; and are all slots being filled up?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

1515 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, the length of the time slots for a child being seen by the GHA dentist varies depending on the type of treatment which is being provided. It is, therefore, not possible to give an accurate time for each slot as it is not a one-size-fits-all. All available time is booked to maximise efficiency.

1520 **Hon. J Ladislaus:** I am grateful. Information that has come to me, and it is from a service user who has received this information herself, suggests that slots being given out are around the 20-minutes slot. However, I appreciate that, for example, for root canals and more complex procedures, longer slots are needed, such as one- or two-hour slots and this is where I am coming to with my next question.

1525 Because these slots are 20 minutes each, and perhaps a person might have an appointment two- or three-months down the line, a child may have an appointment for something more serious like a root canal three or four months down the line, what is occurring is that these 20-minute slots are not sufficient to see to the problem but rather to patch it up in the meantime.

1530 So what occurs is an inefficiency in that the problem then worsens and further time is required and is taken up within these smaller slots. Can the Minister comment as to whether that issue could be addressed?

1535 **Hon. G Arias-Vasquez:** Madam Speaker, the issue of the time slots for dentists is a clinician-led matter. As the hon. Member opposite rightly pointed out, it is dependent on what the issue is with the individual child. So a check-up or a review is normally between 20 and 30 minutes and as the hon. Member rightly said, an extraction or a root canal is between 30 minutes and an hour, so it very much depends.

If you go in for a review and indeed it is determined that you need a further treatment you will be booked in, but you will not be seen to at that moment in time, which is precisely what always happens and what would happen, usually, wherever you were to be seen.

1540 **Hon. J Ladislaus:** One further observation that has been made and brought to my attention is that when individuals are attending their appointments, there does not seem to be a back-to-back slot filled. So, i.e., there is not another child waiting to be seen once that child has come out. Can the Hon. Minister confirm whether all slots are indeed being filled, because there appears to be a situation whereby some slots are not being used?

1545 **Hon. G Arias-Vasquez:** Madam Speaker, the manner in which appointments are booked is that they try to maximise the available time. So, for example, if there is a 30-minute appointment or if there is a review of 20 minutes, the clerks will try to avoid booking someone immediately thereafter. But what will often happen is that less time is taken to review a child than is actually booked in, which is why there does not appear to be a back-to-back slot. But I am assured that the slots are booked in order to maximise efficiency at the dental clinic.

Madam Speaker: Next question.

Q133/2024

Dental nurses –

How many currently employed

1555 **Clerk:** Question 133. The Hon. J Ladislaus.

Hon. J Ladislaus: Madam Speaker, how many dental nurses are currently employed by the GHA?

1560 **Clerk:** Answer, the Hon. Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the GHA presently employs eight full-time and one part-time dental nurse.

1565 **Hon. J Ladislaus:** Madam Speaker, can the Hon. Minister comment as to whether there are indeed enough nurses to cover all the work that is currently being undertaken and all the dentists that are currently within the complement, because I have had suggestions that there are shortages?

1570 **Hon. G Arias-Vasquez:** Madam Speaker, I assume that this would be where the question was going, so I took the liberty of pulling out the 2011 and 2012 estimates, which was the last estimates prepared by the Members opposite, when they were indeed in Government and at the time there was one dental nurse in the complement. So, that gives me sufficient confidence that eight full-time nurses and one part-time dental nurse is indeed sufficient.

1575 **Hon. J Ladislaus:** I am grateful. Just to pick up that thread, the complement of children has increased since we were last in Government and that is a statistical fact and then, therefore, obviously there were less dental nurses back then. But I am also obviously concerned about the backlog that was created by COVID, which is being addressed, but is that backlog now controlled? Is it still there?

1580 Could the Hon. Minister please enlighten us as to whether that backlog will disappear anytime soon?

Hon. G Arias-Vasquez: Madam Speaker, whilst it is accepted that the number of children has increased, it has certainly not increased eight-fold. So I think that is sufficient comfort in respect of that question.

1585 If you look at the complement for this year, if you look at the Green Book for this year, the number of dental nurses is actually six. So there are supposed to be six dental nurses in the complement, two additional dental nurses were added as part of the waiting-list initiative to try and clear the dental waiting-list initiative.

1590 So we feel that measures have been taken in order to clear the waiting-list initiative and that is under review and currently going quite well.

Hon. J Ladislaus: I am grateful for that answer. Can the Hon. Minister, therefore, confirm when it is expected that the entire waiting list will have been cleared?

1595 **Hon. G Arias-Vasquez:** Madam Speaker, that is not the question being tabled. If there is a question to be tabled, I would require notice of that question in advance.

Madam Speaker: Next question.

Q134/2024

Prosthetic limbs – Numbers; external providers

1600 **Clerk:** Question 134. The Hon. J Ladislaus.

Hon. J Ladislaus: Madam Speaker, how many service users requiring prosthetic limbs are there currently under the care of the GHA? And how many of those service users are being sent to external providers to have those prosthetic limbs fitted and maintained?

1605 **Clerk:** Answer, the Hon. the Minister for Health, Care and Business.

1610 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, at present we have 18 ambulatory lower-limb amputees who access the GHA prosthetic service. Additionally, we have one upper-limb amputee who uses prosthetics and accesses UK for provision and maintenance.

Hon. J Ladislaus: I am grateful. Can the Hon. Minister provide a little bit more information as to who those providers are?

1615 **Hon. G Arias-Vasquez:** Madam Speaker, the GHA has a service level agreement with Opcare UK, which is supported by the company Ortopedia Clinica Poyatos for provision and maintenance of prosthetic limbs. The upper limb prosthetic users also access Opcare UK.

1620 **Hon. J Ladislaus:** Madam Speaker, has a cost-to-benefits analysis been carried out to determine whether employing somebody within the GHA with expertise in fitting those prosthetic limbs would actually be more beneficial than outsourcing the work?

1625 **Hon. G Arias-Vasquez:** Madam Speaker, I am not certain whether that has or has not been done, but what I do know that has been done is that Poyatos has come to Gibraltar a maximum of 12 visits and in these visits they take primary measurements for making the sockets and the necessary adjustments. So we have been looking to maximise the care for any user which requires to access a service.

1630 **Hon. J Ladislaus:** I am grateful. My concern here is that I am reliably informed that the prosthetic limbs may fit today, but next month they may not fit as they should, given there are many factors that impact that fit. My understanding is temperature can impact the fit of a prosthetic limb and obviously that impacts daily life for a lot of these individuals who rely on prosthetic limbs.

1635 Can the Hon. Minister, therefore, commit to looking into this area further, so that improvements can be made to access to somebody who can maintain those limbs?

Hon. G Arias-Vasquez: Madam Speaker, the information which I have available is that it is not cost effective to have someone here in Gibraltar due to the complexities of the prosthetics. I am happy to commit to looking into it to see whether the service can be provided in a better manner.

1640 **Madam Speaker:** Next question.

Q135/2024
Occupational Therapists –
Vacancies opened

Clerk: Question 135. The Hon. J Ladislaus.

1645 **Hon. J Ladislaus:** Madam Speaker, in the past six months have there been any vacancies opened within the GHA for the role of Occupational Therapist, and if so have those vacancies been opened to the wider public or only opened internally?

Clerk: Answer the Hon. the Minister for Health, Care and Business.

1650 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, in January 2024, the GHA published the vacancy for Occupational Therapist within the public sector. No other vacancies have arisen in the past six months.

Hon. J Ladislaus: I am grateful for that reply. I wonder whether the Hon. Minister would have the information in front of her, is that the case for Assistant Occupational Therapists also?

1655 **Hon. G Arias-Vasquez:** Madam Speaker, the question relates to Occupational Therapists. I do not have the information in front of me as to whether the Assistants have also been published.

Hon. J Ladislaus: I do take the point that I have not asked that specific question. Would the Hon. Minister perhaps write to me with that information?

1660 **Hon. G Arias-Vasquez:** Yes. No issue with that.

Madam Speaker: Next question.

**Q136/2024
Crisis Intervention Team –
Mental health service users**

Clerk: Question 136. The Hon. J Ladislaus.

1665 **Hon. J Ladislaus:** Madam Speaker, how many service users have called 111 for mental health reasons and been referred to the Crisis Intervention Team in the past 12 months, broken down by month?

1670 **Clerk:** Answer the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the information recorded on the Primary Care Electronic Patient Record system is as follows:

In January, there were 4 calls
In February there were 2
In March there were 5
In April there were 4
In May there were 3
In June there were 2
In July there were 4
In August there were 5
In September there were 2
In October there were 4
In November there were 4
In December there were 2
And for completeness, in January there were 3.

Madam Speaker: Next question.

Q137/2024

**St Bernard's Hospital –
Mental health A&E; facilities and staff**

1675 **Clerk:** Question 137. The Hon. J Ladislaus.

Hon. J Ladislaus: Madam Speaker, where within the A&E Department of St Bernard's Hospital is the Mental Health A&E situated and what does it consist of in terms of facilities and staff?

1680 **Clerk:** Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the GHA's Mental Health Liaison Team is situated just outside the Emergency Department. It is a clinical area where patients can be assessed and treated. There are currently five registered mental health nurses within the team with a 24/7 cover of the service.

1685 There is also a responsible psychiatrist for the team from Monday to Friday, 8 a.m. to 5 p.m. together with a 5 p.m. to 8 a.m. on-call rota. As I already confirmed to the hon. Member opposite, on 19th December 2023, the mental health facility is clinician-led, so if the clinician feels it is appropriate to take them outside to a more private setting, they are taken to a room just outside A&E.

1690

Hon. J Ladislaus: I am grateful. We have heard that the psychiatrist is available from Monday to Friday from 8 a.m. to 5 p.m., could the Hon. Minister confirm what occurs on Saturdays and Sundays?

1695

Hon. G Arias-Vasquez: Madam Speaker, I would need notice of that question. Unfortunately, I am unaware of what happens on Saturdays and Sundays.

Hon. J Ladislaus: Would the Hon. Minister be happy to provide me with that in writing?

1700

Hon. G Arias-Vasquez: Yes. I have just been told that they are on call 24/7 on a rota. So they would be called to come down to A&E.

Hon. J Ladislaus: I am grateful. Could the Hon. Minister confirm then, that my understanding is correct, that currently the Mental Health A&E consists only of one room which is outside a very busy A&E area. Is that correct?

1705

Hon. G Arias-Vasquez: Madam Speaker, we had this discussion on 19th December 2023. There is one room outside the A&E area where patients are taken, if the clinician feels it is necessary to take the clinician outside A&E. So if a clinician makes a call that it is necessary to take the patient outside A&E, there is a room available for that. Otherwise the patient will stay in the ordinary A&E.

1710

Hon. Dr K Azopardi: Can I ask, the hon. Lady has indicated that the mental health aspect of the A&E is staffed by five RMNs, I think she said, but presumably these are not five RMNs that are there all the time, because when people attend the A&E – or are they? I mean, is that her information?

1715

Hon. G Arias-Vasquez: Madam Speaker, the information that I gave is that there are five registered mental health nurses within the team, not there all the time.

1720

Hon. Dr K Azopardi: I see. My information is when people attend the A&E with a mental health issue they would be seen by the nurses that are there; not necessarily RMNs. It might be necessary for them to do a call-out to a consultant psychiatrist, but I was interested to hear the hon. Lady say that there were five RMNs as part of the team.

1725 Does that mean that there is at least one RMN as part of the A&E complement on any particular night that is available; or does an RMN, if needed, need to be called to come down as well?

Hon. G Arias-Vasquez: Madam Speaker, as I confirmed in reply to the question, there is a 24/7 cover to the service, so there are five RMNs available on 24/7 cover.

1730

Hon. Dr K Azopardi: I see, I understand that. But really what I am asking is when someone turns up with a mental health crisis at A&E, is there someone there who is mental-health trained at that moment and is the answer to that no, because they have to call the psychiatrist or call an RMN on duty?

1735

Hon. G Arias-Vasquez: Madam Speaker, I am not 100% certain. My understanding is that there is an RMN available during those hours, but I would not be confident in standing here and confirming that that is the case. If I get notice of that question specifically, I can answer it next time.

1740

Hon. Dr K Azopardi: I am grateful, and indeed if necessary we will table the question if the hon Lady needs to be prompted and does not reply in the interim. But I would ask her, perhaps, if she could find out because my understanding is that if someone does turn up, or at least my understanding previously was, that if someone does turn up with a mental health crisis there is not someone there who is mental health trained.

1745

They may have access to people who they can call and really what I was trying to probe is: has there been any adjustment of my previous understanding of how the mental health provision is being supplied to users? And either the answer is that there has not, and the service is still as I understand it – in other words people need to be called – or there has been, and there has been an improvement.

1750

So I would be grateful if the Hon. Minister would look into that and write to us, if she may; and if she does not because, for some reason, the matter slipped her mind then I will table the question to prompt her.

1755

Hon. G Arias-Vasquez: Madam Speaker, I am happy to reach out to the hon. Member opposite and reply to that specifically.

Madam Speaker: Next question.

Q138/2024
GHA General Stores –
Stock-taking controls

Clerk: Question 138. The Hon. J Ladislaus.

1760

Hon. J Ladislaus: Madam Speaker, what stock-taking controls does the GHA have in place within its Departments to ensure that they operate within the requirements of Stores' instructions?

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Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the GHA currently have a number of stock control systems. An example is Pathology, which is controlled by the Modulab system.

1770 The GHA is in the process of implementing a state-of-the-art stock-control system called Omnicell and rolling this out across most of its clinical and non-clinical areas. Omnicell has already been rolled out in theatres with great success, controlling and managing stock levels in the most cost-effective way and ensuring stock is always available to support clinical activity.

Hon. J Ladislaus: I am grateful for that answer.

1775 Madam Speaker, when was the Modulab system implemented within the Pathology Department?

Hon. G Arias-Vasquez: Madam Speaker, again that is a very specific question. Could that be tabled, please?

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Hon. J Ladislaus: I will table that.

Madam Speaker, has the Omnicell system only been rolled out within theatre, or can we have confirmation as to whether it has been rolled out anywhere else within the GHA? And if not, by when does it expect to be rolled out GHA-wide?

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Hon. G Arias-Vasquez: Madam Speaker, Omnicell has indeed been rolled out in theatres with great success. General Stores have more than doubled the Omnicell system in the last 12 months and holds in excess of 2,000 items in supply with the Omnicell interface.

1790 This has involved training and development of staff to access stock via the Omnicell automated cabinets, and we have the A&E, CCU and Day Surgery scoped for 2024 and 2025. The GHA is also assisting in partially integrating key staff from Dialysis, the Ophthalmic Department and Pathology by the end of 2024.

Hon. J Ladislaus: I am grateful for that answer. Is it expected that it will be rolled out to every Department within the GHA, or simply the ones that have been outlined?

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Hon. G Arias-Vasquez: Madam Speaker, it is envisaged that it will be rolled out to all of the Departments in the GHA eventually.

1800 **Hon. J Ladislaus:** Madam Speaker, am I therefore correct in my understanding that other Departments do not have stock control systems. Is that the case?

1805 **Hon. G Arias-Vasquez:** Madam Speaker, as I indicated in my earlier reply, different Departments have different stock-control systems. So an example of that is the Pathology Lab which at the moment is controlled by a Modulab system. So it is a different system but it is a different stock-control system.

Hon. J Ladislaus: I am grateful for that indication. But the question specifically is: are any Departments without the stock-control systems that they need to have in place?

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Hon. G Arias-Vasquez: Madam Speaker, the Omnicell system is one that is currently being rolled out. There are other stock-control systems which are an older stock-control system, but the Omnicell system is being rolled out as per the programme that I indicated earlier, and the Modulab system is in place in the Pathology Lab.

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Hon. J Ladislaus: I am just failing to understand. So, then, is the Hon. Minister saying that every Department does have perhaps a more rudimentary stock-control system in place, but every

Department currently has a stock-control system, or is it only Pathology that has it and then we are waiting for the other Departments to have this?

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Hon. G Arias-Vasquez: Madam Speaker, the GHA has other stock-control systems controlling consumables which will eventually be transferred onto the Omnicell system.

Madam Speaker: Next question.

Q139/2024
GHA service contracts –
Up to date

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Clerk: Question 139. The Hon. J Ladislaus.

Hon. J Ladislaus: Madam Speaker, can the Hon. Minister confirm whether all service contracts in respect to all services contracted-out by the GHA, are up-to-date; and if not give the reasons for this?

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Clerk: Answer, the Hon. the Minister for Health, Care and Business.

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Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, some service contracts are out of date as they are time-lapsed and the GHA is currently reviewing these contracts. An organisation the size of the GHA has hundreds of different service contracts across all clinical and support areas. At any one point, it will be inevitable that some of these contracts may have lapsed, but the GHA is always in the process of reviewing all of its contracts to ensure delivery and value for money.

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To give an example of such contracts would be for sponsored patients, for example, where a number of external contracts are time-lapsed and are now being reviewed with the appropriate clerical and legal support. Given the large number of contracts in question, it would not be possible to give more contract-by-contract detail.

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Hon. J Ladislaus: So, is my understanding correct that in the meantime, specifically, we have heard that it is to do with sponsored patients? There are currently no up-to-date contracts governing those services. Is that correct?

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Hon. G Arias-Vasquez: Madam Speaker, as the hon. Member will know, even if the contract is time-lapsed it will roll over and the terms of the agreement will remain in force by virtue of the fact that there has been a contract in place.

So the contracts are time-lapsed but they are currently being renegotiated by the GHA.

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Hon. J Ladislaus: Yes, I agree with some of that but nevertheless, given that they have lapsed, there would be issues as to whether it would remain binding until such time as they are re-entered into. So in the meantime, what protection is in place for the service users and the impact upon our community?

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Hon. G Arias-Vasquez: Madam Speaker, we know of no such issues that are impacting any service users. The contracts and the services are still being accessed by the service user and we have had no complaints of the services provided by tertiary institutions as a result of the contracts being time-lapsed.

1865 **Hon. J Ladislaus:** One further question. Is there any system in place so that service contracts can be reviewed quickly; and obviously we can avoid the scenario whereby contracts are lapsed so quickly that we have not been able to enter into negotiations as to re-formalising the arrangement?

I will rephrase that, it is a bit convoluted. But can you confirm whether there will be anything put in place to remain on top of these contracts so that they do not lapse and we can be on top?

1870 **Hon. G Arias-Vasquez:** Madam Speaker, we have different Departments that deal with these different contracts. So there is a level of legal and clerical oversight in respect of all of these contracts. However, as explained in the answer to the question, in an organisation the size of the GHA it is inevitable that some contracts will lapse.

1875 Is the service user affected? We do not believe so and we have not had any comments confirming that any service user has suffered as a result of the contracts being time-lapsed and we are not concerned therefore.

1880 **Hon. J Ladislaus:** The service user may not be impacted directly, but there is a concern obviously that there may be issues ultimately to the taxpayer, given that there may be legal issues arising from these contracts that have not been renewed in time. Is that agreed?

Hon. G Arias-Vasquez: No, Madam Speaker, not at all; that is not agreed. There are no such issues.

Madam Speaker: Next question.

Q140/2024
GHA Departments external services –
Arrears owed

1885 **Clerk:** Question 140. The Hon. J Ladislaus.

1890 **Hon. J Ladislaus:** Madam Speaker, can the Hon. Minister provide breakdowns by Departments of the amount of arrears owed to GHA Departments for services provided externally for the years: 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23?

Clerk: Answer, the Hon. Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the arrears owed to the GHA Department for services provided externally are as follows:

2016-17 zero
2017-18 zero
2018-19 zero
2019-20 £119.66
2020-21 zero
2021-22 £298,384.62
2022-23 £33,795

1895 **Hon. J Ladislaus:** I am grateful for those indications.

Can the Hon. Minister confirm whether parts of those arrears due in 2021-22 and 2022-23 pertain to the arrears within the Pathology Department that were within the Auditor's report, the last one for 2016-17 and 2017-18?

Hon. G Arias-Vasquez: Madam Speaker, apologies but I forgot to break it down by Department.

1900 So 2021-22 there is a figure of £298,384.62 owed by the Pathology Department; and the same is 2022-23 that is a figure of £33,795 that is owed by the Pathology Department. The £119.66 in 2019-20 is owed by Radiology.

I think that is the distinction that the hon. Member was seeking.

Financial Year	Pathology (public analyst & PCR)	Radiology
2016/2017	-	-
2017/2018	-	-
2018/2019	-	-
2019/2020	-	119.66
2020/2021	-	-
2021/2022	298,384.62	-
2022/2023	33,795.00	-

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Hon. J Ladislaus: I am grateful. By when can these areas be expected to be cleared?

1910 **Hon. G Arias-Vasquez:** Madam Speaker, the arrears are owed for numerous different reasons, so we cannot confirm when exactly they are going to be owed. Three reasons that the arrears are owed is because there is either a dispute over the responsibility of the bill; or because there is a repayment agreement in place and that repayment agreement is being repaid month by month; or there was a bankruptcy declaration by the clinic. But in either of those instances, we are unable to confirm when those arrears will be paid.

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Madam Speaker: Next question.

Q141/2024
Annual leave –
Administration and management

Clerk: Question 141. The Hon. J Ladislaus.

1920 **Hon. J Ladislaus:** Madam Speaker, is the administration and management of annual leave being undertaken in adherence to general orders within every Department of the GHA?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, yes, it is.

1925 **Madam Speaker:** Next question.

Q142/2024
Approval of overtime –
Mechanisms in place

Clerk: Question 142. The Hon. J Ladislaus.

Hon. J Ladislaus: Madam Speaker, what mechanisms are in place within the GHA, by department, for the approval of overtime?

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Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the following mechanisms are in place for the approval of overtime.

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For nursing staff, overtime submissions are included in the weekly off duties. There is a separate section within the rota which allows for overtime hours to be entered. The rotas are prepared by the ward Charge Nurse and then forwarded on to the Clinical Nurse Managers for a further check and final ratification. Both signatures are required before they are accepted by Salaries for payment.

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In terms of the medical staff, overtime submissions are received in the form of monthly timesheets. Any extra hours worked are entered by the individual practitioner and then signed off by the Senior Consultant responsible for the particular individual. If the overtime request relates to senior employees, overtimes are then approved by the Medical Director.

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In terms of allied health or admin and support overtime submissions are received on a monthly basis, a month in arrears. All submissions processed by individuals are then reviewed and checked by the department line manager. A further authorisation is included on the form, which requires a signature of the Head of Department before these are accepted by Salaries for payment. The Salaries Department will not process any overtime form without its necessary approvals.

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Hon. J Ladislaus: I am grateful for that information. I am just going back to the most recent Auditor's report again, but there was information therein which highlighted issues, specifically within the Pathology Department, as to incorrect claims being made and paid out in respect of call-outs. Have any investigations been carried out, or will they be carried out, to establish whether these issues have continued or have been curbed since?

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Hon. G Arias-Vasquez: Madam Speaker, overtime was previously authorised solely by the Pathology Services Manager. Overtime requirements are now raised by the Pathology Services Manager with the Executive Director and discussed to see whether it is indeed required, justified or if there are other options available. Only after this is overtime authorised by the Pathology Services Manager. Emergency overtime, as a result of a call-out is also scrutinised, albeit after the event and call-out thresholds are tightened when required.

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Madam Speaker: Next question.

Q143/2024
Overtime payments –
Totals paid

Clerk: Question 143. The Hon. J Ladislaus.

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Hon. J Ladislaus: Madam Speaker, how many GHA employees whose basic salary is more than the set threshold stipulated in the Agenda for Change, of £52,492.82 for eligibility to claim overtime payments, claimed and received overtime payments in the following years and how much in total were those individuals paid: 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, and 2023 to date?

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Clerk: Answer, the Hon. Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, I now hand over schedule with the information requested.

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Answer to Question 143

FY	PAY CAP	MANNING OVERTIME	DISCRETIONARY OVERTIME
09/10	41,000.00	1,791.90	23,509.95
10/11	41,922.50.	25,183.61	11,205.90
11/12	42,970.56	51,180.89	8,172.89
12/13	44,044.82	2,424.13	1,143.99
13/14	45,145.94	-	15,567.73
14/15	46,274.59	872.52	3,706.73
15/16	47,547.14	26,596.88	98.32
16/17	48,854.69	25,964.11	449.94
17/18	50,198.19	34,667.50	16,053.74
18/19	51,413.14	43,936.80	57,532.45
19/20	51,413.14	49,136.07	47,492.81
20/21	51,413.14	111,716.44	15,964.41
21/22	51,413.14	136,990.35	7,518.72
22/23	51,413.14	27,756.34	19.89

23/24	51,413.14	13,160.81	897.39
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PLEASE NOTE AFC WAS IMPLEMENTED ON 01.10.09

1980 *Please note that the threshold of £52,492.00 was in respect of the last pay increase in 2019. Prior to this the set threshold varied as per summary below.*

Madam Speaker: I will move on to the next question and come back to this once you have considered it.

**Q144/2024
Ambulance refitting contract –
Going out to tender**

Clerk: Question 144. The Hon. J Ladislaus.

1985 **Hon. J Ladislaus:** Madam Speaker, will the refitting contract of the ambulance, due to arrive in February this year, go out to tender?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

1990 **Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, the ambulance is scheduled to arrive in Gibraltar in March 2024. I thought it was worth clarifying that. The GHA has not tendered the contract for this ambulance due to the urgent need for a further ambulance acquisition and the limited availability. The refit of this ambulance is being undertaken in Spain through a local provider.

1995 **Hon. J Ladislaus:** I should be grateful if the hon. Lady could give some more information as to how the re-fitter was identified.

2000 **Hon. G Arias-Vasquez:** Madam Speaker, there are two operators that are able to provide the service; one is in Vigo and one is in Plymouth and they are both known to the GHA.

Hon. Dr K Azopardi: So the ambulance is being refitted in Vigo, is it, given her answer about the Spanish provider?

2005 **Hon. G Arias-Vasquez:** I presume it is being refitted in one of the two, so either in Vigo or in Plymouth, but I am not certain which.

2010 **Hon. Dr K Azopardi:** And I suppose it does not really matter, but I was just trying to understand it because the hon. Lady, I think, said a Spanish provider organised through a local company or something like that. So unless the Spanish provider is in Plymouth, I struggle to see it, but yes.

Hon. G Arias-Vasquez: Madam Speaker, the hon. Member is indeed correct. The refit of this ambulance is being undertaken in Spain through a local provider, so I presume that it is Vigo.

2015 **Hon. J Ladislaus:** Can the Hon. Minister, confirm who the local provider is?

Hon. G Arias-Vasquez: Madam Speaker, I believe I know who the provider is but I am not 100% certain. I am happy to share the information behind the Speaker's Chair, but I would need notice to confirm in Parliament.

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Madam Speaker: Next question.

**Q145-150/2024
BESS batteries –
Supplier**

Clerk: Question 145. The Hon. C Sacarello.

Hon. C A Sacarello: Who is supplying the BESS (Battery Energy Storage System) batteries to the Government?

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Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, I will answer this question together with questions 146 to 150.

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Clerk: Question 146. The Hon. C Sacarello.

Hon. C A Sacarello: What are the unitary and total purchase costs, including delivery and installation and all other associated costs of the BESS batteries – 'BESS' being B-E-S-S?

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Clerk: Question 147. The Hon. C Sacarello.

Hon. C A Sacarello: What is the agreement the Government has come to with the supply of the BESS batteries in relation to guarantees and warranties?

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Clerk: Question 148. The Hon. C Sacarello.

Hon. C A Sacarello: What lifespan do the BESS batteries purchased as backup to the power station have?

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Clerk: Question 149. The Hon. C Sacarello.

Hon. C A Sacarello: How will the BESS batteries be maintained and at what cost?

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Clerk: Question 150. The Hon. C Sacarello.

Hon. C A Sacarello: Will the battery maintenance go out to tender and if so, when? In the event that a particular party has already been nominated, please could the Hon. Minister provide details of said party?

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Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Hon. G Arias-Vasquez: Madam Speaker, the Gibraltar Electricity Authority, with the support of Solarcentury Africa, is currently involved in the final stages of the tender process in respect of the

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battery energy storage system. The tender for this project was advertised in the local media, such as the Gibraltar Chronicle's edition of Wednesday, 19th July 2023.

At present, the process is commercially sensitive as the tender has not yet been awarded. We are therefore not in a position to disclose any further information regarding the tender process.
2065 For that reason, the Government is unable to answer Questions 146 to 149 as none of the information requested is yet available. We will nonetheless be in a better position to answer these questions once a tender has been awarded.

Hon. C A Sacarello: Madam Speaker, very grateful to the hon. Lady.

2070 I would just ask her: does the Government have a date in mind as to when they are due to arrive, notwithstanding the tender process?

Hon. G Arias-Vasquez: Madam Speaker, the tender has not been awarded. Once the tender is awarded we will be in a better position to be able to disclose that information.

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Hon. C A Sacarello: Could the hon. Lady confirm if the Government's intention is to purchase direct from the party – I think the hon. Lady mentioned it was Solarcentury Africa, I missed exactly what she said – or if there will be any intermediaries, like local agents involved as well, other than the GEA?

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Hon. G Arias-Vasquez: Madam Speaker, Solarcentury Africa is involved in the tender process, because they are engaged to assist in the tender process; they are not the entity that we are buying from. We are involved in a tender process, however, and we are not at liberty to disclose any of that information at the moment.

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Hon. C A Sacarello: Thank you very much.

With regard to the maintenance of the contract, is it their intention for the maintenance to be carried out by the same party as part of the same tender process? If so, will a service level agreement be reached and would they be willing to provide us with the details in due course?

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Hon. G Arias-Vasquez: Madam Speaker, I refer the hon. Gentleman to the answer I gave a few moments ago.

Madam Speaker: Next question.

Q151/2024

Power cuts –

Power station; distribution network faults

2095 **Clerk:** Question 151, the Hon. C Sacarello.

Hon. C A Sacarello: Can the Hon. Minister please provide the House with a number of power cuts Gibraltar has suffered per annum, since and including 2020? Please break the official figure down into Power Station and distribution network faults on the one hand, and unplanned and planned maintenance works on the other, both on a per annum basis?

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Clerk: Answer, the Hon. the Minister for Health, Care and Business.

Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, the number of high voltage power outages in Gibraltar since and including 2020 has been 34. These

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high voltage power outages have been due to either a Grid Fault, a mechanical failure at the North Mole Power Station, or as a result of the interruption of gas supply from our suppliers, Shell/Gasnor.

2110 The full details are as follows. The unplanned power outages in 2020 related to Shell were zero, related to a grid fault were 2 and related to the North Mole Power Station were 4.

In 2021 the unplanned power outage relating to Shell were zero, the unplanned power outages relating to a grid fault were 3 and the unplanned power outages related to the North Mole Power Station were 7.

2115 In 2022, the unplanned power outages relating to Shell were 2, the unplanned power outages related to a grid fault were 5 and the unplanned power outages related to the North Mole Power Station were 2.

In 2023 the unplanned power outages relating to Shell were 4, unplanned power outages related to the grid fault were 3 and the unplanned power outage is related to the North Mole Power Station were 2.

2120 In 2024 the unplanned power outages relating to Shell was 1, unplanned power outages related to the grid fault was zero, and the unplanned power outages related to the North Mole Power Station was 1.

Unplanned Power Outages	2020	2021	2022	2023	2024
Shell	0	0	2	4	1
Grid Fault	2	3	5	3	0
NMPS	4	7	2	2	1

2125 There have been no unplanned maintenance works that have led to a power outage. However, there have been a total of 104 planned maintenance works since and including 2020. These planned interruptions to our electricity supply were advertised, both in the local media as well as in the Gibraltar Electricity Authority's social media channels, with the purpose of informing those clients due to be affected prior to the interruption taking place.

2130 These interruptions arising from planned maintenance works are extremely important for the upkeep of our network infrastructure throughout Gibraltar, whilst also ensuring a safe working condition for the Gibraltar Electricity Authority employees when carrying out necessary works. These works include upgrading the cabling and switchgear on both the high voltage and low voltage systems, modifications to the network supply to new consumers, and cabling diversions to allow for new projects, etc.

2135 Details of the number of planned interruptions per annum are as follows: in 2020 there were 28; 2021 there were 37; 2022 there were 17; 2023 there were 21; and in 2024, so far, there has been one.

Planned Electricity Interruptions	2020	2021	2022	2023	2024
Distribution Network	28	37	17	21	1

2140 **Hon. C A Sacarello:** Madam Speaker, I am very grateful for the hon. Lady's response and it is interesting to note; and of course we are in full agreement of all our planned works for the maintenance of the grid. But it is interesting to note that in the last session of Parliament the Hon. Chief Minister mentioned that all the details were on there, but having double checked what I already suspected the only references on the GEA's website referred to planned interruption to supply as opposed to the power outages that my original question referred to.

2145 In fact, the only unplanned power outage, mentioned on the GEA's website is the one that took place on 6th or 7th January, which was interestingly put onto the website on 25th January, a date during which Parliament was in session.

2150 So I am leading to my question, we are glad to see that the Government has accepted the Opposition's request to post all interruptions to the supply, including unplanned power cuts in the static form. My question, Madam Speaker, is: will this be the *modus operandi* in the Government's protocol going forward?

Hon. G Arias-Vasquez: Madam Speaker, our information is that all planned power outages are advertised in the local press and on the GEA website.

2155 **Hon. C A Sacarello:** Sorry, Madam Speaker, that was not my question. My question is referring to the unplanned ones, the power outages. So will there be a static – I know they mention the GEA, in a press release why there was a power cut, but will there be a constant reference on the website so people can trace back and see why there was a power outage on that particular date?

2160 **Hon. G Arias-Vasquez:** Madam Speaker, we were told that there was. So we are happy to commit to that continuing to be the case.

2165 **Hon. C A Sacarello:** There was not, but that was the first one that I had found on there, at least, and if I can be shown others then I stand to be corrected. But if that is the case, I am happy with the fact. Is the Minister actually confirming that this will be the protocol going forward, whether it was or was not?

Hon. G Arias-Vasquez: Madam Speaker, again we are told that that is the case. So we are confirming that will continue to be the case.

2170 **Madam Speaker:** Any other supplementary? Next question.

Q152/2024
Liquefied/LNG natural gas –
Average power station escapes

Clerk: Question 152/2024, the Hon. C A Sacarello.

2175 **Hon. C A Sacarello:** What is the percentage of unburnt liquefied natural gas to actual LNG burnt, which escapes from a power station on average per annum since it commenced servicing the people of Gibraltar with electricity?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2180 **Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, the percentage of unburnt natural gas, known as a methane slip, for the North Mole Power Station engines is approximately 2%.

2185 The Gibraltar Electricity Authority together with MAN, the manufacturers of the engines, are currently undertaking works on a generating set No. 3, with the aim to reducing the methane slip by an additional 30%. This work is being undertaken by MAN at no cost to the Gibraltar Electricity Authority, as part of their ongoing drive to make the engines worldwide more efficient and even cleaner.

2190 **Hon. C A Sacarello:** Madam Speaker, I am very grateful to the Minister for her details on methane slip, and as she highlights the LNG power station was much cleaner than other fossil fuels. It is still nonetheless a fossil fuel.

2195 Would the Minister not agree that the Government would have been wiser to have paid more attention to and invested more effectively in the development of alternative green technologies in the field of power generation, which would have secured a higher return than the measly 1%, which is currently being achieved, given that they had the targets of 20% by 2020, which was pushed back by the Climate Action Bill to 2025 and that they look unlikely to hit, so it may be pushed back yet again?

2200 **Hon. G Arias-Vasquez:** Madam Speaker, we had this debate yesterday when the hon. Member opposite asked me a question that was pretty similar in part of his supplementaries. So I would refer the hon. Member to that debate yesterday.

Madam Speaker: Next question.

Q153/2024
Power's Drive Tunnel incidents –
AquaGib's health, safety and contingency plans

Clerk: Question 153. The Hon. C A Sacarello.

2205 **Hon. C A Sacarello:** Have AquaGib's health and safety plans for potential incidents at the Power's Drive Tunnel been upgraded since the most recent incident in July 2022, which could have resulted in the loss of life of a firefighter?

2210 **Clerk:** Answer, the Hon. the Minister for Health, Care and Business.

Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, I will answer this question together with question 154.

2215 **Clerk:** Question 154. The Hon. C A Sacarello.

Hon. C A Sacarello: Have AquaGib's contingency plans for potential incidents at the Power's Drive Tunnel been upgraded since the most recent incident in July 2022; and if so what are they?

2220 **Clerk:** Answer, the Hon. Minister for Health, Care and Business.

Hon. G Arias-Vasquez: Madam Speaker, it should be noted that the Power's Drive Tunnel is not an asset belonging to AquaGib and belongs to HMG, His Majesty's Government of Gibraltar, who provides access to a number of entities including AquaGib.

2225 Irrespective of this, AquaGib has a process of continual review of its Safe Systems of Work, SSOWs, and at present the working in confined spaces SSOW is under review and consultation by the Health and Safety Manager. This SSOW covers all of the working practices performed by AGL employees in confined spaces and includes working in a variety of areas, including accessing Power's Drive Tunnel to work at AquaGib's assets at either end of the Power's Drive Tunnel and the pipeline connecting them, namely Beefsteak Reservoir and at Governor's Cottage Reverse
2230 Osmosis Plants.

AquaGib has not changed anything specifically as a result of the July 2020 incident but is aware that His Majesty's Government of Gibraltar have increased security elements at the Power's Drive

Tunnel, and renewed and increased the number of security gates as part of the rehabilitation of the Tunnel after the fire.

2235 Madam Speaker, AquaGib has made a number of positive decisions related to the contingency measures as a result of the effects of the Power's Drive Tunnel. AquaGib believes these decisions will provide a significant better response to any similar incident at the Power's Drive Tunnel occurring in the future.

2240 Given the nature of AquaGib's assets being considered as critical national infrastructure, I do not think it would be prudent to share the specifics of these contingency measures in a forum which is public, without first ensuring this is acceptable from a civil contingency and security perspective within His Majesty's Government of Gibraltar.

2245 **Hon. C A Sacarello:** Thank you, Madam Speaker, and I thank the hon. Lady for her extensive reply. Regarding the armoured deck tiles that were there, have they been replaced? I know they were used for concerts; and were they insured, first of all?

2250 **Hon. G Arias-Vasquez:** Madam Speaker, once again that is quite a specific question which does not relate to the original question. I would need notice of that question and any other assets which the hon. Member would wish me to provide information on.

2255 **Hon. C A Sacarello:** Okay. My question, Madam Speaker, was leading to the fact that they were there in the first place; and can the hon. Lady confirm if they have been replaced, if they are stored in the same place or if they have been moved on to a separate place?

Hon. G Arias-Vasquez: Madam Speaker, I refer to my previous reply.

2260 **Hon. C A Sacarello:** Madam Speaker, a while back Minister Isola, at the time of the fire referred to an alternative pipeline, an emergency pipeline that was being connected with Spain for use in extreme emergencies such as the one suffered last time. Can the Government confirm if this has been fully installed and if it has, if it is ready to be switched on at the flick of a switch, in other words, when needed?

2265 **Hon. G Arias-Vasquez:** Madam Speaker, such specific questions need notice. I need specific notice of such questions in order to provide answers to them.

Madam Speaker: Next question.

Q155-156/2024
Casemates Square –
Dates of meetings; stakeholders' inclusion

Clerk: Question 155. The Hon. C Sacarello.

2270 **Hon. C A Sacarello:** On what dates have meetings taken place with stakeholders in Casemates Square with regard to its refurbishment; and broadly speaking who have these stakeholders included?

2275 **Clerk:** Answer, the Hon. the Minister for Health, Care and Business.

Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez): Madam Speaker, I will answer this question together with Question 156.

Clerk: Question 156. The Hon. C Sacarello.

2280 **Hon. C A Sacarello:** What progress has been made with a view to works commencing on the refurbishment of Casemates?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2285 **Hon. G Arias-Vasquez:** Madam Speaker, we have engaged architects to design Chatham, Casemates and Main Street. We have already engaged with stakeholders of Chatham and intend to engage with representatives of Casemates within two months.

Meetings have already taken place in November and December 2023 and a third meeting is scheduled for March 2024. The attendees of these meetings have been Government officials and
2290 Ministers.

Hon. C A Sacarello: Madam Speaker, grateful for the answer.

I refer to their own manifesto in which they mentioned they will engage with all stakeholders of Casemates and architects, and their own Cabinet does not really fall into that category. It also
2295 mentions that the engagement will take place within a month and now we are being told that it will take place within two months from now. So that is seven months, probably half a year, after the election. Does the Government still believe that it can fulfil its promise of its manifesto election?

2300 **Hon. C P Santos:** I will take this question, Madam Speaker.

I met personally, first within the first 30 days, with representations from Chatham and Casemates. Since then, both myself and the Minister for Business have been working together, so it is a combined project. But the first meeting happened within the first 30 days and it happened
in my office.

2305 **Hon. C A Sacarello:** I will not nigger over the maths, but I would be interested, Madam Speaker, if I could ask them when they mention the stakeholders, the manifesto promise commitment is to all stakeholders. Could the Hon. Minister clarify if, apart from retailers in the area, that it also includes people, residents and the like?

2310 **Hon. C P Santos:** The first meeting took place, we contacted the ... Is it Casemates you want to know? We contacted the Casemates Association and they brought representation of about 15 people. None of these were residents, but it was members of the kiosks, retail restaurants around the Square itself. No residents, as far as I am aware.

2315 **Hon. C A Sacarello:** Thank you for the reply; and will it be the Government's intention to include all stakeholders, residents as well?

2320 **Hon. C P Santos:** Not for the beautification of Casemates Square; we are currently just meeting the stakeholders of the actual Square.

Madam Speaker: Next question.

Q157/2024

**Main Street Consultative Group –
Formation; members; objectives**

Clerk: Question 157. The Hon. C Sacarello.

2325 **Hon. C A Sacarello:** When was the Main Street Consultative Group formed? Who does it comprise and what are its main objectives?

Clerk: Answer, the Hon. Minister for Health, Care and Business.

2330 **Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, there is no Main Street Consultative Group of which the Government is aware.

Hon. C A Sacarello: Madam Speaker, I thank the hon. Lady for the answer. Again, I refer to page 47 of her own manifesto, or her party's manifesto, which says:

We will constitute the Main Street Consultative Group. This will allow us to consult with the stakeholders on everything related to our high street. We are totally committed to Main Street. This will happen within a month of being returned to office.

2335 So, I ask the question: if it does not exist then what was their promise about?

Hon. G Arias-Vasquez: Madam Speaker, there is a Main Street Retail Group which met in November, exactly as was said in the manifesto. There is a press release, press release 799/2023, which refers to the group and has a photo of all the participants.

2340

Hon. C A Sacarello: Thank you, Madam Speaker. Is this group a legal entity; and if not, what type of status does it enjoy?

2345 **Hon. G Arias-Vasquez:** Madam Speaker, that is a question for them. They constituted the Board and they have come to us. It is a body of people that have asked to meet with us and of course it is a legal group of individuals that have come to meet us. They have come to meet us as a group of individuals.

2350 **Hon. C A Sacarello:** Madam Speaker, this is shirking away from their manifesto commitment. The reason I am asking this question is because if significant amounts of money are going to be spent on this, we just want to make sure that the people of Gibraltar were represented and not led by one or two main parties.

Would the Minister be willing to share the details of this group with us?

2355 **Hon. G Arias-Vasquez:** Madam Speaker, I think the question is not quite clear. I think the hon. Member is trying to ask whether it has a statutory footing and the answer to whether the body has a statutory footing is no. I have shared, not only the information of who the participants of the group are, but the Government has shared a photo of who the individuals in the group are, along with its press release confirming that the body has been constituted and confirming the purposes of the group.

2360

Madam Speaker: Next question.

Q158/2024
Alzheimer's and dementia –
Early detection

Clerk: Question 158. The Hon. D J Bossino.

2365 **Hon. D J Bossino:** So, what plans does the Government have in respect of early detection of Alzheimer's and dementia?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2370 **Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, as part of the Dementia Strategy, Primary Care is being tasked with looking into a review of all patients over 65 years of age for dementia, though at present it does not have the resources to do so.

2375 Currently, a patient may either refer themselves to a GP or may be referred by a family member or a friend if there are concerns regarding memory loss or cognitive decline. The GP then assesses the patient using a recognised standardised assessment tool, GP-COG. This tool can be used if a GP is concerned about a potential diagnosis after a patient presents with a different complaint. If the patient meets the necessary threshold, they are then referred on to the dementia specialists at the Memory Clinic.

2380

Hon. D J Bossino: Maybe if I can assist the hon. Member. The thinking behind the question relates to new drugs which are potentially to be regulated, and this I have got from an article in fact in the Times. One of the things that they talked about and that the UK is now making plans in relation to, is the early detection.

2385 So if I can refer to what the article talked about, which is the gold standard, we dealt with rapid diagnosis which involves using either lumbar punctures or PET brain scans to confirm the build-up of toxic proteins in the brain. I think what the hon. Member has told this House is what systems and protocols the Government has in place in the event of somebody presenting perhaps even early symptoms and I accept that.

2390 But this is something different and the concern here is that – and I would want to know – is whether the Government is in the throes of making plans to be able to have earlier detection when there are not any symptoms, so that the individual can best benefit from the drugs, which we expect will soon be available and regulated for supply. I understand that will carry a cost, but I think it was important to raise this across the floor of the House to find out what the Government's position is in relation to future planning in this respect.

2395

Hon. G Arias-Vasquez: Madam Speaker, I believe what the hon. Member is referring to as a blood test which will be available in the NHS potentially at a later date.

2400 The service which is available in the GHA today is the same service which is available in the NHS today. If and when the test becomes available in the NHS, we will follow the procedure. At present we follow the NHS protocol for dementia.

2405 **Hon. D J Bossino:** This is not meant to be in any way political in the classic party political sense. But just to press further, I read to the hon. Lady the excerpt – look, it is in the press, you cannot believe everything that is in the press – but I think this was a serious article which talked about, as I said before, the gold standard and it involves lumbar punctures and PETs. It is not a blood test, but the hon. Lady may not have that information with her.

2410 **Madam Speaker:** I would remind the hon. Gentleman that he should not ask questions on the other side to comment whether what is in the press is accurate.

Hon. D J Bossino: I was not suggesting that, Madam Speaker. It was simply to challenge what the hon. Lady said in her reply that it is a blood test which the GHA may be considering adopting here should the NHS adopt it in the UK.

2415 But this is something different and this is in effect the earliest possible diagnosis so that individuals can best benefit from the drugs. I would not want to read them because I cannot pronounce the drugs which are going to be available. So I would press her further, whether the Government has any current plans and is following the developments in this particular respect.

Hon. G Arias-Vasquez: Madam Speaker, again we follow NHS guidelines. When those tests, 2420 whatever those tests may be, are agreed by the NICE guidelines, Gibraltar will follow suit as it usually does. The GHA follows NHS guidelines.

Hon. D J Bossino: Is she currently aware whether the NHS is likely to have guidelines in this respect? I know this is an important point and it is a relevant point and it could actually be 2425 imminent and as far as the Government is concerned I think – well as far as general society is concerned, I think it is an important question to ask because the Government ought to be, if I may say so, making plans in relation to this and also finding out what the potential cost is. It could be actually, I am told, very expensive.

Chief Minister (Hon. F R Picardo): Madam Speaker, for reasons that he and I have 2430 unfortunately in common, I am as assiduous a follower of the press articles in the newspaper he has referred to, which relates to Alzheimer's and dementia; and my reading of the articles, and I am assiduous in my reading of them, tells me that the UK is in the process of assessing when it can roll out these tests, which are not just the lumbar puncture, which includes significant risk, 2435 but in particular the blood tests.

Indeed, there is a lot of talk about whether we could have the blood tests earlier and you cannot even have that blood test now, you seek to have it privately, unless you go to Scandinavia because the UK is still some years away from assessing the ability of the NHS to introduce those blood tests.

2440 As the Hon. Minister has already told him, we will follow the NHS NICE guidelines in respect of those potential new early detection mechanisms for Alzheimer's and dementia. Not least because the early detection is what leads you to the ability to intervene sooner and in that way extend the period, if not prevent the onslaught of the very cruel diseases that we are referring to. So he should be assured that the GHA will move as quickly as the NHS moves, and if possible even sooner 2445 to introduce any such test that may enable us to have early detection.

Now, where those tests go beyond the blood test and they stray into the lumbar puncture area, then that involves clinical decision-making because lumbar punctures do involve risk. But neither he, nor the hon. Lady, nor I are clinicians and that is why I think here we have to be led by the clinicians and the advice of clinicians in Gibraltar is you continue with the tests that you have at 2450 the moment, which are the NHS gold standard now; and you continue to pursue the NHS gold standard if that changes and it goes towards the blood test or another test. Because that early detection can lead us to early intervention which can mean that we stave off for a considerable period and hopefully in the future completely, the onset of the disease.

I think we are all exactly on the same page, but three lay people or four, if another one of them 2455 wants to get involved, debating a newspaper article on a clinical issue is not probably the best use of our time if what we want to do is to ensure that we have in this society, as in the United Kingdom and other developed countries, the best and earliest detection of this disease. I am very happy to continue the discussion, not the debate, because it is not a debate with the hon. Gentleman offline, if he wishes.

2460 **Hon. D J Bossino:** I do welcome that, Madam Speaker.

2465 By way of a question I would ask the Hon. the Minister for Health to please look into this, they say that they are and I commit to do the same on our side and if I find any information I will share that with the hon. Member. But I would ask her to do so because in fact this article talks about under newly published planning guidance, the NHS has also revealed it is expecting a surge in demand for GP services and NHS memory clinics if the dementia drugs become available.

2470 So it is that type of planning that concerns us on this side of the House. But if there is any information that I find out there or whatever, and I am sure I speak on behalf of my friend who has responsibility for Health, then we will definitely share this because I think it is important to plan ahead.

2475 **Hon. Chief Minister:** Yes, Madam Speaker, did you read the article yesterday that said that some of those drugs actually could kill you? So I was very heartened when I read some of the articles. I was very heartened when I read in the past three months that the testing was going on and then I was very disheartened yesterday when I read that actually in the same newspaper which I regard with the same level of seriousness – although when they write about Gibraltar one spots the mistakes and one wonders the level of seriousness one should ascribe to anything one reads, even written in good faith – that some of the drugs actually have a side effect which is as negative as the disease itself.

2480 So we have Geriatricians that we pay to deal with these issues that also read the same newspaper that are also on top of it; and although I think we are evincing a common intention across the floor of the House that we should have the earliest possible intervention and the best possible drugs available, I do not think that continuing to debate what we have read in the *Times* is going to advance things at all. But very happy to continue doing so with the hon. Gentleman over a cup of coffee later.

2485

Madam Speaker: Next question.

Q143/2024 Supplementaries

Clerk: Question 159, the Hon. the Leader of the Opposition.

2490 **Hon. J Ladislaus:** Madam Speaker, if possible, may I ask the supplementaries on Question 143?

Madam Speaker: Yes, that actually was my intention. Supplementaries in respect of Question 143.

2495 **Hon. J Ladislaus:** Madam Speaker, could the Hon. Minister perhaps distil what is in this table for me? So, could I ask the difference between manning overtime and discretionary overtime on that table?

2500 **Chief Minister (Hon. F R Picardo):** Madam Speaker, those terms are defined and we have had debates at this House on a number of occasions. That is publicly available information.

Madam Speaker: If it is publicly available information, then ... Any other supplementaries?

2505 **Hon. J Ladislaus:** Yes, so the question specifically asked how many GHA employees whose basic salary fell over that in the agenda for change had received overtime payments? I have had the amounts received, but I have not had the number of employees and I wonder whether that is all one person that we are seeing on the table, whether the Hon. Minister could confirm?

2510 **Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, I believe that in the second column of the table handed is the number of employees broken down by year.

2515 **Hon. J Ladislaus:** Certainly not in the copy provided to us. We have a column with FY, then we have a pay cap, manning overtime, discretionary overtime.

Hon. G Arias-Vasquez: Madam Speaker, I am happy to read out the numbers, that is not a problem.

2520 Financial year 2011-12 there are 39 employees; financial year 2012-13 there are two employees; financial year 2013-14 there are two employees; financial year 2014-15 there are two employees; financial year 2015-16 there are eight employees; financial year 2016-17 there are eight employees; financial year 2017-18 there are five employees; financial year 2018-19 there are eight employees; financial year 2019-20 there are eight employees; financial year 2020-21 there are 10 employees; financial year 2021-22 there are 13 employees; financial year 2022-23 there are eight employees; and financial year 2023-24 there are 11 employees.

2525 **Hon. J Ladislaus:** I am grateful.

In the Agenda for Change it is stipulated that anyone who earns in excess of the set threshold stipulated therein should not be given overtime payments, they should instead be given time off in lieu in place of payments. Can the Hon. Minister therefore confirm the reason why these amounts were paid out to these individuals rather than giving them time off in lieu?

2530 **Hon. G Arias-Vasquez:** Madam Speaker, there have been instances where employees have sought exemptions under specific conditions that warrant surpassing this cap.

2535 **Hon. J Ladislaus:** Can the Hon. Minister perhaps expand upon which such exemptions are sought?

Hon. G Arias-Vasquez: Madam Speaker, I do not have that information available with me. I need notice of that question to provide the answer.

2540 **Madam Speaker:** Any other supplementaries?

Hon. J Ladislaus: Just one further. So, are there any special circumstances that the Minister is aware of that would engage these exemptions.
2545 Does she have that information?

Hon. G Arias-Vasquez: Madam Speaker, the question relates to the GHA employees whose basic salary is more than the stipulated amount and requests information as to the number of employees and the overtime received for those payments. That is the information that has been provided. Anything over and above that we would need notice of that question.

2550 **Hon. Dr K Azopardi:** Well, of course, we could always give specific notice of every single supplementary. But when we are asking a question about overtime payments received by people and the GHA itself has reached an agenda for change agreement which impacts on the overtime levels, it is surely foreseeable that the hon. Lady may ask a supplementary which asks for clarification as to the nature of the overtime payments made, if they are over the agenda for change payments.

2560 The hon. Lady has, presumably, had an official tell her that there are exceptional circumstances and what we are trying to seek is information about that. So, can the hon. Lady write to my colleague in relation to the matters that she has raised in supplementaries?

2565 **Hon. G Arias-Vasquez:** Madam Speaker, the questions that are being raised are very specific questions on items that go above and beyond the question that has been asked. If the hon. Lady writes to me, I am happy to provide her with that information.

Madam Speaker: Next question.

**Q159/2024
Fireworks (Control) Act –
Commencement**

Clerk: Question 159, the Hon. the Leader of the Opposition.

2570 **Hon. Dr K Azopardi:** Madam Speaker, when will the Fireworks Control Act 2023 be commenced?

Clerk: Answer, the Hon. Minister for Health, Care and Business.

2575 **Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, the Fireworks Control Act will be commenced on the second quarter of 2024.

Hon. Dr K Azopardi: And is there a reason for that specific date?

2580 **Hon. G Arias-Vasquez:** Madam Speaker, it is in order to release PRs, etc. to be able to allow everyone to be aware of the changes that are coming.

2585 **Hon. Dr K Azopardi:** And can the hon. Lady assist me in understanding why it is that it has not been commenced sooner, or that the media that needed to be done was not done previously, because she was not a Member of this House. But this legislation was passed, I think it was some time before the last election, I think it was in the summer. So I just wonder if she has that information.

2590 **Hon. G Arias-Vasquez:** Madam Speaker, that, as the hon. Member rightly points out, predates my time. There was an election in between and we felt it right to allow people sufficient notice and sufficient PR to enable them to get ready for the changes which the Act brings.

2595 **Hon. Dr K Azopardi:** I understand that, the election was of course in October. I do not know if the hon. Lady saw, but there was some speculation on social media as to the impact of fireworks on New Year's Day, on the first, around the housing estates in the context of course the legislation that had been passed in this House and debated which precisely was intended to curb at least some of those risks.

So, will the Minister agree that it is important to ensure that whatever media she is planning gets done as soon as possible so that this Act can be commenced?

2600 **Hon. G Arias-Vasquez:** Madam Speaker, although I am not led by social media, I believe the impact which the hon. Member refers to is a positive impact and of course the media will be done in order to enable, as I have said previously, in order to enable anyone that needs to make

amendments to their business, etc., to have sufficient notice of it in order to be fully aware of the changes that are going to be brought about.

2605

Madam Speaker: Next question.

Q160/2024
COVID boosters –
Numbers administered in 2022-23

Clerk: Question 160, the Hon. the Leader of the Opposition.

2610 **Hon. Dr K Azopardi:** How many COVID boosters have been administered by GHA in 2022 and 2023, respectively, providing the figure for each year?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2615 **Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, I will answer this question together with Question 161.

Clerk: Question 161, the Hon. the Leader of the Opposition.

2620 **Hon. Dr K Azopardi:** Will the Government agree to make the provision of COVID boosters available to the public at pharmacies?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2625 **Hon. G Arias-Vasquez:** Madam Speaker, in 2022 the GHA administered 22,182 COVID vaccines and 954 were administered in 2023. We are in the process of drafting regulations to remove the restrictions currently in place to enable pharmacies to sell COVID vaccines. We will, of course, keep the position under continuous review.

2630 **Hon. Dr K Azopardi:** I see, I am grateful for that.
The statistic that the hon. Lady has given us on 2022 the 22,182, presumably those were all, well, boosters I suppose, there is no distinction in the stats she has given me. There is quite a disparity between 2022 and 2023 that is why I am asking. There is no distinction in the stats is there?

2635 **Hon. G Arias-Vasquez:** Madam Speaker, I do not believe that there is a distinction in stats. I am speculating here, but I believe the 954 were the tail-end of the winter period of 2022 and the COVID vaccines this year were received in January. So this year the COVID vaccine started in January. I am speculating that is the reason for the discrepancy.

2640 **Hon. Dr K Azopardi:** And in terms of the regulations that they are drafting, are they intending, by virtue of this policy decision, a similar decision to that being introduced in England? So, to liberalise the provision of boosters across pharmacies, is that what they intend to do? And what kind of timescale is the Hon. Minister envisaging?

2645 **Hon. G Arias-Vasquez:** Madam Speaker, we have taken advice from the Director of Public Health and she is indeed following the same liberalisation that they are following in the UK. The

regulations are drafted, so it would be imminent. I do not want to restrict myself to a timescale, but we are looking at an imminent liberalisation of the process.

2650 **Madam Speaker:** Next question.

Q162/2024
Births in Gibraltar –
Calendar years 2018 to 2023

Clerk: Question 162, the Hon. the Leader of the Opposition.

2655 **Hon. Dr K Azopardi:** Madam Speaker, can the Government confirm the number of births occurring in Gibraltar in each calendar year from 2018 to 2023, inclusive, broken down by calendar year?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2660 **Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, the number of births occurring in Gibraltar recorded by the GHA are as follows:
2018, 380; 2019, 419; 2020, 384; 2021, 416; 2022, 316; 2023, 311.

Madam Speaker: Next question.

Q163/2024
Pharmacy identity –
Name and ultimate owners

2665 **Clerk:** Question 163. The Hon. the Leader of the Opposition.

2670 **Hon. Dr K Azopardi:** Madam Speaker, what is the name of the pharmacy referred to at paragraph 4.3.2, page 266 of the Principal Auditor's reports for 2016-17 and 2017-18; and what is the name of the entity or the persons that own it and the identity of its ultimate beneficial owners, if an entity?

Clerk: Answer, the Hon. the Minister for Health, Care and Business.

2675 **Hon. the Minister for Health, Care and Business (Hon. G Arias-Vasquez):** Madam Speaker, the name of the pharmacy referred to in the Principal Auditor's report is Totty Pharmacy. Information on the persons that own it is available by accessing the Company's House website in the UK. I can confirm that the GHA no longer purchases any pharmaceutical items from this wholesaler in the UK.

2680 **Hon. Dr K Azopardi:** I see; and what is the reason that the GHA no longer purchases from this pharmacy?

2685 **Hon. G Arias-Vasquez:** I presume that there are other alternatives which have been made which are more beneficial to the GHA.

2690 **Hon. Dr K Azopardi:** I see. That must be a fairly recent decision because the GHA officials are quoted in the Principal Auditor's report as saying that this was the best source of supply and they were very reliable. So I am not sure if the hon. Member can share a bit more information as to why, having been quoted like that or having given that information to the Principal Auditor, the GHA has now changed its mind?

Hon. G Arias-Vasquez: Madam Speaker, again, I assume that a better service was found elsewhere. The GHA updates its arrangements quite frequently.

2695 **Hon. Dr K Azopardi:** And is the source of the alternative supply also a UK entity or is it somewhere else? If they were being provided by a UK retail pharmacy, which is this one, is the alternative supply now that they have changed their supplier a wholesaler also based in England, or is it somewhere else?

2700 **Hon. G Arias-Vasquez:** Madam Speaker, once again, I would presume that the wholesaler is based in the UK.

2705 **Hon. Dr K Azopardi:** Does the hon. Member know whether ... This was quite a high cost given in the Principal Auditor's report. Was that the one-off cost to this retail pharmacy or was there a financial intermediary involved? And if so, does she know who that was?

Hon. G Arias-Vasquez: Madam Speaker, that was a cost to the pharmacy and there was no financial intermediary involved.

2710 **Madam Speaker:** As I understand it that is the last question.

Questions for Written Answer

Clerk: Answers to Written Questions.

2715 **Chief Minister (Hon. F R Picardo):** Madam Speaker, I have the honour to table the answers to Written Questions W7/2024 to W13/2024 inclusive.

Madam Speaker: I see the hon. Member trying to get my attention

2720 **Hon. Dr K Azopardi:** Yes, just for a clarification. Our understanding is they always table the answers to Written Questions at the very end, but we have not finished questions. There are outstanding questions to other Members of the House which are on the Order Paper.

2725 **Hon. Chief Minister.** And who are not here, Madam Speaker, and if they are not here by the time we reach the end of Question Time you get the choice of having those questions answered at the next meeting or orally, but you get asked at that stage.

Hon. Dr K Azopardi: My colleague and I are getting up, Madam Speaker, because we were not aware. We were aware that we were adjourning to Monday. I assumed that we were taking the rest of the questions on Monday.

2730 **Hon. Chief Minister:** No, Madam Speaker, we are taking Bills and Motions on Monday. No, the Members are not present now that we are doing questions, they may be back on Monday, but on

Monday we are moving on, we have already moved. (*Interjection*) We have moved from Oral Questions now to Written Questions. Written Questions have been tabled. We are now further on down the Order Paper and when the Ministers are not here to answer questions you get given that choice.

You know that Mr Feetham is not in Gibraltar, he is in Paris; and Mr Cortes is medically indisposed.

Hon. Dr K Azopardi: Madam Speaker, the agenda for today indicates that at the close of the Hon. Minister for Health's questions, we were going to adjourn. The hon. Member is about to move the adjournment. We are adjourning to Monday. The other Members are going to be here, the questions can be taken on Monday. Or is this another way of not answering questions?

Hon. Chief Minister: No, Madam Speaker, it is not another way of not answering questions. It is a way of giving business efficacy to a House that meets every month. I do not know how many questions Mr Feetham has, I think he may have one or two. I do not know how many the Minister for Education and the Environment has, but he may not be available on Monday in any event.

So, Madam Speaker, when we reach the end of questions, Hon. Members get the choice of being able to choose whether they want their questions answered orally at the next meeting, which is next month; or to have their questions answered in writing, which means they can ask them orally again next month.

That is the position that has always been taken in this House. So we are taking that position. We have actually already moved on, we are now at written questions. I have tabled the answers to written questions. We are now on the next Item of the Agenda.

Madam Speaker: In any event (*Interjection*) what the rules provide, as I understand –

Hon. Dr K Azopardi: If I may, Madam Speaker, the Agenda does not suggest the close of questions. It suggests we are going to adjourn after the Minister for Health. It does not suggest the end of questions, that is why we have got up.

Madam Speaker: What the rules provide is that if any question remains unanswered when the Parliament adjourns on the last day of a meeting then a written answer can be sent to the Member, (*Interjections*) or they can require the questions to be postponed, or they can require the questions to be postponed for oral answers to the next session.

So I suggest we wait till the last day of the meeting and if the questions have been unanswered at that point then we follow the rules.

Hon. Dr K Azopardi: No, but of course, Madam Speaker, we will follow the rules but we are we are still in Question Time; that is the point that I am raising, we are still in question time.

The timetable for today suggests that after the Minister for Health, we are going to adjourn. We are still in Question Time when we come back on Monday (*Interjections*) and those questions can be taken then. We are still in Question Time, that is the point.

Madam Speaker: We have moved on from –

Hon. Chief Minister: The hon. Members can move a motion right now if they like and vote on it, and then on Monday we can have another motion if the hon. Member likes and we can vote on it then. Or, Madam Speaker, we can we can continue to apply the conventions that have always applied in this House, without a problem, and then when we get to the end of the session they can be put to their choice.

Now, Madam Speaker, I have tabled the answers to Written Questions. The only thing that remains is to table the adjournment now for Monday, which I intend to do. Hon. Members can

2785 decide not to adjourn until Monday because they have a majority in this House, because I have a Minister in Paris who is attending to the removal, hopefully of Gibraltar from the FATF blacklist; and I have a Minister who has a medical problem.

2790 If they want to play that game they can decide not to adjourn the House or we can stay here until they are available. Mr Feetham returns late on Friday night and Mr Cortes, no doubt, can be brought down to vote if necessary. So it is up to them: do we adjourn or do we stay here until my majority returns? It is up to them.

Hon. Dr K Azopardi: Well, Madam Speaker, (*Interjection*) I am sure we can. We are on a whip-round, Madam Speaker, clearly where we are going to adjourn.

2795 But can I ask, Madam Speaker, because we have got time now till Monday, when we return on Monday, can I ask Madam Speaker, to rule on this issue as to whether we are still in Question Time; and as to whether the questions that we have got on the Order Paper, laid against the other Ministers, can be answered at that point?

2800 **Hon. Chief Minister:** Madam Speaker, if you were going to make such a ruling, I would need to make my own submissions to you because we have now moved. I have tabled the answers to Written Questions now and therefore we have moved on from Oral Questions, Madam Speaker. (*Interjection*)

2805 I have absolutely no intention of taking anything back and, Madam Speaker, you have already indicated what the position is, which is that if we get to the end of the Order of the Day when we adjourn, there is a provision as to how questions are dealt with. That is how it has always been dealt with.

Madam Speaker: No, no, I am going to stop this now –

2810 **Hon. Dr K Azopardi:** We have been ambushed on that!

Madam Speaker: Because I have said earlier, the way I see it is this: the issue as to whether a question remains unanswered only arises when Parliament adjourns on the last day of the hearing. That is the point upon which, if a ruling is sought, a ruling will follow.

2815 At the moment, Parliament is still in session. The proposal is to adjourn today. We will wait and see what happens on Monday. If the Oral Questions are taken on Monday, then the point becomes redundant. If they are not, and the questions remain unanswered when Parliament adjourns on the last day of the meeting, then I will hear submissions if there are, and if necessary I will rule.

2820 **Hon. Dr K Azopardi:** If you will allow me, because perhaps I have not expressed myself clearly.

I absolutely accept that if we reach the very end of the meeting we have an option. But that is not what I am asking you to rule on. What I am asking you to rule on is whether we are still in the part of the agenda that is Question Time, or we have moved on. Because when the Chief Minister says that we have moved on, it is because obviously he has indicated to the Clerk that he should call the laying of the Written Questions, on which we have been ambushed. That is why I have been surprised, because I got to my feet, because we knew that we were adjourning to Monday but not because he was moving on from Question Time.

2825 So what I am asking you, Madam Speaker, to rule on Monday is whether we are still in Question Time.

2830

Hon. Chief Minister: Madam Speaker, I think it has become glaringly obvious to anybody who cares to read the *Hansard* of what has happened this afternoon, whether there is a contract for it or not, that we have moved on to the laying of Written Questions, which happens after Oral Questions. Therefore, Madam Speaker, I think you should resist the call to make an innovative ruling on anything other than just where we are.

2835

Now, it is seven o'clock in the evening; we have finished Oral Questions. I have tabled the answers to Written Questions. (*Interjection*) On Monday we are coming back because they have a motion and we have some Bills that we may have to deal with. So, Madam Speaker, I move that the House should now adjourn to Monday at three o'clock in the afternoon.

2840

Madam Speaker: I am not going to rule today whether we are still in Question Time or not, although if you want my tentative view – which I am known for giving in other environments more familiar to me than these – my tentative view is that the Written Answers have already been referred to by the Clerk, and we are at the stage of the Written Answers.

2845

I am not going to commit to that, I am going to think about it over the weekend and I will affirm, or not, that position on Monday. But for the moment I think there is an adjournment to be suggested. It has been moved?

Adjournment

Chief Minister (Hon. F R Picardo): Madam Speaker, I have moved that the House should adjourn to three o'clock on Monday. So as far as I am concerned, I have moved it.

2850

Madam Speaker: All right. I now propose the question which is that this House do now adjourn to 3 p.m. on Monday. I now put the question, which is that this House do now adjourn to 3 p.m. on Monday. Those in favour? (**Members:** Aye.) Those against? Passed.

The House will now adjourn to 3 p.m. on Monday.

The House adjourned at 7.00 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.02 p.m. – 11.20 p.m.

Gibraltar, Monday, 26th February 2024

Contents

Prayer	2
Communications from the Chair	2
Suspension of Standing Orders	4
Standing Order 7(1) suspended to proceed with Government Statement	4
Ministerial Statement – Government-owned Captive Insurance Company	4
Order of the Day	11
Private Member’s Motion	11
Public Accounts Committee – Supplementary Appropriation Bills	11
<i>The House recessed at 4.58 p.m. and resumed its sitting at 5.14 p.m.</i>	23
<i>The House recessed at 8:55 p.m. and resumed its sitting at 9.10 p.m.</i>	65
Adjournment.....	86
<i>The House adjourned at 11.20 p.m.</i>	86

The Gibraltar Parliament

The Parliament met at 3.02 p.m.

[MADAM SPEAKER: Hon. Mrs Justice K Ramagge *in the Chair*]

[CLERK TO THE PARLIAMENT: J B Reyes Esq *in attendance*]

PRAYER

Madam Speaker

COMMUNICATIONS FROM THE CHAIR

Clerk: Meeting of Parliament Monday, 26th February 2024.
Communications from the Chair.

5 **Madam Speaker:** By way of background, Parliament convened on Wednesday,
21st February 2024. The usual Order of Business as prescribed by the Standing Rules and Orders
(the Rules) was followed, with the exception of the suspension of Standing Order 7(1), under
Standing Order 7(3) for the reading of a Ministerial Statement. In due course, Parliament attended
to Oral Questions, these began on Wednesday, 21st February and continued into Thursday,
10 22nd February.

At a given point on Thursday, 22nd February the Hon. the Chief Minister called for a tabling of
Written Questions and the Answers to Written Questions numbered W7 to W13 of 2024 were
laid. After this, but before the Order of the Day was called, the hon. the Leader of the Opposition
objected to the remaining Oral Questions not having been taken before the laying of the Written
15 Questions.

The hon. the Leader of the Opposition pointed to the fact that the agenda indicated that at the
close of the Oral Questions for the Hon. the Minister for Health, the House would adjourn and his
understanding was that the outstanding Oral Questions would be taken when the House next
convened on the following Monday, today.

20 The Hon. the Chief Minister indicated that the remaining Oral Questions were for two absent
Ministers and that his decision to move away from Oral Questions was to give business efficacy to
a House that meets every month. The Hon. the Leader of the Opposition requested a ruling from
the Chair as to whether the House was still in that part of the Agenda that was Question Time, or
whether the House had moved on; and if the House was still in Question Time, whether the Oral
25 Questions which had remained unanswered could be answered today.

Not in dispute, that the Oral Questions which remained outstanding were two sets of questions
from Minister Feetham and Minister Cortes. Also, not in dispute, that Minister Feetham was
absent from the House because he was in Paris on Government business regarding the removal
of Gibraltar from the FATF Grey List; and Minister Cortes was absent recovering from surgery,
30 which he had undergone on the previous day.

Had Ministers Feetham and Cortes been in Parliament on the Thursday, the Oral Questions
addressed to them would no doubt have been put. Given their absence, the Hon. the Chief
Minister opted to move on to Written Questions.

35 Standing Rules and Orders: Rule 7(1) sets out the order in which the business of Parliament is to be transacted. Rule 7(1)(viii) provides for answers to questions. There is no distinction drawn between Oral Questions and Written Questions.

In the practice of this House answers to questions are taken in two parts, the first part is Oral Questions and the second part is Written Questions. The procedure which this House has followed historically is that once Oral Questions have concluded, Written Answers are then tabled and laid.

40 I am of the view that once Written Questions have been tabled and laid, the House has moved beyond Stage 1, Oral Questions, into Stage 2, Written Questions, and it is not open at that point for either the Chair or the Opposition to reopen Stage 1. The Hon. the Leader of the Opposition complains that the Opposition have been ambushed by the laying of Written Questions before the conclusion of Oral Questions.

45 It is important to place the issue under discussion in its proper context. The reason why the Oral Questions were not concluded was because the Ministers to whom they were directed, were absent from the House for unavoidable reasons. In the United Kingdom, there is a limit to the number of Oral Questions, Members may table no more than two substantive questions for oral answer in any one day, of which not more than one may be addressed to any one Minister. Any questions laid in excess of these numbers are made questions for Written Answers. There is no limit to the number of Written Questions that a Member may ask in any one day.

50 I immediately appreciate the necessity in the United Kingdom to limit the number of Oral Questions given that Members of Parliament number in their hundreds, a situation which is clearly distinguishable from our Parliament. However, it is important to remain cognisant of the fact that the need to limit the taking of Oral Questions in the United Kingdom is borne from the fact that if Members were allowed to ask limitless Oral Questions, the other business of Parliament would be frustrated.

60 In Gibraltar, there is no limit to the number of Oral Questions that can be tabled, but in keeping with the obvious necessity to have a properly functioning Parliament which is able to attend to all of its business, it must be right that the Leader of the House be able to move away from Oral Questions and into Written Questions at the point where, to continue with Oral Questions, would necessitate adjourning and waiting for the return of absent Members.

65 Erskine May, 24th edition at page 382, reminds us that the ordinary public business of the House consists of Orders of the Day, i.e. Bills, Motions or other business which the House has ordered to be taken into consideration on a particular day. Pursuant to section 37(3) of the Gibraltar Constitution, Parliament is bound to sit a minimum of three sessions in any calendar year, except in an election year where there must be at least two meetings of Parliament.

70 It has been the practice of the Hon. the Chief Minister to convene Parliament once a month, with the exception of the month in or around Easter and one month in the summer. It is important to ensure that, apart from Question Time, the House has sufficient time to deal with its ordinary public business.

75 In this session, apart from questions, there is a Motion on the agenda to be moved by the Hon. Mr Clinton, which I venture to opine is of public interest and in respect of which it is important to make sure that time is allocated in this session. It is evident that the rules envisage a situation where Parliament is not able to take all the Oral Questions in any one session.

Rule 16(2) provides that if any question remains unanswered when the Parliament adjourns on the last day of a meeting, a Written Answer shall be sent to the Member who put the question. There is a proviso attached to that rule that a Member who gives proper notice may require the question to be postponed for oral answer to the next session.

80 Given that Parliament sits each month, there would not be an unreasonably long wait for the questions to be answered orally, and the hon. Members would not be deprived of the opportunity to have the questions aired orally or to put relevant supplementaries on those questions.

By way of conclusion, and in summary, I find that:

1. At the relevant time the House had moved away from the Oral Question stage.

- 85 2. Having tabled and laid Written Answers, the time for putting Oral Questions was over. Neither the Opposition nor the Chair could insist, at that stage, that Oral Questions be re-opened, nor that they be postponed until the next sitting day.
3. The leader of the House moved away from Oral Questions at the point he did, due to the legitimate absence of those Members to whom the Oral Questions were addressed.
- 90 4. In those circumstances, the Leader of the House was entitled to draw the oral stage of questions to a close in order to ensure that the House had sufficient time to deal with other ordinary business.
5. The Members who did not have their questions answered orally will be entitled, pursuant to the rules, to have their questions answered orally at the next session in March, should they so wish.
- 95

Hon. Dr K Azopardi: Madam Speaker, may I thank you for your ruling.

Can I just clarify on the consequence of that, clearly Members on this side, who still had outstanding questions, will have to make the option of whether to have an answer in writing or to ask for the question to be taken orally next time.

100

The question has been expressed, between us, as to whether some Members might wish to withdraw the question so as to reword it, so as to update it for next month and if that is in order, Madam Speaker? I have looked at the rules and I could not see a clarity either way. So I am raising it now on the basis that some Members might wish to withdraw and place a new question. I think that is in order, but I am looking for your guidance.

105

Chief Minister (Hon. F R Picardo): Madam Speaker, if it is of any assistance the Government would not object to that.

110 **Madam Speaker:** Well, I agree with the Hon. the Leader of the Opposition. There is nothing in the rules on point, but I think it is the fair way to proceed. So those Oral Questions that had been tabled for Minister Feetham and Minister Cortes may be updated before the next session.

SUSPENSION OF STANDING ORDERS

Standing Order 7(1) suspended to proceed with Government Statement

Clerk: Suspension of Standing Orders. The Hon. the Chief Minister.

115 **Chief Minister (Hon. F R Picardo):** Madam Speaker, I beg to move under Standing Order 7(3) to suspend Standing Order 7(1), in order to proceed with the Government Statement.

Madam Speaker: Yes, thank you. Those in favour? (**Members:** Aye.) Those against? Carried.

Ministerial Statement – Government-owned Captive Insurance Company

Clerk: The Hon. the Minister for Justice, Trade and Industry.

120

Minister for Justice, Trade and Industry (Hon. N Feetham): Madam Speaker, if I can be forgiven for breaking with protocol, otherwise my mother would not forgive me, I can see my brother and former Leader of the Opposition there and I just wanted to say hello.

125 Madam Speaker, I rise to make this Ministerial Statement to update our Parliament and our country on the implementation of an important manifesto commitment. During the election, and as a manifesto commitment, the GSLP-Liberal Alliance committed to, quote:

... explore the feasibility of a Government-owned captive insurance company. This initiative has been conceived with a view to secure competitive insurance for the Government, address public interest insurance needs, and bolster the talent pool.

Close quote.

130 The insurance solution for elderly citizens was explained during the election campaign as bespoke, further stating it will be set up through a captive insurance product. The rationale was explained in a GSLP-Liberal press release on or around 3rd October 2023, as follows. Quote:

F R Picardo KC MP, as leader of the GSLP and now re-elected Chief Minister leading this Government, said:

We know that this is a real issue of genuine and painful impact on our elderly and infirm.

Before we left the EU, all our citizens who were well enough to travel but that had any long-term conditions or, quite simply, an apprehension about their potential frailty, had the comfort of knowing that whenever they crossed the border into Spain, whether for regular trips for short periods or on longer trips away, their healthcare needs would be covered by the E-111 programme.

Since our departure, those same citizens ...

– and I am quoting from the press statement, Madam Speaker

– have either had to take out specific travel insurance endorsed for their pre-existing conditions, paying significant premiums, or, more likely, for those unable to afford them, they have simply had to give up on travel altogether or assumed a real risk by travelling without such cover.

Close quotes.

We will provide a solution for them. I, myself, also explained in the press release how we contemplated this would be structured as follows. Quote:

In the last few weeks, I have been indicating that, as Minister for Financial Services, if we are elected on 12 October, I will work to set up a captive insurance product.

I will work with the providers in the insurance industry locally to create and deliver a solution, however innovative or revolutionary, that addresses this real need in the community. We will work to deliver this solution.

135 Close quote.

The solution was identified as a captive arrangement for the Government as policyholder insured with a local insurance provider. We must remind ourselves that insurance with a commercial insurer is unsuitable, precisely because of exclusions for pre-existing medical conditions and the high cost of premiums, even where it is available.

140 The insurance that will therefore be in place, whilst bespoke, will have terms and conditions and will be subject to coverage limits. Insurance will be provided to the Government via the cell captive and only the Government can bring a claim under the policy. The Government will in turn separately set up a Government administered scheme, under which the Government will reimburse covered medical costs of eligible citizens within the terms and conditions of the scheme.

145 The Government has negotiated the bespoke captive arrangement with Aon's Whiterock PCC Insurance subsidiary in Gibraltar, called Whiterock Insurance Gibraltar PCC Limited. Aon is a leading global provider of insurance services and Whiterock is a leading cell company facility for Aon clients licensed and regulated by the Gibraltar Financial Services Commission.

150 This scheme is only intended to cover medical treatment in the event of an emergency, where an eligible person cannot be transported back to Gibraltar to receive appropriate medical treatment at St Bernard's Hospital, and the treatment in the nearest Spanish hospital or by the nearest doctor is medically necessary.

155 Where the medical situation is not an emergency, the eligible person shall be transported back
to Gibraltar for appropriate medical care. Examples of such emergency would be a bad fall or
accident requiring immediate medical attention, a heart attack or a stroke. We will allow a pre-
existing medical condition of an eligible person, Madam Speaker, with some controls for serious
160 medical conditions, provided that the eligible person shall not be travelling to the territory for the
purposes of seeking medical treatment. Prescription drugs and medical supplies unrelated to the
emergency medical treatment would not be covered.

Madam Speaker, we will be setting up an online registration and reimbursement process and
will put in place an initial paper registration process to aid our elderly citizens during the scheme
launch. Eligible persons should refer to the detailed terms and conditions of the scheme which we
will publish, including the limitations and exclusions.

165 The message our Government wishes to convey is that the scheme we will put in place
following this announcement has been done sensibly and carefully, balancing the necessity of
providing tangible coverage for eligible elderly citizens they could not otherwise obtain in the
open insurance market; but underpinned by a captive insurance arrangement backed by the
Government that requires it to be properly executed to ensure there is no unnecessary abuse or
170 leakage of public funds. We will be announcing the terms and conditions of the Government-
administered scheme shortly.

Of course, if we get a treaty, the solution we have announced today will not be needed. Hence,
we propose that the scheme will be for an initial period of six months and this also will allow us
to implement it in a controlled manner, on the basis of a pilot scheme as a means of protecting
175 public funds.

It is important to emphasise too, Madam Speaker, that this scheme is only intended for
emergency medical treatment whilst travelling to Andalusia, southern Spain and that there are
limits and exclusions which allows us to quantify and calculate the ultimate cost of the scheme for
the Government.

180 In addition, there will be an eligibility criteria, including age, to ensure that the generosity of
the Taxpayer is not abused. Once the scheme is up and running the Government will be able to
build claims experience and evaluate the possibility of extended coverage outside Andalusia, and
also obtaining reinsurance. We emphasise, Madam Speaker, that this scheme is not a substitute
for private insurance if an eligible person has such private insurance, or indeed, if they can
185 purchase it.

Finally, Madam Speaker, I am pleased to announce to Parliament that the contracts, the
employment contracts, with the two tax professionals that the Tax Office are recruiting has been
successfully signed and they will soon be submitting their respective notices to their current
employers.

190 As previously communicated, I want to reiterate the importance of this step. It is essential to
ensure that large corporations in Gibraltar contribute their fair share of corporate taxation. This
measure is crucial for sustaining the level of public expenditure that we often take for granted and
for avoiding the burden of increased taxation on the working population, which would
disproportionately impact them.

195 Compared to other jurisdictions which are raising revenue through increasing personal Income
Tax of the working population our proposals adhere to key principles:

1. We will prioritise, avoiding direct taxation on working individuals, exploring alternatives
before considering such measures.
2. We will attempt to impose tax, firstly, where economic changes such as increased interest
200 rates have increased profits. Alternatively, we will aim to be as neutral as can be achieved.
3. We will strive to work within the existing tax regime in order to minimise upheaval.

I am obliged, Madam Speaker. *(Banging on desks)*

205 **Madam Speaker:** Would any hon. Members like to ask questions for the purposes of
clarification? Yes, the Hon. Mr Clinton.

Hon. R M Clinton: Thank you, Madam Speaker.

I would like to thank the hon. Gentleman for an advance copy of this statement for which I am grateful.

Madam Speaker, if I may ask some technical questions of clarification, which I am sure the
210 Minister will have at the tip of his fingertips. In terms of the captive scheme, can he advise when the cell was acquired in terms of what the date was of acquisition and how that cell ownership is going to be structured, whether it is directly by the Government of Gibraltar or through some other mechanism?

Also, can the Minister advise the House whether he intends the cell to be funded or via regular
215 premiums, and if so from what area of Government and in what amount? I appreciate these are early days but he must have, already, some idea in his head as to how this may work.

And also, Madam Speaker, if I can ask him about the arrangements with a Whiterock Protected
220 Cell, I imagine when he talks about reimbursement he does not expect the private citizen to pay their own hotel bills and then make a claim. I imagine there will have to be some insurance wrapper of some sort, or some sort of insurance document, which can be handed to a hospital and it will be the hospital that will be making the claim for reimbursement and not the private citizen?

I would be grateful the Minister could clarify that because, as the Minister will be aware, the
225 Government already has an element of self-insurance through the special fund which was created by this House on 13th June 2019, in which the Government self-insures itself for any death in service liability for public sector employees. In that case, the Government pays premiums to the special fund and the special fund meets the cost of any claims.

So in respect of this scheme, I would be interested to hear from the Minister how he expects
230 it to work in practice. Is it that Whiterock will issue a policy of sorts to, I think, it would be eligible persons although I have seen the word eligible citizens, I assume it is the same terminology, whoever is eligible to participate under this scheme.

I guess they will be issued with some kind of medical cover note, of some sort, issued by
235 Whiterock for which the Government effectively fully underwrites in its own name; and as I note the Minister said, until he has a claims history he is not going to be able to reinsure that risk as the Government until he gets some clarity as to how the outturn of the scheme is in terms of claims.

And if the Minister could perhaps give a sense of whether he has an idea of who these eligible
citizens would be in terms of age range, or this will be all part of the scheme which is yet to be designed?

And finally, Madam Speaker, there is a mention here of working out the parameters, and
240 I quote: 'Which allows us to quantify and calculate the ultimate cost of the scheme to the Government'.

Does he therefore have some indication, ballpark, of what the scheme might cost the
Government in the short term. And I note that he was also going to trial it for six months, given the treaty parameters.

245 I think, Madam Speaker, those are my specific questions. I think the Leader of the Opposition may have some of his own.

Madam Speaker: I suggest we let the Minister clarify Mr Clinton's questions and then I will let
250 the Hon. the Leader of the Opposition, or anybody else, put any other questions.

Hon. N Feetham: Obligated, Madam Speaker, I have written as much as I can. Let me go through
the questions if I can, Madam Speaker. I think the first question related to when the cell was established. The cell has yet not been established, in other words, the cell, in a cell captive, Madam
255 Speaker, and I do not intend to give a lecture on cell captives, however much I like the topic, because otherwise I will bore everybody to death.

But in a in a cell captive situation, the cell is only established at the point in which the cell share
is issued. So the cell share has not yet been issued, Madam Speaker. We have, of course, signed

the underlying contracts with Whiterock, the insurance company which is owned by Aon. These are fairly standardised contracts in the insurance industry and, in particular, in the context of cell companies generally, and therefore the answer to his first question is we have not done that, although we have signed contracts. In other words, there is now a contractual obligation on the part of Whiterock to provide this insurance to the Government.

He has asked, how will the cell be funded, or how will the obligations of the cell be funded? The answer to that, Madam Speaker, is through a number of contractual mechanisms which are, again, standard in the context of an insurance entity of this nature.

It is a captive so, therefore, what the Government is doing is self-insuring the Government's own obligations to third parties and in a situation such as that, there are a number of mechanisms that are put in place by the insurance provider, in this context Aon, through its insurance subsidiary.

One of them is the right under the policy for the insurance company to call for a top-up of the premium. It is a top-up provision in the insurance contract, to the extent that there is no claims experience that we can have sight of, given that this has not existed before. We have calculated, very roughly, a ballpark figure for a premium and the insurer reserves the right to call upon a top-up premium in relation to the claims experience within the cell going forward.

We have, as I have said, Madam Speaker, structured this in a very careful and controlled manner. Not only must it be careful and controlled for the purposes of protecting public funds, but there is also a commercial counter-party here, Whiterock and Aon, therefore they want to ensure that their position in relation to them providing the captive facility to the Government of Gibraltar, that that does not put at risk their own capital and, indeed, the integrity of their own structure.

You have asked the question around reimbursement. The intention, Madam Speaker, is for the Government, in principle, to reimburse. The reason why we say reimbursement is because it is impossible, Madam Speaker, to enter into direct relationships, although we will explore this going forward, it is impossible at this stage to enter into arrangements with all medical facilities and every hospital and every doctor across the border in Andalusia to the extent that if there is the necessity, God forbid, for emergency medical treatment it is impossible for us to say in which hospital or with which doctor or with which medical facility.

So that is something that we will explore going forward. But let me reassure the hon. Member that to the extent that the intention of the scheme is to provide peace of mind for elderly citizens that face the need for emergency medical treatment that in that situation, if indeed the sort of factual illustrations that I have given, such as a heart attack or a stroke, if that were to happen, God forbid, then we would immediately be contacting the relevant medical facility in order to ask them to seek to bill an invoice to the Government directly. But at this stage, it is impossible to pre-empt anything in relation to that because you never know where an elderly citizen might need medical treatment and indeed medical support.

I think you have mentioned whether there will be a cover note. I think you have asked will there be, will the insurance captive insurer issue a cover note to eligible citizens? The answer is no, this is a captive. This is a captive insuring the risks of the Government and therefore in that situation you would not expect the captive to be facing consumers. That is the whole point of setting up a captive, Madam Speaker.

You have also asked, I think, for the definition of 'eligible elderly citizens'. There is a definition. Madam Speaker, there is a definition. We will be making public the terms of the scheme and the definition and I can assure this House that we have considered, in detail, what the scope for this scheme should be and whilst perhaps there are people that might not necessarily be entirely happy with the final outcome, I think the large majority of people in Gibraltar certainly would appreciate what we are doing, which is something that they, in the opposite side of the House, were not even contemplating to do in their own manifesto.

You have asked how can we, and I have made a note here, you have quoted from my Ministerial Statement and you have asked how can we quantify the ultimate loss? We have had to, we have

310 had to do this because the insurance company has asked us to put a quantifiable limit to the aggregate liability under the insurance policy; and indeed it was one of the questions which the Financial Services Commission asked because let us not forget that in setting up this cell we have had to submit a Cell Licence Application to the Gibraltar Regulator.

315 In other words, the fact that this is a PCC and is licensed already, the mother ship is licensed already by the Gibraltar Financial Services Commission, does not mean that a cell application and prior approval of the Commission was not necessary in order for us to do what we have done.

We have had to go through a licence-application process. The licence-application process is here and they have also challenged and scrutinised the licence application in terms of what the ultimate aggregate liability will be for the Government of Gibraltar.

320 We have emphasised, Madam Speaker, that this is a pilot scheme. We need to see, Madam Speaker, what the claims experience will be and therefore we reserve a right to come back and amend some of the terms and we might endorse the policy in the future to increase the aggregate limit.

Thank you very much, Madam Speaker.

325

Madam Speaker: Any other Hon. Member wishes to ask questions?

Hon. Dr K Azopardi: If I may, Madam Speaker, one big picture question and perhaps also some detailed questions.

330 First of all, just pulling the thread from the final remarks of the hon. Member, just sitting here listening to him explain it perhaps he can detail a bit more issues so that we get a bit more clarity on what is the financial benefit to the Government of doing it this way, of structuring this in this way, because obviously the Government already has a Government Insurance Fund that allows it to settle claims on a self-insurance basis.

335 So what is the gain to the public for the Government to structure it in this way? Because essentially, in the way that the hon. Member has explained it, it is in effect a reimbursement scheme? So if it is a reimbursement scheme, why cannot it be done more directly? So what is the virtue of this scheme?

340 Then secondly and on the detail, specifically on issues not covered by Mr Clinton, if I may, on how this would work on the ground, on elderly people who will be listening. So I was taken by his statement that there will be some control, although they will allow pre-existing medical conditions for eligibility, there will be some control of serious medical conditions.

345 Now, the hon. Member can perhaps give us a bit more information about what they mean by that because, clearly, this product which is aimed at people who cannot get insured, the whole nature of that will be that they are more elderly persons who cannot be insured and therefore are much more likely to have serious medical conditions.

So to what extent are they, by that nature, going to exclude a lot of people and what kind of exclusions is he envisaging?

350 The Hon. Minister said that this is intended to provide coverage for people who cannot obtain coverage in the open insurance market. How will they control that? So, are people going to be required to demonstrate that they have tried to get insurance and they could not get it? I think my hon. colleague has asked about the age limit, I am not sure if he got a specific question, but it would be interesting to hear more remarks about that. I would be grateful.

355 **Hon. N Feetham:** I am obliged, Madam Speaker.

I have taken some notes and I have been looking at my files. We have been working on this, Madam Speaker, for the last four months. Some of the detail is not ... this is not the right place perhaps for us to go into the detail of the scheme. We propose to make the scheme public, but I will attempt to answer the questions that have been directed at me by the Hon. Leader of the Opposition.

360

He has asked, what is the financial benefit of the scheme? We do not look at it from the point of view of the financial benefit to the Government, we look at it from the point of view that this is a manifesto commitment. We did say that we would be providing a captive solution and this is precisely our way of implementing an important policy commitment of the Government.

365 You have asked why does the Government not do this directly, in other words, why does the Government not just provide a reimbursement scheme? The answer to that, Madam Speaker, is that by using a captive insurance vehicle, what this allows us to do, which a direct reimbursement scheme by the Government would not allow us, is to seek reassurance for this risk in the reinsurance market.

370 In other words what we are hoping to do, Madam Speaker, is to allow the claims experience to come through – this is why we have called it a pilot scheme and we have said we will allow an initial period of six months – and during this initial period, in the light of the claims experience, we will be seeking to off-load that liability from the Government. In other words, from the Government and from public finances in Gibraltar, however controlled we believe that the product is to third parties, namely reinsurance companies, through reinsurance arrangements which would not be available to the Government if we just simply introduced a reimbursement scheme.

375 The Hon. Leader of the Opposition has asked and noted the fact that we have said, I think he has said to the extent that somebody has insurance or how do you propose to apply the necessary controls or words to that effect, he was looking at my references to controls. Some of those controls, Madam Speaker, unavoidably we will have to rely on individual self-certifying. In other words we have to, initially, give our senior citizens the benefit of the doubt and they will self-certify some of these criteria, to the extent that the Government then has information which is inconsistent with the information that has been provided, then clearly the Government has a right to take that up in individual cases.

380 Madam Speaker, that is as much as I was able ... I think the Hon. Leader of the Opposition, also asked a question around serious medical conditions. He said, well, to the extent that we are ... or I think he was perhaps suggesting that we were attempting to exclude serious medical conditions given something that I have said in my statement. That is not the case.

390 What we are proposing to do, and I am just looking at some of the information in front of me, please do not hold me strictly to it, but this is what we are envisaging. We are saying: 'An eligible person travelling to the territory with a serious medical condition for a day trip, or stay, shall require the prior approval of the Government of Gibraltar under the scheme and must be medically certified.'

395 So in other words the approval must be to the extent that he has medically certified as being able to undertake such travel and be accompanied by at least one family member. This is in cases, I emphasise, of serious medical condition.

400 What we had in mind there, Madam Speaker, and again when we were putting this together we brainstormed, there was a huge amount of brainstorming that we put into this, and one of the situations that we envisaged was that you could have an elderly citizen with a serious medical condition, a really serious medical condition, wanting to go to Spain for no other reason than perhaps a granddaughter was getting married; or there would be a family event across the border, and it would be unfair not to allow the individual to participate in the scheme. But what we would not want to do is, clearly, have a situation where that happened without at least an element of control. And we think that is a fair outcome.

405 Then there is an age limit but the age limit is very wide. We have put a cap at the top but we believe that the eligibility criteria that we are using, both in terms of age and also in terms of those that we are seeking to exclude. And if we seek to exclude an elderly citizen, Madam Speaker, we are doing it for no reason other than we believe that the person has the affordability or means to be able to take out their own insurance. So, there is also an income eligibility that we would be applying because the generosity of the Taxpayer only goes so far, Madam Speaker.

Madam Speaker: Any other hon. Member? Yes.

415 **Hon. DJ Bossino:** Simply, Madam Speaker, to press him in respect of one point and I appreciate that the hon. Member describes it, he uses the adjective 'shortly'. He has talked about many terms of reference and terms and conditions, which we will be applying in respect of this scheme. But is he able to provide us further information as to when he thinks that he will be in a position to publish those terms and conditions?

420 Because I think there will be a lot of interest in what he has said in Parliament today, when it is reported in the news this evening and tomorrow morning; and I am sure that many people will be asking us as to when the Government will be in a position to set out, in full and in detail, the criteria which he himself has said has been the subject of a lot of thought and brainstorming on his side.

425 **Hon. N Feetham:** I am grateful, Madam Speaker.

I would expect, Madam Speaker, that we would or should be in a position to be able to publish the terms and conditions within the next 10 days. I hope it will be sooner, but let's, for the purposes of the question, say within the next 10 days.

430 Thank you.

Madam Speaker: Any other hon. Member wish to ask a question? All right, we move on.

Order of the Day

PRIVATE MEMBER'S MOTION

Public Accounts Committee – Supplementary Appropriation Bills

The Clerk: The Order of the Day.
Private Member's Motion, the Hon. R M Clinton.

435

Hon. R M Clinton: Madam Speaker, I do not seem to have a crib sheet so I will just read this. Madam Speaker, I rise further to the Motion to which I have given notice, which reads as follows and stands in my name. I quote:

THIS HOUSE:

NOTES the delay in the tabling of the Principal Auditors report on the audit of the public accounts of Gibraltar for the years 31 March 2017 and 31 March 2018 and the causes for such delay that are explained by the Principal Auditor therein.

CALLS on the Government to assist the Principal Auditor in completing his work on the public accounts of Gibraltar for the year 31 March 2019.

CALLS on the Government to take the Supplementary Appropriation Bill B26/23 for the two-year period 2019/2021 through all its Parliamentary stages in the March 2024 meeting of Parliament.

CALLS on the Government to take the Supplementary Appropriation Bill B27/23 for the year 2021/2022 through all its Parliamentary stages in the March 2024 meeting of Parliament.

THIS HOUSE, furthermore:

RESOLVES that a standing committee be created to be designated as the “Public Accounts Committee” for the examination of the Accounts showing the appropriation of sums granted by Parliament to meet the Public Expenditure and of such other accounts laid before Parliament as the Committee may think fit, to consist of four members, two of whom shall be nominated by the Chief Minister and two of whom shall be nominated by the Leader of the Opposition, who shall be nominated at the commencement of every Session, and of whom two shall be a quorum with the Chair to be held by an Opposition Member.

440 Madam Speaker, the Motion standing in my name covers two important areas in respect of the ability of this House to conduct proper financial scrutiny and oversight of our public finances. Firstly, the need to have reports from the Principal Auditor in a timely fashion. And secondly, to have a Parliamentary Select Committee in the form of a standing Public Accounts Committee to follow up the findings of the Principal Auditor and any related matters.

I will deal with each matter in turn, Madam Speaker.

445 The Principal Auditor’s Report for the financial years 2016-17 and 2017-18 were finalised by the Principal Auditor on 21st December 2023 and tabled in this House on 24th January 2024. A principal reason for the delay was in the late taking by this Parliament of the Supplementary Appropriation Bills for those years; and, Madam Speaker, this is something that the Government was fully conscious of and deliberately engineered, as I will demonstrate.

450 In my budget speech on 2nd July 2018, I drew attention to the fact that the Government had, and I quote, ‘slipped into the bad habit of taking the Supplementary Appropriation Bill for prior years well after the budget debate’. Not only is this illogical, but also has the effect of delaying the Principal Auditor’s report, which we have not yet had for 2015-16.

455 I then reminded the Chief Minister that on 2nd March 2016 he had stated the following, and I quote:

Because the main Appropriation Bills for the year are normally now debated in this House at around June or July of each year as part of the Budget session, this has meant that the annual audited accounts for the previous year have necessarily been delayed until the approval of these supplementary appropriations and the Principal Auditor has not been able to complete his audit of the annual public accounts until then

He then went on to say, and I quote:

In order to enable the Principal Auditor to complete his audit of the annual audited accounts earlier and for these annual accounts to be laid in the House on a more timely basis the Government has decided to revert to the earlier practice of presenting the Supplementary Appropriation Bills separately.

460 Madam Speaker, I then went on to point out that the Supplementary Appropriation Bill for 2014-15 was published on 17th December 2015 and debated in Parliament on 2nd March 2016. The Supplementary Appropriation Bill for 2015-16 was published on 22nd December 2016 and it was not debated in Parliament until 6th December 2017, almost a year later.

The Supplementary Appropriation Bill for 2016-17 was published on 12th January 2018 and we had yet to debate it in this House, as I quoted then. I concluded, Madam Speaker, in my 2018 budget speech that, and I quote from *Hansard*:

It is evident [Mr Speaker] that the Chief Minister cares little for the budgetary process and parliamentary scrutiny and I can only assume he just wants to delay the publication of the Principal Auditor’s report as much as possible ...

End quote.

465 So, Madam Speaker, the question of delaying the Principal Auditor’s work was already well signposted six years ago; well before COVID. In my budget speech on 10th June 2019 I also drew attention to the failure to take the Supplementary Appropriations in time and I said the following, quote:

I drew attention last year to the delays in presenting the Supplementary Appropriation Bills. As at the beginning of June 2019, i.e. earlier this month, we had two years' worth of Supplementary Appropriation Bills outstanding. Yes, Mr Speaker, two years' worth! The Supplementary Appropriation Bill for 2016-17 was published on 12th January 2018 and we have still to debate it in this House. The Supplementary Appropriation Bill for 2017-18 was published on 8th March 2019 and we have still to debate it in this House. The Minister for the Environment has more success in bringing forward legislation on everything from banning ivory sales to circuses, and yet so-called 'money' Bills are totally unimportant to the Minister for Finance – regardless of Brexit. I can only conclude that the Finance Minister's tardiness is deliberate so as to delay the presentation of the Principal Auditor's report. The report for the year ended 2015-16 was only tabled at our meeting in May.

End quote.

470 So, Madam Speaker, in my budget speech on 21st July 2021, and this followed the emergency COVID budget in 2020, we had the remarkable comments from the Chief Minister when he uttered the word 'When'; yes, Madam Speaker, 'When' in interrupting my contribution as follows; and I quote from *Hansard* from my budget address on 21st July 2021:

So, let's talk about waste. [I said] I wonder what the Principal Auditor has to say about waste. The Appropriation Bill before us today shows no decrease in recurrent expenditure and so I can only assume that no waste has been detected. But then again, given that the last Principal Auditor's report was for the year 2015-16, we in this Parliament do not have the benefit of the Principal Auditor's opinions regarding expenditure and value-for-money spends for any subsequent years. For this reason alone, in the detecting of waste Parliament needs the Principal Auditor's reports now and not years later. We need his reports as soon as they are available. We cannot wait five years for his reports

475 I understand that one of the reasons given for delay in such reports is the need for the passing of the Supplementary Appropriation Bills. I drew attention to this in 2018 and again in 2019 and this situation has only got worse. The Supplementary Appropriation Bill for 2016-17 was originally published on 12th January 2018 and we have still to debate it in this House. It is actually on the agenda now and has been for months.

480 The Supplementary Appropriation Bill for 2017-18 was originally published on 8th March 2019 and we are still to debate it in this House; and please, do not tell me it is because of COVID and Brexit because we have had umpteen other Bills debated in this House, but not these two Bills because the Chief Minister does not think they are important. Both of these Bills, Madam Speaker, embarrassingly, then had to be re-gazetted on 31st October 2019 because Parliament dissolved and we had a general election.

485 So we have two Supplementary Appropriations for a Parliament that had been dissolved and they had not yet been debated. It is, perhaps, without precedent that two Supplementary Appropriation Bills for prior Parliament have had to be carried over to a new one. What would happen if a new parliament declined to approve them?

490 The Supplementary Appropriation Bill for 2018-19 was published on 30th January 2020, and again we have still to debate it in this House. That cannot be. The Constitution is quite clear when it states on the Section 69(3) and I quote it from the Constitution:

3) If in any financial year it is found –

(a) that the amount appropriated by the appropriation law for the purposes included in any head of expenditure is insufficient or that a need has arisen for expenditure for a purpose for which no amount has been appropriated by the appropriation law; or

(b) that any moneys have been expended on any head of expenditure in excess of the amount appropriated for the purposes included in that head by the appropriation law or for a purpose for which no amount has been appropriated by the appropriation law,

the Minister with responsibility for finance shall cause a supplementary estimate showing the sums required or spent to be prepared and laid before the Parliament and the heads of expenditure shall be included in a supplementary appropriation bill introduced in the Parliament to provide for the appropriation of those sums.

Now, Madam Speaker, this is important. At this point, Madam Speaker, on paragraph 370 of *Hansard* we have it on the record, the Chief Minister is uttering the question 'When?' from a sedentary position: 'When?' And I continued:

Mr Speaker, the intention is quite clear, and yet no doubt the Government feel that by merely introducing a Bill they are complying with the Constitution. A simple, plain reading of the Constitution is clear as to what the intention is: in any year you bring the Appropriation Bill. It cannot be that you have three years of Supplementary Appropriation Bills outstanding and yet approve subsequent years' Budgets. It is nonsense. What happens if in the case of the two years that were pending the new Parliament refuses to approve it? Does that mean to say the entire Government is guilty on this appropriation? It cannot be allowed to continue in that way. The Chief Minister can say, 'Well, it doesn't say when,' but it does not have to say when, it is obvious. At present, none of those excess expenditures have been authorised by this Parliament and as such they remain unauthorised expenditure for which the Minister for Public Finance is solely responsible. And so I would urge Government to put its house in order and allow the debate of these Bills. If they do not, I can only conclude that they are actively seeking to undermine the work of the Principal Auditor and delay his reports so that they are of no value to this Parliament in identifying any waste or scrutinising Government.

495 And that, Madam Speaker, was my contribution in 2021.

In my budget speech on 29th June 2022, I again raised the subject and I said this, quoting from *Hansard*:

For the last number of years since I have been in this House – or, at least for the last three years – I have complained about the inability of the Principal Auditor to complete his reports on time, due to outstanding supplementary appropriations. Despite three Bills covering 2017, 2018 and 2019 being passed in a single day last year, on 26th July 2021, we still do not have any new reports in this House. The last report available to us is that for 31st March 2016. If this Government truly cared for transparency and accountability it would have shown some leadership in ensuring the required Bills were debated and passed in a timely manner. I really do not accept that COVID-19 was the reason for the delay in debating those Bills. Without any recent reports from the Principal Auditor, this House cannot hold the Government to account on its spending, including areas such as value for money.

That was 2022, Madam Speaker.

500 My budget speech for 2023, on 13th July, which is in *Hansard*, I raised this for the fifth time, Madam Speaker, the fifth time, and I said the following:

I have complained for years as to the lack of reports from the Principal Auditor on the Government's finances. First we were led to believe it was due to outstanding supplementary appropriations. This problem was cured – three years' worth – on 26th July 2021, and now we are told there are adjustments required before finalisation. The last report we had in this House from the Principal Auditor was for the financial year ended 31st March 2016. That is even before the composition of this Parliament in 2019. I am beginning to doubt whether we will ever receive any reports, given the short remaining life of this Parliament. And even if they are received for 2017 and 2018, they will be five years old and all the issues that may be identified – all waste issues that the Father of the House is so interested in, any value for money issues – will have become irrelevant and obsolete. How is the Minister for Financial Stability expected to do his work if he gets no reports, if this Parliament gets no reports?

We have something broken, something is not working, something is seriously wrong and it prevents the Opposition from being able to hold the Government to account. (A Member: Hear, hear.) We cannot do it without reports. He expects us to tell him where to identify waste. We do not have access to the books of the Government. We cannot go in and audit them. I would love to – I would do it for free – but I have not that ability, so we rely on the Principal Auditor. We do not have any reports, so go figure. How am I going to tell him, 'Look at page 222 of the Principal Auditor's report: this department is doing this'? I do not have access to the information – he has, I do not. He is the Minister for Financial Stability. Why hasn't he asked for these reports to be produced? And so, Mr Speaker, it is all not working.

Indeed, Madam Speaker, the general public can now see for themselves, in the Principal Auditor's report that we now have, that all is not working and they demand better. In fact, as regards Supplementary Appropriations, I even suspect that the manner in which these are being managed may not even be that which is legally required by our Constitution.

505 Sir Joe Bossano, in a contribution to a budget debate on 3rd June 2008, stated the following, and I quote:

The purpose of the subhead [which was the Supplementary Fund which he knows well] from the day it was brought in, was in fact, to do away with the need that there used to be before this sub-head existed, to keep on coming back with Supplementary Appropriation Bills two or three times during the course of the year, simply because in every year and in every budget there are unforeseen circumstances requiring either additional expenditure or totally new expenditure.

Madam Speaker, in Sir Joe's words, 'during the course of the year' – not years after. And I am speaking in addition to raising this matter in five budget speeches. We also constantly filed questions requesting updates on the status of the Principal Auditor's report, as the following list will testify: Question 298/2019; Question 77/2021; Question 387/2022; Question 699/2023; and Question 198/2023.

This state of affairs cannot be allowed to continue and so we call on the Government to assist the Principal Auditor to complete his work on the Public Accounts for the year ended 31st March 2019, and also to take the Supplementary Appropriation Bills for 2019-21 and 2021-22, namely B26/23 and B27/23, through all its parliamentary stages in the March 2024 meeting of this Parliament.

I now move on to the second element to my Motion, Madam Speaker.

In his recent report, the Principal Auditor asked us, in fact he has urged us, to act on one of his recommendations on page 359. Specifically, he asked, and I quote:

Parliament to give serious consideration to the reinstatement of a standing committee of the House in the form of a Public Accounts Committee, following best practice in the United Kingdom, the Commonwealth and indeed every prominent state in the western world, to oversee government accounts and ensure transparency and accountability in government financial operations

End quote.

Now, the Government has made it an article of faith that it will not support the creation of a Public Accounts Committee. The Government argued in the GSLP-Liberal manifesto that, and I quote:

In the past such a Committee existed for only one term because it became clear that it was not suited to the size of our democracy and to the way that our Parliament works

End quote.

But, Madam Speaker, this statement deserves closer scrutiny because the Public Accounts Committee created on 25th March 1980, of which the only participant here will be Sir Joe who will remember it, appears to have worked well. Four Members were appointed to the Committee, the Government appointees being the Hon. Major F J Dellipiani and the Hon. J B Perez; and for the Opposition, the Hon. G T Restano and the Hon. A J Haynes. The Hon. G T Restano from the Opposition benches was elected Chairman.

This Committee was tasked with following up an in-depth audit, undertaken by the Principal Auditor, into the purchases made by the Public Works Department from a company called Reiker Supply Company Limited. This Committee held 13 meetings with various civil servants, including controlling officers and the directors of the company.

The Committee finalised its report on 22nd October 1980 and made various findings on economy, efficiency and controls and the recommendations, Madam Speaker, were made on a unanimous basis. For example, it found there were failures in observing store regulations and procedures and recommended that clear and concise agreements should be signed by contracting parties. Advice that is 40-years old but probably still stands today.

Madam Speaker, this lengthy report was debated in the House of Assembly on 4th November 1980. Of note was that the Chairman stated it had been a pleasure to work with two Government Ministers and they had developed a *modus operandi*. The late Chief Minister, Sir Joshua Hassan – and I quote – 'commended the Chairman and the Members of both sides of the House for their hard work'. End quote.

And Sir Joshua then went through the report accepting the main recommendations.

The Leader of the Opposition, the late Hon. Peter Isola, made the following remark, and I quote:

“I am glad to note that the Government is taking up the recommendations that the Committee have made to ensure that this sort of thing does not happen again, or that if it does happen, it is minimised. Although if it does happen, of course, officers have not been acting in accordance of the regulations set down by Government for dealing with these matters are disciplined because this is the only, I suppose, the only ultimate way in which the public purse can be protected, is by officers realising and knowing that if they do not act in accordance with regulations, obviously action can and must be taken against them in defence of the public interest in these matters.”

Those are the words of the late Peter Isola.

550 The Motion approving the report of the Public Accounts Committee in 1980 was approved by the House unanimously. So, Madam Speaker, this shows clearly that a Public Accounts Committee can and indeed did work in the past. Indeed, it is clear that the Committee acted in a non-partisan fashion, seeking only to secure and protect the public purse.

555 The Government, again, in their manifesto state that ‘the establishment of the Public Accounts Committee chaired by an Opposition MP would lead to controlling officers being grilled in public by the Opposition’. Well, Madam Speaker, the facts of the matter is that the making enquiries of controlling officers was not a taboo matter in the 1980s. In fact, under section 42, subsection two, the Public Finance Control and Audit Act, 1977, it states the following, and I quote:

A controlling officer shall be the accounting officer in respect of, and shall be personally accountable for, all public moneys 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 he is the controlling officer.

End quote.

And, Madam Speaker, the Act is unambiguous in Section 68 when it states that, and I quote:

... In the case of loss by reason of neglect of duty, carelessness or fault ...

560 End quote. A public officer could be surcharged for loss.

So, Madam Speaker, these are real responsibilities and as the late Hon. Peter Isola noted, it is the only way the public purse can be protected. Ministers do not have such responsibilities as they are not controlling officers under the Act.

565 I imagine controlling officers would only welcome the opportunity to explain how they are doing their best to ensure value for money is achieved for the Taxpayer in targeting economy, efficiency and effectiveness. If a Minister has to be involved in shielding public servants then surely there is a public interest in understanding why.

The other fallacy in the GSLP manifesto, and I quote, is when they say:

The Gibraltar Parliament already enjoys the power to examine expenditure in detail both during the budget debate and outside it. It is important to stress that the GSD do not make full use of the tools available to them at the moment.

I would like to know what tools those might be.

570 But, Madam Speaker, this is utter nonsense and having been described by Sir Joe, which I have taken as a compliment, as ‘a one-man Public Accounts Committee’, I cannot disagree more. Anyone watching parliaments in recent years will have heard Sir Joe say that he will simply not tell me, when I asked for detailed information, or tell a colleague to lump it when he does not get the answer he wants. That is the level of interrogation that we have available to us to examine
575 expenditure and obtain detail.

Madam Speaker the estimates that do not give the granular detail as to value for money or waste, or abuse of money; and to suggest that the Opposition could have identified such without audit powers is simply not credible and laughable.

580 Madam Speaker, the Principal Auditor has the following to say on this precise point and I am going to quote at length, Madam Speaker, just to ensure we have this in *Hansard*. The Principle Auditor has this to say:

As Principal Auditor, I cannot disagree more with the Commission on Democratic and Parliamentary Reform's conclusion and recommendation to Parliament. The Commission's view in that a Public Accounts Committee is unnecessary given that Opposition Members have the opportunity to examine Government expenditure and debate the Principal Auditor's report is, with the utmost respect to the Commission, fundamentally flawed. This is because in parliamentary debates, much as Opposition Members question Government Ministers on matters raised in my report, the issues are debated at a superficial level, in comparison to the probing and extensive scrutiny undertaken by a Public Accounts Committee. Although I appreciate there is a certain level of enquiry and debate in Parliament on the Principal Auditor's Report, this is not enough and does not go deep enough to scrutinise and report on the many issues raised and areas of concern highlighted in the Principal Auditor's report. As a result, Gibraltar continues to underperform when it comes to legislative scrutiny of audit reports. In contrast, a Public Accounts Committee conducts regular in-depth hearings on the key findings of audit reports with Heads of Department, who have been appointed by the Financial Secretary to be Receivers of Revenue or Controlling Officers (a statutory designation which carries specific responsibility for the receipt of public monies and the disbursement of public money granted by Parliament to a department). These Public Accounts Committee sessions would of course include representatives from the Gibraltar Audit Office to explain the observations and audit findings, but more importantly, the Head of the audited entity and other senior civil servants would obviously give evidence to the Committee and be held accountable to Parliament. This would enable the Head of Department concerned to abide by an action plan determined by the Committee to correct and remedy the issue(s) reported by the Principal Auditor. The Public Accounts Committee would thereafter report their recommendations to Parliament. Notwithstanding the Commission on Democratic and Parliamentary Reform recommendations to Parliament, it is my view that there is a critical need for a select committee in the form of a Public Accounts Committee to be established by the Gibraltar Parliament. I can truly say that this is not only my view, but has been the professional view of all five Principal Auditors during the last 40 years, whom I have had the privilege to work with.

End of quote.

585 Madam Speaker, I obviously identify with everything the Principal Auditor has said and if voters elected the GSLP-Liberals based on such a flawed manifesto policy of not needing a Public Accounts Committee then, Madam Speaker, they have been cruelly misled on this crucial area of public finance scrutiny.

590 Madam Speaker, the Commission on Democratic and Parliamentary Reform, apart from being flawed, not just in my opinion, but also in the Principal Auditor's opinion, is also out of date. Since January 2013 there is a growing understanding in the Commonwealth of the importance and function of Public Account Committees.

In June 2014 Chairs and Members of public and equivalent committees of Commonwealth Parliaments attended the fourth Westminster Workshop and Parliamentary Scrutiny of Public Expenditure at Westminster and actually constituted the Commonwealth Association of Public Accounts Committees, in short called CAPAC.

595 CAPAC is designed to support the work of Commonwealth Public Accounts Committees in promoting good governance, implementing the declaration on these Committees in the communique of the November 2013 at the Commonwealth Heads of Government Meeting.

600 Now, the aims of CAPAC are as follows: making the case for the independence of Commonwealth PACs and for the implementation of all appropriate PAC recommendations as key components of good governance; defining, publishing, promoting of standards of good practice in line with Commonwealth principles to assist CAPAC Member Committees in being effective, transparent and independent; providing training, acting as a clearing house for information, carrying out peer reviews, engaging with stakeholders and strengthening the capacity of small state PAC.

605 In 2015, the CAPAC initiative was endorsed by the Commonwealth Heads of Government Meeting, who in their communiqué, I quote, 'noted the establishment of CAPAC as a network for strengthening public financial management and accountability, these being vital in maintaining the trust of citizens and the integrity of Governments and legislature'.

610 And so, Madam Speaker, this is the direction of travel around the world, one which the GSLP simply did not accept.

Gibraltar is the only UK overseas territory that does not have a Public Accounts Committee. The UK Overseas Territories project that was established in 2016 by the UK CPA, UK National Audit Office and the UK Government Internal Audit Agency, produced a good practice guide for the effective oversight of public finance in the UK Overseas Territories. The initial guide was published in February 2017 and was updated comprehensively in November 2021; and, Madam Speaker, it stated the following, and I quote:

“An effective PAC is vital to transparency of and accountability for public expenditure. The PAC’s key responsibilities are to scrutinise Government’s expenditure and income, including issues of economy, efficiency and effectiveness and report the results of its scrutiny to Parliament. This is usually achieved by reviewing the reports of the Auditor General and calling witnesses to account for their actions.”

End of quote.

620 Madam Speaker, one of the first Motions I brought to this House in 2016 was for the creation of a Public Accounts Committee, for all the reasons that I have outlined; for the Government to in one of their less well-thought-of press releases on 31st January 2024, the Government suggested that I was piggybacking off the Principal Auditor’s report to wax lyrical about a Public Accounts Committee. But this is sad, as it is obviously untrue, because I first called for this in 2016. I can hardly piggyback; if anything, he was piggybacking off me.

625 So then for the Government to describe me as ‘numbers obsessed’, well that is indeed true, Madam Speaker, that is why I am here in this House, somebody has to be obsessed with numbers other than myself and Sir Joe, because that is why I am here. I am here to scrutinise Government. I am here to scrutinise the numbers on behalf of the electorate and the Taxpayer.

I think, Madam Speaker, to say that, and I quote: ‘the good governance of Gibraltar and its Parliament, however, should not bow to one man’s desire for a hobby’. A hobby, Madam Speaker! It does not just insult my intelligence but also that of the electorate and those in this Parliament who desire proper scrutiny of and best practice in our public finances. He is the one, Madam Speaker, who should get a hobby. Because this is too important.

635 Madam Speaker, the electorate are variously in a state of shock and anger. Shock and anger, Madam Speaker, given what has been disclosed in this delayed Principal Auditor’s report.

The electorate expects action from this Parliament and there can be no better way for this place to acknowledge that expectation than by creating a Public Accounts Committee.

Therefore, Madam Speaker, I would urge this House to support my Motion in respect of the Public Accounts Committee, namely that:

A Standing Committee be created to be designated as the Public Accounts Committee for the examination of the account showing the appropriation of sums granted by Parliament to meet the public expenditure and of such other accounts laid before Parliament as the Committee may see fit.

To consist of four members, two of whom shall be nominated by the Chief Minister and two of whom shall be nominated by the Leader of the Opposition, who shall be nominated at the commencement of every session and of whom two shall be a quorum with the chair to be held by an Opposition Member.

640 So, Madam Speaker, I commend my Motion to the House.

Thank you. (*Banging on desks.*)

Madam Speaker: I now propose the question in the terms of the Motion moved by the Hon. R M Clinton.

645 **Minister for Inward Investment and the Savings Bank (Hon. Sir J J Bossano):** Madam Speaker, I take it for granted that the hon. Member knows that there is not the remotest possibility that there will be support for a motion that asks the party that is in Government to break its commitment in its manifesto.

The speech by the hon. Member about how terrible it is not to have a Public Accounts Committee means that under the Government of the AACR, the Government of Bob Peliza, the Government of the GSD, the Government of the GSLP alone and the Government of the GSLP with the Liberals, Gibraltar has been in a terrible state out of the 53 years that I have been here, except for one.

655 That is the thesis of the hon. Member. Only one year Gibraltar was governed properly. Nothing came out of that result in that year because they did not even continue with it. The people who did the Select Committee in one year in 1980 did not go on with a Select Committee in 1981, 1982, 1983, 1984, 1985, 1986, 1987 and 1988 when we came in. It is not that there had been a Public Accounts Committee since 1972 and we came and stopped it.

660 Nobody else had tried to have a Public Accounts Committee. That committee was set up to deal with one specific problem and it came out with a number of platitudes but nothing happened that changed anything from what was being done before or the way it was being done.

665 So it is not for the Principal Auditor to tell the party in Government not to comply with his manifesto; and of course it is not something that we think is consistent with a democratic principle that when people stand on a manifesto and they say what they will do when they are in Government, they are persuaded by the Opposition not to implement the Government's manifesto but to implement the Opposition's manifesto. I have never seen that done in any Parliament in Gibraltar or anywhere else.

670 It is true that of all of the overseas territories the only one that has a Government with this view and has had a Government with that view for 51 out of the last 52 years; but of course what is happening in the overseas territories and this is a ticking of the box exercise by the people in London who want to be able to say all our territories that are colonies have got Public Accounts Committees, including the people in Pitcairn Island. All 59 of them have a Public Accounts Committee to discover if any of the other 58 presumably are doing something they should not be doing. That does not mean that Pitcairn Island is better run than we are, nor that the Caribbean is being run better than we are.

680 Therefore, as far as the arguments of the hon. Member, and he tells us that he has repeated these things many times in his budget speeches, we know, we always know what he is going to say in any budget speech because all we have to do is go back to the preceding year and read what he said the year before, and of course it makes it much easier to do a budget speech if you just copy what you did the previous year instead of addressing the new budget and what is in the new budget.

685 In terms of the constitutionality of the gap between the audit and the year to which the audit refers well, look, this year's Principal Auditor's report is not a very normal one. For a start, for reasons that are not clear to me, he has decided to bundle two years instead of doing 2016-17 earlier, presumably, and then 2017-18 he has done a two-year audit.

690 Well, of course, we agreed to do a 24-month year for COVID but the most spectacular innovation was when they were in Government where they actually did three years in two, three budgets in two. So they came here, as the hon. Member knows, because I explained that in my budget speech a couple of years ago, they had a situation where they were already in excess of their borrowing limit and instead of using the mechanism of coming along and saying we are going to raise the borrowing limit, what they did was they raised the amount of revenue, and they raised the amount of revenue by coming along with a new budget in between the real budgets and changing the revenue of 2010 late in 2011.

695 So they went back and the revenue and expenditure that had been voted by this Parliament in 2010, and the revenue and expenditure that had been voted by this Parliament in 2011 were changed with a Bill that was a third Appropriation Bill with retrospective effect changing what had

been voted previously and making the revenue different in order to have a higher borrowing limit and making the expenditure different.

700 Now we have a unique situation in the history of public finances in Gibraltar that if any researcher in future wants to find out what was the budget of 2010 and the budget of 2011, he will find that what was voted in 2010 and what was voted in 2011 at budget time, does not appear in the Auditor's report. The third fake version was the one audited.

705 Now that takes, I think, the first prize in terms of what should not be done in relation to our accounts. So we have to catch up to get to the level of manipulation that the GSD did in Government.

710 Of course, when that was done we did not engage in an onslaught on the Government, we just said we did not see the need for this. That is to say, the explanation that was given to us, which was complete nonsense, which was to increase transparency, well, how could you increase transparency by shifting the numbers from the back pages in the annexes to the content of the Consolidated Fund? The numbers were the same numbers that were there before, except that they were made as Government revenue.

715 Indeed, the ordinance was changed in order to include that things should be deemed to be Consolidated Fund revenue retrospectively, when they were not. So when the hon. Member lectures us on what is the proper way to conduct things here, he needs to know the history of the party that he belongs to and whose performance he defends.

720 So we have a situation where nothing that is being done now, has not been done before in the last 53 years that I have been here, except for one year when it was done for a specific reason to look at the specific controversial purchases that have been made. So if not having a Public Accounts Committee is such a terrible crime against freedom, liberty and democracy, then every Government in Gibraltar since 1972 has been guilty.

725 As far as we are concerned we have got a view, it is a clear view, we do not hide that view. The hon. Member knows that I do not hide it when I go with him to these places, I still defend that view there; and the view is, which is reflected in our manifesto, because we say to people, this is what we are going to continue to do. And if we go to an election and we get elected and we come in and we do what we say we are going to do, then that is what is supposed to happen in a democracy.

730 Therefore the hon. Member cannot say to us we are doing something that is wrong, because we are doing what we said we would do in the election campaign. That is what is supposed to happen. It does not have to agree with him. In a democracy we just beg to differ and we have different views and that is his view and ours is different from his. He says he will do a Public Accounts Committee if and when he is in Government, and therefore his party could have decided to do that in the 15 years they were there. They decided not to do it.

735 The AACR could have decided to do it between 1972 and 1988, they decided not to do it and we decided not to do it, except that we actually said we are not doing it and everybody just fluffed it and ignored it. So we have got a clear policy, nothing that he has told us today is going to change the policy as far as the creation of a Public Accounts Committee, and I am sure that he did not have the remotest expectation that we were going to, in fact, go ahead on his recommendation and breach the commitments in our manifesto.

740 The Principal Auditor has said that he does not agree with the decisions of all the politicians that have been in office since 1972 because that is what he is saying; and I suppose that, given the protection that the office of Principal Auditor has, he is entitled to attack or criticise anybody, but it would be wrong for any of us to do it to him. Right?

745 So, therefore, because he is a Principal Auditor he can say that he does not agree with what we are doing, but then of course if he wants to change it, since he has already told us that he is going to retire on 1st April, he may well appear on the slate of the Members opposite the next time round, who knows? And then he would be able to have a different political position from us, which is what we have today, without necessarily having to be the Auditor. As a citizen, of course,

he is perfectly entitled to hold the view that he holds in respect of the value of having the committee.

750 As regards the need to have the supplementary provision that we bring, the hon. Member is right in what he quoted when I said that it was a mechanism that had been put in – and I am not sure whether in fact it was put in by us after 2012 or it was there before, it may have been there before. What I explained was that it was something that was done in order to be more efficient.

755 That is to say, if you are providing in the budget a certain amount of money for Departments then rather than to have to come, which used to be the case certainly in the 1970s and in the 1980s, but I am not sure that that it was not changed before 2012, but it was a good idea to change it; and that is, you do not want to come constantly back to the House because something that has gone up in price now means that you can no longer buy it for the price you had before.

760 So if you put a figure like £9 million in the context of a Ricardian budget of £500 million, well, look, it is only a couple or 2% that you are putting there just so that you do not have ... the Parliament is voting that £9 million, and therefore approving that £9 million, but what it is doing is it is not allocating it. It is allowing the elected Government and the Executive to determine how the £9 million will be deployed on the basis that in the context of a £500 million budget, the fact that it should finish with £509 million would not be abnormal; and therefore it is more efficient to
765 know that you can expect that sort of level however good your control of expenditure may be and that is what the £9 million was there for.

770 So it does not mean that it would have been better not to have it and it would have been better to be in every House of Assembly coming here and asking for a Supplementary Bill in order to spend another fiver. No, it was done because it was more efficient, both in parliamentary time and in the course of the thing that what really happens is that the £9 million, for example, is inclusive of the amount that is required to settle pay reviews, which is not something that you can know beforehand; and therefore the £9 million is not exclusively for that because otherwise if you put £9 million for wage increases then people will claim the £9 million before you have even started. So the logic is that it is for both personal emoluments and other charges that the
775 £9 million is available.

So that is the explanation. It does not mean that at any time when I gave that explanation, I just needed to share the origin of this, from my experience, and not because I was suggesting that it was better not to have it and better to have more frequent Supplementary Bills to increase the expenditure.

780 One thing that surprises me, apart from the fact that I do not understand why there is two years together, because I would have thought if it is delayed then if you do one year and bring it and publish it, then it would have been able to be done sooner than if you had to wait and do a second year; and if you know that the new Auditor decides to do all the years together, in which case we will have a two-foot thick Principal Auditor's report then, of course, it may well be beyond
785 the life of this Parliament by the time we get it, if he takes them all together.

790 One thing that I find strange to reconcile with this concern that something is being missed out in knowing how much is being spent is that, in fact, the first version of the 2016-17 report, and the version that was produced on 3rd April 2018, that is to say three days after the end of the 2017-18 year, is one that carries the same numbers as the subsequent version with all the changes that came out in the Supplementary Appropriation Bills that were passed.

795 So we have a situation where there was revenue of £655.7 million and that is the same revenue that is provided by the Principal Auditor's report that was provided in the first version of the draft audit accounts produced by the Accountant General and the departmental expenditure was £550.7 million in both the original draft and in the latest draft. So the information was there from the beginning, and therefore it appeared as happens every year where Members opposite have not just the budget that they are voting in front of them, they have the budget that they are voting in front of them, they have the forecast outturn for the year that is ending.

So when we come to pass the budget this year, the Members will have *three* budgets in front of them, whether they have been audited or not; because nothing that has been done in the audit

800 has changed the numbers, the numbers are the same. Okay, the value for money, which had been discontinued and has now been reinstated, perhaps prompted by the fact that I told the hon. Member that it was not being done, is a different issue. That is looking at some things and questioning whether they provide value for money or not. And I will deal with the value for money in a minute.

805 But looking at the figures, what the House votes is not the Consolidated Fund charges, which is a thing that has changed quite a lot because of the movement of interest rates, because the Consolidated Fund charges is not something that is voted by Parliament, it is something that is a direct charge on the Consolidated Fund. So there is no question that that element of the budget which the Hon. Leader of the Opposition got totally confused about a couple of years ago, when
810 he did his sums and included the consolidated franchises as if they were a part of the departmental expenditure. (*Interjection*)

But that element is not something that is controlled by the Government or by the Opposition. It is the element that includes the Principal Auditor's salary. We cannot control it, we cannot vote whether we pay him or we do not pay him, he is sacrosanct. Although he chose to mention how
815 much the Chief Justice got, who is also sacrosanct. I do not know what is happening in that group of people, but they are probably not very happy these days. Therefore the element that is really important in the work that we do at the budget is the money we give the Departments, which is shown down to the last penny.

In the book that Members vote, the money that is going to be spent is the control that this
820 Parliament has. It has it there and nowhere else. So nothing else matters. What matters is the £550.7 million of recurrent expenditure by Departments, which was already produced on 8th April 2018 and therefore what has happened subsequently with all the Supplementaries has not changed it.

Furthermore, when the hon. Members look at the book – and this has been the case always –
825 there is the column that tells them this is what is the future, there is a column that tells them this is what we think has happened in the last 12 months, and this is the final figures for the 12 months before that.

So nothing in the book that deals with departmental expenditure is giving new information to the Opposition that they did not have when they passed the budget at the time because they have
830 three years of expenditure. The future that they have to vote, the forecasts produced by the Treasury, which usually comes very close to the final figure, usually no more than 1% out, and the final figure for the year before. That happens every year.

This has not happened with long delays. The hon. Member does not have to wait many years to find out what we spent in 2016-17. He knew what was intended to spend in 2016-17 when we
835 voted here, by that time he was not voting, he was voting against. So really, he is very interested in scrutinising and controlling something and then he says do not do it, do not spend it. Then when we spend it and we come back and give him the figures that have been exceeded and the ones that have not been exceeded, it is telling him something that the Principal Auditor may not have audited.

By the time two years have gone by, the figure does not change. That final figure already includes all the elements that would require supplementary appropriation bills; and if they have not been voted, it is still included there because it is obvious that if the money has already been spent and what we are doing is a supplementary appropriation bill is giving retroactive legal effect to the money that has been spent, then the fact that it takes as long as it does and I do not see
845 why it should take so long and I do not know why this delay is because, as the hon. Member says, the day-to-day running of the finances of Gibraltar, like any other government, anywhere else in any other country is done by the officials that are there, not by the politicians that are here, which he is right in saying that, although they behave every day of the week as if it was not right and we were, in fact, the people taking all the decisions and therefore we are responsible for all of them.

850 Well, look, we accept the political responsibility because we have to, but it does not mean we know because I told the hon. Member that the PayPal account of £500 million that he asked a

question about, the first I heard of it was when I heard the question and then I looked in the Auditor's book to find out what was there and then I asked the Treasury and very few people could explain what it was.

855 So we had to send the search party to find out what it was that had been happening with PayPal. So that is the truth and that is a reality.

So in fact the hon. Member will know that we do not share either his views on the terrible thing that is happening, which is preventing him having scrutiny, because all the numbers that are the result of the Supplementary Appropriation Bill are there in time for him, as they have been
860 because it is mandatory in the structure of the book.

I have to tell him that when it comes to the issue of value for money well, look, one of the things that has got people scandalised is the fact that people got paid a lot of overtime; and the other thing that has got people scandalised is the fact that people get all these pay-offs in order to retire, just before they retire.

865 This is something that we inherited from the Government of his party who negotiated it with a union, and they negotiated it and the union actually until then having been against the reduction of employment in the public sector. There was a substantial number of Members who were closer to retirement age and I think they persuaded the union to agree that there should be retirement from what used to be the Public Works Department, which was relabelled as the Housing Works
870 Agency. Something like 62 of them left in a bunch, with exit packages, and then the balance had to wait till they were at a certain age before retirement in order to be able to avail themselves of this.

It is all very well for the Principal Auditor to tell us that is not a scheme that is producing value for money. Well, but whether it produces value for money or not presumably governments that
875 do agreements with the unions that represent their employees may do bad deals that produce no value for money. You cannot apply value for money to wage increases. When you give people a pay rise it does not necessarily mean that you will get a compensating increase in productivity.

So if something that you were paying less for, you are now paying more for because you are giving people more money, by definition, it is not value for money. (*Laughter*). But it is not for the
880 Auditor to tell the Government what is the best way to have value for money, to have a permanent pay freeze like the Conservatives have had in the United Kingdom for many years, that is the best value for money you can get, because every year you erode the value of the wages so you are actually getting things done cheaper every year.

We do not believe in having pay freezes and we would not want to have one, except if we were
885 totally obliged to do it by virtue of some big part of our revenue suddenly disappearing. Something, which in the case of an economy as ours and with our limited differences of revenue, could easily happen. It has not happened until now –

Madam Speaker: I hesitate to interrupt the hon. Member, but I am informed that the server is
890 down, which means that we are not recording. I do not know of any hon. Members had this happening in the past, but I presume –

Chief Minister (Hon. F R Picardo): Madam, it has happened in the past and I suggest that the
House should recess for 10 minutes whilst we deal with the issue.

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Madam Speaker: All right, we will recess for 10 minutes to try and deal with the issue.

The House recessed at 4.58 p.m. and resumed its sitting at 5.14 p.m.

Madam Speaker: Yes, the Hon. Sir Joe Bossano was interrupted.

900 **Minister for Inward Investment and the Savings Bank (Hon. Sir J J Bossano):** Another aspect
that the hon. Member opposite has mentioned is his question of whether anybody is trying to not
give sufficient support to the Principal Auditor, something that he also refers to in his report. There
is, in particular, something that he says in the report which is not accurate and I know it is not
905 accurate and that is that he says that the removal of the 12% payment, in addition to wages, that
was paid to the people in the audit was done without any consultation with him, and that is not
true.

That is to say, the 12% was something invented by the GSD in Government which, I think, is
not good value for money but presumably the Principal Auditor thinks it is good value for money;
and therefore the rationale of the 12% is so that people do not move from Departments. So that
910 the people who enter into the audit stay in the audit; the people who enter in the statistics, stay
in the statistics; and the people who went into tax, stay in tax.

We believe that it is better to have a Civil Service where people move from one Department to
the other so that they do not just move vertically but they also move horizontally; because if they
move horizontally, then they are better equipped to move vertically because they will get more
915 experience of more Departments as they go up. That is the logic that we believe in. It is a logic
that has been applied before when we were in Government and it is a logic that we applied again.

So if the GSD has a different policy and they want to have people in different cubicles and not
moving out of there, then they give people an incentive by saying: 'If you move, you lose your
12%.' If we say no, we do not want to have somebody that is not happy in the statistics, staying in
920 the statistics because of the 12%, okay? And we think that if at the junior levels you have people
that come in and go out, then the fact that they have spent a year or two years in the statistics, or
a year or two years in the auditor's office, is good experience for them in the other Departments
that they go to.

So this is good management of the workforce and better value for money than the version of
925 the Principle Auditor. And when we decided in one of the years when we took a decision in Cabinet
after discussing it with the people in the Human Resources, that the 12% would be discontinued
for new entrants, but we would respect on a person-to-holder basis that people who had been
given it by the previous Government, I spoke with the Principal Auditor about it and he said he
would accept it provided it was being done to everybody else, but that he would not accept if the
930 12% was taken away just in the audit office.

In fact the statistic office, which is part of my responsibility, was the first one to introduce the
removal of the 12% and it has meant that some people have not stayed in statistics and moved
elsewhere, but the move elsewhere with a small knowledge of statistics wherever they go than
they had before they went to the statistics office. So I think it enriches the experience and it
935 produces more productive higher level civil servants because when they go up they may have to
be then moved from one Department to the other.

When people move from AA to A0, and A0 to E0 and then to HE0, they do not always stay in
the same place. So when a promotion comes out, people apply from the whole Service for the
new grade, they do not just apply in their own Department. So it is better if in the time, and I have
940 always encouraged people when they have been with me, that if they move around they are
better equipped to move up the ladder because they can then go to an interview and they can
talk with some experience on more than one department, not just of the little corner of the empire
that they are in.

So that is a rationale. It is a rationale that considers it better value for money and actually less
945 expensive and it is not an attempt to hobble the ability of the audit office; and in any case, the
converse of that is that there used to be a typist there, so when they got an AA it actually was a
year when we gave them an increase in complement. So they went from 20 to 21 and the 21st
person was the AA, but in the previous years they had had a typist.

950 So it does not seem to me to be value for money or good management to have qualified
accountants answering telephones or doing the typing. But somebody that is doing the typing
whilst answering the telephone can aspire to do more sophisticated work. But if you do not have
anybody for the run-of-the-mill things that need to be done in the office, the filing or the
telephone and so on, then either the telephone never gets answered or the typing never gets
done. So these are not something that there is a plot to undermine, there are logical reasons for
955 these things and that is why it has happened.

Also I think when the Principal Auditor comes up with this idea that he, in the case of what the
Hospital did in outsourcing the facilities of Hillside and the facilities that he is not satisfied that the
most competitive bid was the one selected, well, I do not know why he is not satisfied because
the people who did the selection were satisfied and they recommended it to the higher
960 management and the Minister at the time, and that recommendation was accepted because the
paperwork that was presented then showed that it was cheaper than the rest.

It is not rocket science to know whether a lower price is better value than a higher price, and
we need to remember that the view held by the GSD Government was that it was better to let the
private sector do things for them because when the Government invited tenders everybody put
965 their price up and that there were frequently cartels where people agreed who would get the
work by other people putting lower prices, which looked as if the highest price was justified.

In a market as small as Gibraltar, that happens, but of course the alternative to that of which
we have a reference by the Principal Auditor, which is that there is a threshold of the EU, which
fortunately we are not bound by anymore, that you have to spend in a place as small as Gibraltar,
970 with a threshold of £750,000 for an EU services tender if we had to put in the EU books for the
whole of the European Union, all 400 million to have an opportunity for tender, the cost of the
tendering process would be more than the cost of running the service. Because it is completely
unrealistic and we are not in that league.

So these things can then be misrepresented and there can be a public uproar, as if the
975 Government is now doing things to increase the cost of the public service. Look, if there is one
thing the hon. Members opposite know and can be sure of, is that I would never be an advocate
of increasing the cost of the public service.

So, okay, it might have been that if there was somebody else around but there were only two
tenders, and the tenders had everything broken down, that is it was broken down by the number
980 of people, the grade of people, the rate of pay, the cost of the electricity, the cost of the laundry.
That is how the tenders were done, so that you could actually go down to see how the people
arrived at the price that they put; and of course needless to say once somebody in a place like
Gibraltar, once somebody gets the first tender then logically it is called an economic advantage.
He has now got an advantage over any other tenderer that has already got the infrastructure and
985 it has already got the overheads covered.

So if somebody gets a tender the first time it comes out and they get the tender for Hillside,
they already have their HR, they already have their finance managers, they already have their
structure to do that work, and therefore the marginal cost of adding more is much less than the
cost of a start-up competing. So by definition, once you have got one you can then vote for the
990 next one because then your marginal costs are below your average cost because the average cost
is what you started when you created your fundamental cost of the business, and of course the
more you add to the business, the more competitive you become because your unit costs come
down.

That is simple business knowledge that anybody that works in the private sector would
995 understand; and I do not see how our audit office is not conversant with these facts and does not
understand that if the person that gets the first contract, gets a second and a third it is because
he is in a better competition to do it, because he has already got his overheads covered and now
all he has to do is charge marginal costs.

So to suggest that the most competitive bid was not the one selected is something that makes
1000 no sense but what it does is it creates, in the people that then read this when it is reproduced in

the internet or whatever, that what the Principal Auditor is suggesting is that somebody has been taking a backhander to give somebody, that was not the cheapest, and of course that is not true. It is not what the Auditor is saying, but it is true that it can be construed that way, because if it were true then the Auditor should not be putting it in the book he should be calling the Police.

1005 So I think when we look at these things, the hon. Members are quite right to express their view and say what they would do if they were in Government, although it is not necessarily what they have been doing when they were. But what I think we need to be careful of is that we do not start pointing fingers at people that seem to be suggesting that there is unlawful behaviour, unless we have got the evidence to back it up; and if we have the evidence then we should go and take the
1010 necessary action to deal with anything that is criminal. (*Banging on desks.*)

Madam Speaker: Does any other hon. Member wish to speak? Yes, the Hon. D J Bossino.

Hon. D J Bossino: Madam Speaker, as the colleague that my hon. Friend Mr Clinton referred to, has provoked the notorious answer from the benches opposite from the hon. Member
1015 opposite of 'lump it', I feel obliged to stand. The hon. Member stands against this Motion and the first thing he says is that it is simply not possible for us on this side of the House to persuade them to vote in favour of this Motion.

Can I suggest that it is possible and this is why we are having a debate and it is possible that each of us, as MPs who are elected in our own rights albeit under the complexion of our respective
1020 parties, can be persuaded to vote in favour of this Motion, and indeed given the composition of this House it is possible that all we need is one.

All we would need is one of the hon. Members opposite to vote in favour and we would win and they would not be able to defeat this Motion. I hope that they have the humility – and I will mention that word once again in the context of this debate – to at least listen to what we have to
1025 say; and I think that from the mover, from what we have heard from the mover of this Motion, what he has said is quite frankly and with all due respect to the Hon. the Father of the House, unassailable.

What he has said is unassailable. He is agreeing with me. So is it possible that we are able to persuade *him* to vote in favour of the hon. Mover's motion? Stranger things have happened.
1030 I know he says that anything that is GSD he will vote against and that is the hon. Member's political style since the year that the Hon. Chief Minister and I were born in 1972, which is when he joined this House, which was always to vote against, against and against. (*Interjection*)

Can I also suggest to him that it is possible, because there is precedence, that they do not comply with this particular manifesto commitment. Just because it is in their bible, it does not
1035 necessarily mean that it cannot be complied with, because there are many manifesto commitments that they have not complied with over the last 11 years, or when they were last in office between 1988 and 1996.

Not every single word, not every single scintilla is complied with; but they have this mantra that whatever they say and whatever they commit to in the manifesto is cast iron and that they
1040 will not digress from it. That is not the case and that is not accurate and he knows it, and therefore for those two reasons I put it to him that it is possible for, ideally, the House to vote unanimously in favour of Mr Clinton's Motion and the GSD's Motion but at least it may be possible that we could get one of them to vote in our favour and we win this Motion, Madam Speaker.

But there is another reason: they should also have the humility that this is a recommendation
1045 which as far as I know is unprecedented; but it may not be. Certainly it is very powerful because the Principal Auditor dedicates seven to eight paragraphs to this and not just makes the recommendation, but actually explains why, as the Hon. Mr Clinton has quoted at length in his intervention.

I would say further moving away from the technicalities, and I will go into this a bit later on,
1050 they are not reflecting the public mood about this. But so be it. The last election, which was held four or five months ago, was very close and is a testament not just to the current composition of

this House, but also to the votes, when the hon. Member who has just spoken was nearly not voted in.

1055 Had that happened, we would have been on that side of the House and they would have been on this side of the House. (*Interjection*) But let them continue. Let them continue in this vein, because what we say is that what their position is, is simply not reflective of the public mood.

1060 Now, the hon. Member talks about – and puts us in these flippant terms as is his style once again – box-ticking exercise, he says. Box ticking exercise! It is shocking and suggests that although every single other overseas territory has a Public Accounts Committee, Gibraltar is in splendid isolation. But it does not mean that the others are run better.

1065 Well, as far as this is concerned, they do; and of course in jest he talks about the Pitcairn Islands. The first I heard of the Pitcairn Islands was when the hon. Member, as Chief Minister, mentioned them in the context of the self-determination point, which he has so well argued on behalf of this community many years ago and continues to do so. (**A Member:** Hear, hear.) (*Banging on desks.*)

1070 Where a small jurisdiction of about 50 inhabitants, have the right to self-determination and we do not. But there are also larger territories than the Pitcairn Islands who have Public Accounts Committees and why should they not work? It may be that they are not better run overall than ourselves, but it does not mean that as far as this issue is concerned, they do not do it better than we do it.

1075 Now, he refers to, he uses various adjectives, I think he used three, I missed one of them but it is not relevant for the purpose of the point I am going to make, he talks about but it may result in more freedom and democracy. Again, he brushes those issues to one side; but what about transparency?

1080 Yes, I know for him it means nothing, because that is his style, and for that you have to respect him because he has been like that forever. All the years that the hon. Member, at least, has been in office that is how he views governance, which is a closed book. We have had it on many occasions in the context of his national and economic plan, which is so fundamental to the hon. Members opposite economic and financial stability offering, so fundamental it goes to the core on their own analysis and indeed our own analysis, but we have very little information about it.

1085 The hon. Member provides us some answers whenever he likes it, but then when we prod and prod, he tells Mr Clinton that he wants to know everything. Of course we want to know every detail. Or when we prod and prod the same answer to the Leader of the Opposition. Or when I prod, the same answer: ‘Lump it’. If he does not like the answer, he can lump it.

1090 He gets to a point where he will not provide any further information and he need not to, and he is proud of that. But this is, again, one of the other reasons why there is such a fundamental difference to the way *they* choose to govern and the way that *we* choose to govern; and we are hopeful that in the future there will be a change of Government so that people can appreciate, feel what proper transparency and indeed accountability is.

1095 And he prays in aid that 52-years – well, 51 years because he rightly points out that from 1972 up until now, and all those years that he has been in this House and that I have been on this planet, there is only one year that we have had a Public Accounts Committee function in respect of one issue and we accept that.

1100 The Principal Auditor in the last line of the various extra paragraphs which Mr Clinton quotes says, ‘I can truly say that this is not only my view, but has been the professional view of all five previous Principal Auditors during the last 40 years’. So the fact that it has happened for so long does not mean it is right; and, look, if it makes the hon. Members happy, if it makes the hon. Member in particular who has just spoken on this Motion happy, if as a result of what I am just about to propose, it will result in either all of them voting in favour of this Motion, or at least some of them so that we win this Motion, we win this debate for the sake of Gibraltar, then at least I speak for myself, we are willing to make an admission of guilt for those 52 years, of which 16 we have been in office. We make an admission of guilt if that helps the hon. Member.

1105 We need to move on, and quoting the Hon. Chief Minister, smell the coffee. This is an important proposition that we make. And why is it an important proposition? Because what the Hon. Sir Joe does not do in the course of his argument that, 'Well, we are provided with all the information.' And quite apart from the reality on the ground, of what that would mean.

1110 Because, in the late 1960s, under the former House of Assembly, as I understand it, debates on the Appropriation Bill were focused on the numbers. That is what Members would speak on. Now they become States of the Nation and we all spend about an hour, half an hour, whatever it is, each of us in our areas of responsibility, the Committee stage happens at the end and this is when you see the Hon. the Chief Minister's face increasingly bored and tired. He is not interested in that, I see it on his face. (*Interjection*) But yes, well, six-hour speech indeed.

1115 Those are the juicy political points which are made. It is transformed, it has morphed into that so that the reality on the ground, and it happens the same with the Bills and those are the things that we complain about, and we hope to persuade them in the Select Committee in relation to Parliamentary Reform that we need to change. We have been arguing about this now for at least the last 10 or 11 years, because we need to change the workings of this House.

1120 The fact is that a Committee Stage on a Friday afternoon at 6 p.m., it is unlikely that you are going to have the time, the wherewithal to produce in effect as he is suggesting, a 900-odd page report, which is what the Principal Auditor does on a professional basis, paid and doing it full time that is what he expects us to do. Let's speak about the reality on the ground of what we are dealing with here.

1125 But in any event, what the Hon. Sir Joe does not deal with and address is that what we are suggesting, part of the role is what the Principal Auditor is suggesting is that we have a Public Accounts Committee to deal with the findings and recommendation of his report. That is what he is suggesting. The hon. Member has not addressed that point. Maybe whoever speaks from the other side would care to do so and enlighten us as to how they address this particular recommendation of the Principal Auditor, where he says:

The Public Accounts Committee conducts regular in-depth hearings on the key findings of audit reports

1130 And whilst he says that it is possible for us in the Opposition Benches to subject his report to a certain level – and I am quoting – of inquiry and debate, it is not enough. It is not enough in Questions to this House.

1135 Look how we were treated when the Hon. Mr Clinton, I think it was, had six or seven questions on the findings of the reports. The Chief Minister said, 'I will deal with them in the course of the debate on this Motion.' But the reality again is, we have the question on the Order Paper and then rightly so the Speaker calls us to order because we can only ask certain questions, not because we are limited in number but because we need to move on and we have had a ruling in relation to that, about moving on with business in the House. That is the reality.

So he expects us to produce the equivalent of 930-odd pages across the floor of the House. Come on, let's get real. Let's have a debate based and premised on honesty.

1140 Madam Speaker, in terms of the further points that the Hon. Mr Clinton made, he says, and yes, he was quoting himself from previous budget speeches. Sir Joe makes fun of the Hon. Mr Clinton. First of all, we know what he is going to say and it makes it easy for him. I know again in his flippant manner, because he repeats it, he has to repeat the same point, not just on our behalf but on behalf of the entirety of Gibraltar. This is what we believe in and should we ever be elected into office we know what is going to happen.

1145 We are going to have a Public Accounts Committee. If they continue in office, unless we are able to persuade them and I hope that we can, then we will not. But the hon. Gentleman needs to carry on and needs to make his point and I am sure he will have the tenacity, and certainly our support, to continue to make that point because it is very important.

1150 But he says, 'I can only conclude that they are actively seeking to undermine the work of the Principal Auditor and delay his reports' and so on. And I go further and I allude to the point that

I made in the context of the hon. Gentlemen and Ladies opposite not being reflective of the public mood because I cannot think – as somebody who has not been in front-line active politics for some time now, but also somebody who has followed politics from a very young age as he knows, I cannot think of a Public Auditor’s report having attracted so much attention.

Not just in the media, but also up and down the streets. I cannot think of one, not one, and the question here in the context of one of the limbs of the Hon. Mr Clinton’s Motion, which is – and he mentions it here in the quote I have just quoted from him: why the delay?

It is not just the impact it will have on the delay of the production of the report but that, given that we have only had an election four or five months ago, goodness knows what would have happened had this report been published before 12th October 2023. *(Interjections)* Goodness knows!

Is the Hon. the Chief Minister suggesting from a sedentary position that it would have increased very much? Which planet does the hon. Member live in? *(Interjection)* No, he may wish to join that private company and go to the moon, quite frankly, because it is not real.

As somebody who has observed politics for so long, I can tell him that we would never know what the electoral result would have been, but I suspect that the verdict would have been certainly in our favour because I cannot think of a Public Auditor’s report which has attracted, quite frankly – and I put it as high as this – so much opprobrium. But there they go, they maintain what their position is and that is it, and I am sure that we will not be able to persuade them. But I am hopeful that we can.

I quote again from the hon. Member when he quotes from his speech in 2022, he says:

Without any recent reports from the Principal Auditor, this House cannot hold the Government to account on its spending including areas such as Value for Money.

He is absolutely and utterly right, which is the point that I made in connection with why we think we should have a PAC ASAP, using another acronym. But it is also because the effect that these things would have had on public opinion before 12th October, I am totally convinced that it would have had an effect which would have been favourable to us and not to the hon. Members opposite.

Madam Speaker, the Hon. Mr Clinton also goes on to say: ‘How am I going to tell him?’ Look at page 222 of the Principal Auditor’s report, this Department is doing this. Which is precisely the point that we are making and that the Hon. Sir Joe completely and utterly misses. I am sure he does not miss it because he has had a lapse. I am sure that is not the case, because I have a lot of respect for him and he does have a lot of intellectual rigour in what he says; but in this case he is of course being clever in the way that he responds, and this is the fundamental point that a Public Accounts Committee ought to be able to query further, investigate further, probe further the findings and recommendations.

These are not just dry numbers to which we are subjected at the Committee stage when we are dealing with the Appropriation Bill. This is the meat around the bones, so to speak, the story that we can probe further. The Hon. Sir Joe has himself gone into some detail about some of the recommendations, I think it was about the 12% and all the rest of it.

Well, he has offered us that. He has told us, as a Minister of the Crown of His Majesty’s Government of Gibraltar, why that is wrong. He has told us that. How is it possible for us to do the same in the ordinary course of a budget debate? How is it possible? It is simply not, I would suggest to him, with the greatest of respect, simply not possible. In any event, it gives *him* the opportunity to explain why what the Principal Auditor says, he says very clearly as he normally speaks, is wrong. It gives him the opportunity.

So, Madam Speaker, I do not think I have got any other points to make other than to support my hon. learned Friend in his Motion and I hope against all hope that we are able to persuade, if not all of them at least some of them on this occasion to vote in favour of this Motion.

1200 **Madam Speaker:** Does any hon. Member wish to speak?

Deputy Chief Minister (Hon. Dr J J Garcia): Madam Speaker, the Motion before this House today gives rise to a number of different questions, quite clearly; and it draws attention to administrative and procedural matters. My colleague, the Father of the House, has dealt with some of these already and I am sure other Members of the Government will do so as well.

1205 For this reason, I wish to concentrate my contribution to this debate elsewhere, because the Motion gives rise to a series of political questions as well. It seeks consensus on an area of policy where consensus is simply not possible. The House has debated all this before and we now find ourselves rehearsing the same arguments all over again.

1210 So the Motion comes in to us in the full knowledge in advance that there will be no agreement on its terms and I heard the contribution from the hon. Member, but really it is unrealistic to expect the Government to drop this policy.

Chief Minister (Hon. F R Picardo): He has even gone out, he knows it is not going to happen.

1215 **Hon. Deputy Chief Minister:** The Motion places the spotlight on a specific area of Government policy, where the views of the Government and the views of the Opposition are poles apart. That is not a criticism in itself, we have different policies, Madam Speaker, we disagree, they would do things differently, they have their view and we have ours. That is not uncommon, as Sir Joe said, in a democratic system of government.

1220 I recall my friend and colleague, the Father of the House, also in a different context, suggested recently that it was good to have clear blue water between both sides of the House that draws the issues into sharper focus. But in the end they must accept that this Government has a mandate to pursue its own policy.

1225 Madam Speaker, you were re-elected only four months ago to give effect to our ideas. We were not elected to give effect to theirs. Indeed, our policies were clearly set out last year in our general election manifesto. That mandate, which we cannot simply drop, has been cemented over four general election victories in a row, and given such a fundamental policy difference it would be absurd to expect the majority in this Parliament to be bounced into the views of the minority.

1230 They can certainly seek to persuade, as the hon. Member has done. They can try to convince, they can urge us to come round to their way of thinking, but that will not happen on this issue.

1235 So, Madam Speaker, the Government is not convinced. Just as it is their right to propose and to argue, so it is our right to disagree and our right to govern in accordance with our policies as set out in our last general election manifesto; and it is here, Madam Speaker, that the public will expect nothing less.

I want to say a few words now on the two main strands covered by the Motion. The first relates to the report of the Principal Auditor, the second to the question of a Public Accounts Committee. Members will know that the report comprises the Public Accounts of Gibraltar and a series of value for money and departmental audits.

1240 The bulk of the reports are the numbers and the figures. Those numbers and figures relate to the Public Accounts of Gibraltar for the years ending 31st March 2017 and 31st March 2018 and those numbers have already been debated before, they were debated at the time. The second part is the in-depth investigations into specific areas of administration. That looks at how Departments, agencies and authorities have spent the funds voted by this Parliament.

1245 So the purpose of the exercise needs to be made clear. The objective is precisely to identify shortcomings, to see where there is room for improvement and to make the necessary recommendations. This is all as seen through the eyes of the Principal Auditor of the day. So the process involves a public servant and an officer of this House investigating and reporting on the work of the public administration.

1250 It is in this area which covers processes and procedures, where issues have been identified and where the suggestion is that things may have been done differently and where perhaps there may

1255 be lessons to be learnt. But none of this, Madam Speaker, is new. It is what different Principal Auditors have always done and it is how they have reported on the Public Accounts of Gibraltar over very many years. Even the issues raised, too, have not changed much. The difference on this occasion – and the hon. Member asked – lies largely on the way in which the process has been politicised and reported upon subsequently.

1260 Madam Speaker, I have served in this House for 25 years. In that time, I do not recall the report of a principal auditor being dealt with in this manner. That is to say that this report has almost been taken out of context and it is precisely the clouding of its purpose which has increased the scope for misunderstanding. It is what happens when these issues are distorted in this way.

So, Madam Speaker, on the actual accounts, on the numbers, on the facts and the figures the Principal Auditor is very clear. In the two financial years under the microscope the report says that:

All Consolidated Fund expenditure was covered by appropriation as required under Section 69 of the Constitution of Gibraltar.

– meaning that everything was approved by this Parliament.

1265 It goes on to say that:

There was no unauthorised use of expenditure savings either

Indeed, for both years, as the Government has highlighted already, the Auditor has confirmed: first, that the monies which have been appropriated and disbursed have been applied to the purposes for which they were intended; and second, that the expenditure recorded in the Public Accounts conform to the authorities that govern them.

1270 As has already been said, the Principal Auditor in the book goes on to thank officials for their co-operation, assistance and courtesy during the course of the performance of the audit function. So the issue, Madam Speaker, is not with the numbers, it is not with the quality of the engagement either, the issue is with the area-specific investigations and audits. These are the matters which have made it into the public domain and they cover questions such as OT conversions of flats,
1275 other issues they have raised here this afternoon, or special leave claimed by officials attending sporting events, of the involvement of public officials in private work and a review of allowances and overtime, as well as a number of other matters.

1280 So many of these are administrative questions, some have already been tackled. Indeed, if a detailed analysis is done into every allowance paid and carried out in 1988, 1996 and 2011 every time there was a change of Government the results would show how each contributed to the present picture; and it is the way in which all this has been exploited and utilised which is totally unacceptable.

1285 It is wrong to present a series of individual, separate and unrelated cases as evidence of a systemic failure of the entire administrative system of the Government. That approach undermines public confidence in public officials and it also ignores how Government-after-Government, year-after-year, term-after-term have contributed to the wider picture that has been presented now.

1290 So that long list of allowances reviewed in the book has been added through time-after-time, largely after trade union agreements. This process has spanned decades in their own time in office as well and surely they are not saying that those agreements should now be breached, that allowances should be revoked, that all kinds of overtime should be stopped, that public sector pay should be cut, that people should lose their jobs; because that is a logical conclusion of the approach that they have taken.

1295 Do they not remember, Madam Speaker, after the 2011 General Election was called, how a 12% pay rise, as well as an additional two extra increments were signed over to a Government-owned company by them, Madam Speaker, after the 2011 election had been called. That action,

which is not permitted under the Constitution, was described as unlawful in 2012 by the Attorney General of the time. Have they forgotten that?

1300 They also signed a contract for ground-handling services at the Airport the day before polling day in 2011, the day before people went to vote. And what about the degree of personal ministerial interference in the new Air Terminal Project (*Laughter*) which ended up costing the Taxpayer over £5 million? This covered walls, toilets, corridors, monitors, rooms and all sorts of detailed interventions.

1305 A well-known saying comes to mind, Madam Speaker, about people in glass houses. Having said all that, of course, there is still work to be done. We have never claimed to be perfect, we have never claimed to be infallible, there is always room for improvement and there will always be issues that can and will be addressed.

1310 What it does mean, Madam Speaker, is that hon. Members need to take care how they pitch this debate. They need to exercise a degree of political maturity and responsibility. Of course, it is perfectly legitimate for them to question, to probe and to pursue a different policy; there can be no issue with that. But it is not legitimate to distort, to mislead and to manipulate in order to serve their own basic political ends.

1315 So, Madam Speaker, I want to illustrate this point with evidence from other reports issued by Principal Auditors in the past. This is to reinforce the argument that the issues raised today are very similar from one year to another and from one Government to the next, because that is what these reports are for. That is what audits are all about. Indeed, as Principal Auditors themselves have said:

The Principal Auditor is committed to continue undertaking VFM [Value for Money] 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.

1320 That is what this report and other reports set out to do. They highlight good practice, point out poor management deficiencies and provide recommendations for improvement. So, Madam Speaker, I refer to the report by the Principal Auditor for 2001-02, which looked at procurement issues.

1325 It said there were no standard procedures in place for the control and management of service contracts. That contracts were issued without clear output-based specifications. That the procedures for the control of contracts were generally inadequate. That hire and licence agreements were, in general, not being properly managed. That there was no monitoring of contract services for performance and effectiveness.

1330 A total of 12 recommendations were made at the time. That same report highlighted all sorts of other issues. One was the storage of cash in cash boxes at tourist sites overnight. In one instance where the box was locked, the key was kept in the same office in a key cabinet. These are the issues Principal Auditors have always identified.

Take the 2005-06 report, for example, the Principal Auditor examined then the delivery of the GSD's Capital Works Programme. It highlighted the absence of a robust appraisal process for capital works projects. That adequate information was not available to make important decisions.

1335 The absence of business cases, a lack of a record of expected benefits, the inability to determine what value for money had been achieved, additional costs and delays to the use of external resources, no robust approach to ensuring value for money, the absence of a robust and consistent project reporting and governance. Again, it made 15 recommendations to their party then in Government.

1340 The 2006-07 report, Madam Speaker, looked into the annual and sick leave in a particular Department of Government. It found that the method for calculating the entitlement to a higher annual leave allowance was not in accordance with General Orders. It found that there were 4,682 days lost in sickness absences in a four-year period. It found that 27 employees accumulated between 140 and 182 days of sick leave each. It found that the average absence per year was 25 days for industrial staff and 17 for non-industrial.

1345 But this was not a political issue, Madam Speaker, it was an administrative one about process
and procedure. That same report referred to a general lack of accounting prudence in another
Department. It declared a third one, at the time, utilised a number of inconsistent and deficient
1350 procedures. This related to the weak security processes in place for the custody and transfer of
funds from one office to another. And in relation to procurement, the Principal Auditor said that
it was unable to undertake the monitoring of payments on a test basis. He could not ensure that
Departments had adhered to tender catalogues and were complying with tender regulations.

The report highlighted a strain on resources and of high staff turnover. But none of this, Madam
Speaker, should surprise anyone. That is the function and the purpose of these reports.

1355 The following year, 2007-08, my last one, the Principal Auditor called for a recruitment process
into the Civil Service, which was fit for purpose. Similar issues were identified with procurement
and with capital projects yet again. So, Madam Speaker, the snapshot of past reports illustrates
the point: hon. Members should not lose sight of the background to all these reports, including
this one. They should not lose sight of their function as we debate this latest one this afternoon.

1360 I want to move on now to make a few points about the Motion, which are in the Motion, for
the establishment of a Public Accounts Committee. This is an issue, as has been said by all
speakers, which divides the House. The Opposition believe that such a committee is necessary;
the Government maintains that it is not. It is, therefore, a matter of policy, a question of principle.

1365 Indeed, as hon. Members have already heard there is a commitment in our manifesto *not* to
establish a Public Accounts Committee, and with a suggestion that we abandon this commitment,
as I said earlier, is obviously profoundly unrealistic. Moreover, it has been the consistent position
of this side of the House for decades.

1370 That, Madam Speaker, has not always been the case for Members opposite. The GSD of
Opposition supported such a committee. The GSD of Government never set one up. So the
establishment of a Public Accounts Committee was their policy before the 1996 General Election
and this was reflected in their manifesto of the time.

1375 But no such committee was established after they won. Indeed, no such committee was
established at all during their time in office, which spanned until 2011 and their manifesto
commitment to set one up did not materialise again. That is to say, the 2000, 2003, 2007 and 2011
election manifestos dropped the Public Accounts Committee like a hot potato. It was only after
they lost in 2011 that it reappeared from Opposition into their next manifesto for the 2015
General Election.

1380 So the evidence, Madam Speaker, could not be clearer. They are perfectly happy to commit to
this policy in opposition, as they have done, but not to pursue the matter once in government and
they cannot blame our refusal to participate for the failure to establish one. Their 2023 manifesto,
the latest one, makes the point that such a committee could well have been manned by
independent persons and chaired by one of them. In other words, they could have found a
different route after 1996.

1385 But, Madam Speaker, the basic point remains the same: they could have done that in the
15 long years from 1996 until 2011 and they did not; and the public will draw their own
conclusions. The position of the Government remains that there are other ways in which
expenditure can be scrutinised.

1390 One way, whether it is at 6 p.m. on a Friday or not, is the committee stage of the debate on
the Appropriation Bill. We examine the expenditure of the Government, clause by clause, detail
by detail, line by line and where the Opposition Members are free to ask questions. That process
used to take us hours and hours when we were in opposition, it is not the same with the Members
on the opposite side of the House.

1395 The other one is a debate on the report of the Principal Auditor, a motion which notes the
report. So a motion which is neutral, notes the report and encourages a debate. Another one is
questions to Ministers in Parliament. Look, there is a huge area where questions could be, and are
being asked where information is being given, and there is also even more unsolicited information

published every month on the Government website. That is more than we had when we sat on that side of the House.

1400 While it is true that the Principal Auditor has expressed a view which supports the establishment of a Public Accounts Committee, as Sir Joe has already made clear this is a matter of policy, and respectfully we choose to disagree. But neither should we forget that from 1980 until 2024, no such committee has existed.

1405 Moreover, Madam Speaker, as has already been mentioned, the Commission on Democratic and Political Reform examined the question of a Public Accounts Committee in 2013. That commission included two former Ministers of the AACR Government, one former Minister of a GSD Government and two independent Members. The House knows it was chaired by the very well-respected and former Chief Minister, Leader of the Opposition and Speaker Adolfo Canepa. That Commission concluded at the time, that there was no need to establish a Public Accounts Committee. The Members of the Commission were of the view, and I quote:

... that Opposition Members have every opportunity to examine Government expenditure in detail as well as debating the report from the Principal Auditor on the Government accounts for every financial year.

It added that the Committee, which met in 1980:

[was] ineffective, impractical and unworkable.

1410 The Government shared the view of the Independent Commission. For well over 40 years, Gibraltar has worked well without a Public Accounts Committee. In addition to all that a Public Accounts Committee, as has already been mentioned, would place controlling officers in the front line and the manifesto does say public servants would be grilled in this House on the detail of public expenditure, with a very real risk that it could all degenerate into a political circus.

1415 The policy that they subscribe to would allow Ministers to hide behind civil servants when, in our view, it is precisely Ministers, any Ministers, who should sit here and face the music. In any case, Members will know that there is a wider international view that small territories with a small parliament are not suited to the full trappings of a Public Accounts Committee based on the Westminster model.

1420 A number of papers on the subject have identified a series of structural difficulties, so that even where such committees do exist there are concerns as to how they operate. The authors have looked at small countries in the Caribbean and in the Pacific; some of these are now independent states and they have identified a number of flaws.

1425 The first is a lack of resources for the proper development of committees in small legislatures. This includes a lack of support staff like parliamentary assistants, special advisers, researchers, secretarial grades and clerks. They also found as Gibraltar did, too, in 1980 that the presence of Ministers hampered the effectiveness of a Public Accounts Committee and there were different reasons for this. One was that Ministers were reluctant to question officials who served with their Cabinet colleagues. This happened in Gibraltar as well. Another was that the busy schedules of those holding ministerial office meant that some committees met infrequently, or not at all; and a third reason given is that Committees with Ministers present become more politicised.

1430 Madam Speaker, the motion before this House today calls for an Opposition Member to chair a Public Accounts Committee. Some of the research papers into this point conclude that the effect of this in small jurisdictions has been to increase partisanship. This was shared by some Members who served in our own House of Assembly in 1980 until 1984, when that Committee was established.

1440 It was also found that in small territories with part-time MPs, again like in Gibraltar, there was not much time for detailed scrutiny of the Committee to do its work. In the Caribbean region, says one of these papers, only the parliaments of Guiana, Trinidad and Tobago and Jamaica were considered large enough in terms of numbers of Members for what is described as a well-functioning Public Accounts Committee.

1445 So Gibraltar tried it and it did not work. Others have tried it too and even where they exist, issues have been identified unique to small jurisdictions. And so, Madam Speaker, for this reason and for the reasons put forward by my hon. Friend, Sir Joe and my colleagues to follow, the Government will not be supporting the Motion as tabled. (*Banging on desks.*)

Thank you.

1450 **Madam Speaker:** If any other hon. Member wishes to speak? Dangerous to stand after that question if you do not! (*Laughter*) Anybody?

Hon. Chief Minister: It usually alternates. Madam Speaker, the normal order in this House is that we alternate between Government and Opposition. So if another Member of the Opposition is going to speak, they should speak now.

1455 **Hon. Dr K Azopardi:** Madam Speaker, there is no written rule on this and the Chief Minister indicated he was going to give lots of answers the other day, so I am waiting for him and the convention normally is that I would go after him.

1460 **Hon. Chief Minister:** Madam Speaker, that is not the convention in debate, the convention in debate is usually the Chief Minister speaks last, but in this case because the Motion is moved by a Member of the Opposition, that Member of the Opposition is the Member who speaks last.

1465 We have traditionally, in this House, always alternated: a Member of the Government, a Member of the Opposition; a Member of the Government, a Member of the Opposition. So at this stage, what happens is that the Member of the Opposition speaks. Or is it that the hon. Gentleman wants to speak after me, so that then Mr Clinton speaks after him?

If that is what they want, I am very happy to go now and then they can then have a *double go* at me. I have no difficulty. I have got *cachaça* for that and everything else. (*Banging on desk*) Thank you.

1470 Well, Madam Speaker, knowing that the hon. the Leader of the Opposition has, this afternoon, actually risen to seek to change the way that this House has traditionally debated motions, because he obviously does not want to get up to speak and have me reply to him, it is a pleasure to have the opportunity to address the Motion that is on the Order Paper.

1475 But not just the Motion that is on the Order Paper and the arguments that we have heard here today. But the Motion that is on the Order Paper and the things that hon. Members have said about why that Motion is on the Order Paper, and what it is that they intend to do with that Motion and why they intend to move it. Because obviously, Madam Speaker, what we are not going to do is think that the reasons why hon. Members opposite have moved this Motion are the reasons we have heard to date, or rather today, from them in this House, and not have regard to the things that they have also said outside this House, and look at what is behind the Motion. And that goes to the core of one of the things that Mr Bossino says.

1480 I have never seen a Principal Auditor's report catch fire, in effect, he has said, like this. Of course not, because never has an Opposition delved into a principal auditor's report to seek to highlight parts of it, to make the hares run and run a lynch mob against the Government in the way that they have done; and not just against the Government, Madam Speaker, against individual officers, not Ministers, against individual officers in the Government.

1485 That is not to say, Madam Speaker, that the Government itself does not agree with much of what is in the Auditor's Report because let us be clear: this Auditor's Report, with the exception of a matter relating to the GHA, is to delve into a time machine of what was happening more than half a decade ago, and in many instances with matters that the Principal Auditor is reporting on, because our controlling officers were telling us about issues that we went on to deal with, and he is now reporting on.

1490 In other words, a lot of what the hon. Gentlemen have got up and said is the abuse that needs to be dealt with, is the abuse that we identified and dealt with. But that has not stopped them,

1495 Madam Speaker, for getting up outside of this House and in this House to try and run a lynch mob
against the Government; and whenever anybody tries to run a lynch mob, I can tell them, Madam
Speaker, I will be there to stop it. To stop it trying to vilify public servants; to stop them trying to
humiliate civil servants; and to stop them making political spin to try and advance their party
political agenda in a way that abuses what is, in effect, a free-standing report that as the Hon. the
1500 Leader of the Liberal Party, the Deputy Chief Minister, has identified, raises many issues that
principal auditors traditionally raise in the traditional way in which they do it. And in the most
lucid contribution that we have heard in this House today, the Hon. the Father of the House has
taken hon. Members through why it is that in great measure *they* are the problem.

1505 They are the ones who started the issues that give rise to the problem that the Principal Auditor
identifies and I will go through these item by item. So to an extent, Madam Speaker, I am very
pleased, actually, that the Leader of the Opposition wants to reply to me because I will want to
hear what he thinks of what the GSD did with the early exit package, not just as he has said outside
of this place, 'Ah, why are they blaming the GSD that was so long ago'?

1510 No, what reasoning or excuse can you come up with for the early exit packages that give rise
to the problems that the Principal Auditor identifies? Or is it that those early exit packages are a
problem in the eyes of the Principal Auditor in the hands of the GSLP-Liberals, but they are
somehow magically superb when they deal with the same amounts in the hands of a GSD
Government? Because the formula has not changed.

1515 So I look forward to hearing how it is that the hon. today Leader of the GSD, today Leader of
the Opposition is going to justify the things that he used to criticise when he was the Leader of
the PDP and when he was no longer in the GSD, of which he had been Deputy Chief Minister. It
may be more than a decade ago, that may be the best shield that they have, but the Principal
Auditor is identifying the problem today of the thing that *they* did 12 years ago.

1520 So, Madam Speaker, what is behind this Motion is what Mr Clinton said on *Gibraltar Today*,
that the Chief Minister is scared of being held to account for failing to control the public finances.
Nothing could be further from the truth. In fact, Madam Speaker, the hon. Member's logic actually
is completely flawed.

1525 I am telling them we will not have a Public Accounts Committee because I am here to face the
music. I am the opposite of being scared of standing up for the spending we have done. They are
saying they do not want me to respond for these alleged failings. They want to go through me to
the civil servant controlling officers. So how can they bring a motion based on the premise that
I am scared to stand up for the spending and say they do not want to question me on the spending,
they want to question the individual civil servants? This has no logical feet or head, *ni pies ni
Cabeza*, as people might be saying on the street if they were to properly analyse this report.

1530 The reality, Madam Speaker, is that because we have a Principal Auditor who has exercised his
right to give his opinion as a citizen on what he thinks is the right position on whether we should
have a Public Accounts Committee or not, the Hon. Mr Clinton is cock-a-hoop and could not wait
for there to be a session of Parliament to put the Motion where he says, 'Now that the Principal
Auditor expressly agrees with me, let's have a Public Accounts Committee so that I can question,
not you Chief Minister because I can, of course, already do that, whether I like your answers or
1535 not, so I can question each of the civil servant heads of Department. I can bring them here and
humiliate them. I can bring them here and cross-examine them.' That is the reality of what we are
dealing with.

1540 But let me start, Madam Speaker, before I delve into all of that, by looking at the terminology
that the Hon. Mr Clinton has used today. He said in his introduction that I – the Chief Minister of
Gibraltar, the most senior office holder in Gibraltar in politics – have deliberately engineered –
those were his words, 'deliberately engineered' – a system so that the Principal Auditor is delayed
in reporting. Because the 2016-17 and 2017-18 Supplementary Appropriation Bills took some time
to be passed.

1545 Madam Speaker, nothing could be further from the truth. What the hon. Gentleman then went
on to do was to pretend to be Lord Denning and quote himself in support of the proposition he

was trying to prove. In other words, he then took us through the most boring tour of speeches on the budget that we had heard already since 2016 – telling us that because he had said in 2016, and he had said in 2017, he had said in 2018, he had said in 2019 and he had said in 2020 – therefore, it was clear that I should be convicted of the crime of deliberately engineering to delay the Supplementary Appropriation Bills.

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Well, Madam Speaker, everyone detected when Lord Denning, however highly regarded he was as Master of the Rolls, was not quoting the ratio in the case and he was quoting his own dissenting opinion, which had not prospered in an earlier Court of Appeal decision, as if it were authority for the proposition that he was seeking to establish; and the same is true of Mr Clinton. It is absolutely erroneous to suggest that a delay in passing a Supplementary Appropriation Bill delays the Principal Auditor from doing his work. Of course it does not, Madam Speaker.

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What it does is delay the publication of a report that, of course, I accept as a matter of fact. But the Principal Auditor has, for the reasons that Sir Joe Bossano has lucidly explained better than anybody in this House could understand, let alone otherwise explain, the Principal Auditor has a year after the final draft of the accounts, and the House has it too, in the third column in the Estimates Book; and so the Principal Auditor's work in respect of that year can start immediately, and traditionally always has. And for the first time in the history of Principal Auditors in Gibraltar, the current Principal Auditor has told us that he will not start work on the basis of the draft accounts. He has told us that this year, and we respect that because if that is his view, that is his view.

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But in the past, Madam Speaker, nobody has been prevented from starting work by the passing of the Bill. The only thing that has been delayed has been the publication of the report. Well, look, Madam Speaker, we passed these Bills a long time ago. The publication of the report has only happened when the Auditor has finished the report. The report was finished and it landed on my desk the day, or the day before, that I sent it to your office for tabling. So much for my deliberately engineering any delay.

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If this report had landed on my desk on 1st May last year, I would have sent it to you the first working day after Workers' Day, which is always a holiday whilst I am in Government, and you would have had it before the General Election. So, to the charge that I have done absolutely anything to deliberately engineer a delay in this report, I say to the hon. Members that they are absolutely wrong.

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To even raise that we would seek to delay a principal auditor's report and I cry shame on them for suggesting the opposite; and the fact that this was well before COVID means absolutely nothing, Madam Speaker, because the year reported on, or the first of the two years reported on, is a year when for the Government at least we had an issue as difficult as COVID to deal with.

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Or is it that hon. Members have forgotten that on 24th June 2016 the United Kingdom voted to leave the European Union and that meant that the Government had to move at pace to secure the single market between Gibraltar and the United Kingdom?

Mr Clinton laughs because of course it meant nothing to him. He was in Opposition, putting £30,000-odd in his pocket.

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We were the ones who had to run to ensure that Gibraltar was able to continue. To have the market ... (*Interjection*) The last time, Madam Speaker, he used an unparliamentary remark, this time I have not quite heard what he said, but the hon. Gentleman seems to be more enamoured of speaking from a sedentary position than to explain how he thinks that we dealt with the immediate aftermath of the result of us leaving the European Union. Because I can tell him something, Madam Speaker *this* Government of Gibraltar made sure that in Gibraltar we continued working even though the effort required was absolutely massive.

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Even though senior civil servants and all Ministers had to be all hands on deck. This is before a withdrawal agreement; this is before any MOUs; this is before any New Year's Eve agreement; this is before an International Tax Treaty. Let alone this is before the fact that all of that cumulatively – as the Leader of the Opposition finally accepted in an interview with the *Gibraltar Chronicle* only during the General Election debate – led to the possibility of a negotiation for a

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treaty between the United Kingdom and the European Union on Gibraltar's future relationship with the EU.

1600 All of that, which actually meant that we could not meet monthly. The hon. Gentleman might remember he got his £35,000-odd for doing even less work because we had to go off to the United Kingdom to start the negotiation. Or is it that 2016, in their minds, was not an equally traumatic year for Gibraltar, although nothing can compare to the lives lost with COVID.

1605 But in terms of political work and political travel and personal sacrifice, the hon. Gentleman can believe me, if he is ever going to believe me, that 2016, 2017 and 2018 were some of the toughest years we have ever had in Government; although we have hardly had any easy time of it since then. The hon. Gentleman can laugh if he likes. He has not had to leave his family along the way. (*Interjection*)

1610 Oh, weren't you? I am very pleased to hear you were not laughing at that because it would be hardly proper (*Interjection*) given the things I am telling the House and given the allegation I am facing from hon. Members, the disgraceful allegation that this Government has somehow engineered to delay the work of a Member of this House, *ex-officio* that is the Principal Auditor, with a constitutional responsibility. That disgraceful allegation, which lies on the lips of the Hon. Mr Clinton who fails to see the consequence of what he is saying, that they should somehow now pretend to laugh.

1615 I remind them, Madam Speaker, that they are the ones who have brought this Motion. The Hon. Mr Clinton goes on to say that he can only conclude that the delay which he imputes to me, which is untrue, is deliberate. So therefore, Madam Speaker, because he concludes it, it must therefore be true.

1620 This is, Madam Speaker, the debating equivalent of building a castle on sand, not like our Moorish Castle that is built on rock. We need the reports of the Principal Auditor as soon as they are available. Well, Madam Speaker, I do not disagree. That is why, as soon as they land on my desk, never has a Principal Auditor's report laid on my desk for more than 24 hours.

1625 My office know what reports are required to be laid in this House, whether it is the Employment Survey or the Tourism Survey or any accounts or, indeed, the Principal Auditor's report. I actually am given the report by the excellent civil servants who support the work that I do. The first sight I have of the report is the report actually with the covering letter, because when it comes in they have the presence of mind to do the covering letter that sends the report to this House. So the hon. Gentleman, as is usually the case, is absolutely wrong.

1630 Then he says that the Bills, the Supplementary Appropriation Bills that he makes so much of, are still on the agenda because the Chief Minister does not consider that they are important. No, Madam Speaker, because there are things that are even more important than the very important Supplementary Appropriation Bills. But because of the reasoning that the Hon. Sir Joe Bossano has given the House, the information contained in the Supplementary Appropriation Bills is actually information that hon. Members will have confirmed in the Estimates Book; and so, very often, unless they have not twigged – and it is possible that with all their accounting skill, they miss the wood for the trees that we have slain to print these things for them.

1635 They have had the information in the Supplementary Appropriation Bills and so has the Principal Auditor and every Member of the public, because we now put the Estimates Book online and all of them going back. So what is it that I am trying to hide? The things that are lying in plain sight?

1640 But let me just give you, Madam Speaker, one clear instance where I can demonstrate just how wrong that the hon. Gentleman is. Not by referring to, in my humble view, much more erudite and entertaining budget contributions for the years the hon. Gentleman has quoted himself, but I am not going to Denning-like quote myself as support for my own proposition, because the hon. Gentleman does it, Madam Speaker, almost like Mrs Slocombe who gets up and says that she is unanimous in everything that she says!

1645 But by demonstrating that what the hon. Gentleman said is wrong, in fact he said it is without precedent to have a Bill, a Supplementary Appropriation Bill, carried over from one parliament to

1650 another because these Supplementary Appropriation Bills that are on our agenda, Madam Speaker, had been published during the lifetime of the previous Parliament and fell away because we had not dealt with them. He says that is unprecedented.

What would happen, Madam Speaker, he said, if the new Parliament did not approve this Bill? Let me summarise what the hon. Gentleman is saying for those who may be watching. The hon. Gentleman is saying: if you have Supplementary Appropriation for a GSLP-Liberal Government and the election comes and that Bill has not been dealt with and a GSD Government is elected, the GSD Government would then have to bring the Supplementary Appropriation and vote it with its majority; otherwise, the additional spending that happened in that year would not be covered by Law, which is the Supplementary Appropriation Act, when the Bill becomes an Act, that is what he is saying.

1660 He would say it would be unprecedented; and what would happen? The entire Government would be guilty of misappropriation, he said. Well, it is a very good analysis. It is the analysis I did for the GSD, Madam Speaker, when *their* Supplementary Appropriation Bill fell, when they called the election in 2011 and lost it. So much for the hon. Gentleman's premises because when he said that it was without precedent for a Bill to have to be carried over from one parliament to another, he had forgotten that the party that he supported in the 2011 General Election campaign, of which he had been an Executive Member, had allowed exactly that to happen.

1665 So if it was an absolute scandal that it happened to us it was, of course, perfectly proper that it happened to them. No? Because what is terrible in our hands and what is green slime in our hands, is pure gold in theirs. I mean, hon. Members are political alchemists. They take the rat-infested reclamation on the east side of 1988 to 1996 and they turn it into Sovereign Bay, a huge asset in the hands of the Government.

1670 They take the web of companies that we have and they turn it into the Government's corporate structure for the proper holding and trading of the Government. Yes, it is remarkable. Yet in 2011, the crime of which I am accused by the Hon. Mr Clinton as something that is just without precedent, is exactly what happened.

1675 So first, it is not without precedent; and second, this is how you cure it. If the hon. Gentleman wants to look at it, Madam Speaker, it is in the *Hansard* of Thursday, 29th March 2012. I actually say to the Hon. Sir Peter Caruana, I cannot really speak to this because this is your spending. So all I am going to do is move the Bill and I am very happy to support it. You explain why you had to do this additional expenditure in the year before. (*Interjection*)

1680 No? But not as authority for a proposition. I am just reflecting what was said in the context of the thing which the Hon. Mr Clinton said had never happened before in history. This is how much we have to trust what Mr Clinton says. He has said that something is without precedent, it has never happened before; and in fact I have just demonstrated to the House, not with what I have said, but empirically that it has happened before and what we did was to vote with the GSD to pass their Supplementary Appropriation.

1685 That is what would happen in such a circumstance because the circumstance *was* with precedent. If the usher would kindly provide to Mr Clinton the *Hansard* he can disabuse himself of this particular one of his many errors, Madam Speaker. For example, Madam Speaker, one of the things that we have seen in the Principal Auditor's report is an allegation that there are services provided without contract and without three quotes and without tender.

1690 Well, yes, Madam Speaker, there are some such contracts, some of them from their time; in some instances, for good reason, from our time. The hon. Gentleman does not seem to object to all of them because the hon. Gentleman sometimes refers us to the thing that is being handed to him now – *Hansard*, Madam Speaker. *Hansard*: which is prepared as a result of a conversation had by a former clerk of this House with another clerk whilst on Commonwealth parliamentary business, without three quotes, without a tender and being prepared on that basis since then; and yet we all agree it is a very useful service without which this House could not function.

1700 So, so much, Madam Speaker, for this idea that there are contracts without tender and without three quotes and that this is all terrible, because the hon. Gentleman routinely refers us to the

1705 fruits of one such contract. Of course, when things are done now without tender and they are done on the basis of the three-quote system, this is absolutely terrible. Except, of course, that as the House knows from *Hansard*, that thing which is done as a result of a contract without tender, we know that Sir Peter Caruana explained to this House that he was, the GSD was introducing something known as the three-quote system instead of the tender.

1710 This is not something of our invention but of course given the political alchemy that we see from hon. Members when we do it, it is absolutely terrible; when they do it, it is the best political practice in history and goes to good governance. Well, look, if people on the street are angry because of the things that they have seen in the Principal Auditor's report, by the time they finish listening to me they will understand that much of that anger should be directed at them; and that for a very good reason they should never vote GSD again. Because the thing that gives rise to the excessive overtime, which the Principal Auditor is reporting on, but we stopped at the time, the thing that gives rise to the early exit schemes, which give rise to no value for money with the privatisations that followed, they did, not us.

1715 So, Madam Speaker, what the hon. Gentleman then goes on to say is that one can only conclude that we are trying to obstruct the Principal Auditor, and see no value in his reports. How on earth can they conclude that when the things that the Principal Auditor is reporting on are not just the things which he of his own motion determines he needs to investigate, many of them are things that we, or our controlling officers, have referred to him?

1720 Or, is it that they do not understand that? Madam Speaker, the other thing that they do not seem to understand is that being in Government, at least if you are in this sort of Government that wants to get things done, involves thousands of decisions being made a year – thousands, sometimes hundreds of decisions being made in a week.

1725 Or what does he think that Government is? Just to look at numbers and await a Principal Auditor's report? He thinks that is how you run Gibraltar in the 21st century, that we could lock him up in No. 6 Convent Place with an abacus and that he could effectively deliver modern Government like that. Really?

1730 Then moving forward through other years when he is quoting himself in 2022, he says, 'I do not accept that COVID was a valid reason for any delay.' Well, he might or might not accept it, but what makes him think that he is the arbiter of truth or of legitimacy? If he does not want to accept it, so be it.

1735 I can tell him, having lived through Government in COVID. That COVID was not just something that happened in six months in 2020. Or, is the hon. Gentleman forgetting the further restrictions at the end of 2020, the further restrictions at the end of 2021, all of the different aspects of the pandemic. Really? Because it is very clear to us, Madam Speaker, that anybody who objectively is looking at what happened at that time would not be able, by any stretch of the imagination, to share his view that COVID was not a valid reason for things not being and run entirely like clockwork at that time.

1740 Then he says, quoting himself in 2023, that if reports are delayed when they come they will be irrelevant and obsolete. Well, what is it: that the things in this report are irrelevant and obsolete? Or, is it that they are so relevant that the streets have caught fire? Which of the two is it, Madam Speaker? Because you cannot have both, you cannot say this Auditor's report is to throw one's hands to one's head; *hecharse las manos a la cabeza*, having said last year that now it is all so late that it is irrelevant and obsolete.

1745 Well, it is not irrelevant and obsolete. The Government considers it is very relevant, very pertinent, we thank the Principal Auditor for his report and we thank him for reflecting the work we have done to undo some of those abuses that we have seen in that report, which we referred to him, which is why he is reporting on them.

1750 The public can see that it is all not working, he said. It is all not working? Oh, goodness gracious, Madam Speaker. And yet in those years for which the Hon. Mr Clinton is referring us to in respect of the Principal Auditor's report, Gibraltar had higher revenue than ever in its history, bigger

surpluses than ever in its history and issues that needed to be dealt with, which the Principal Auditor is reporting on now, which we were dealing with then.

1755 Things are not working. Well, Madam Speaker, if we want to compare apples with apples let's go back and look at our revenue and their revenue and let's see who was working better and harder and delivering more because things were working very well. COVID happened, Brexit happened and things are still working very well indeed. Very well indeed.

1760 I will make a point in respect of what Mr Clinton and Mr Bossino say. We are the only overseas territory without a PAC, a Public Accounts Committee, so therefore there must be something wrong. Things are not working, says Mr Clinton, and yet we are the only overseas territory that still has scholarships for anybody who gets a place at university, where we pay tuition fees and maintenance fees and no other overseas territory has it.

1765 Tell you what, shall we have a Public Accounts Committee and take the same position that every other overseas territory takes on undergraduate students, which is that they can pay their way? Things are working, things go better in Gibraltar than they go in most other overseas territories. Our people have greater benefits than they have in other overseas territories. Comparing ourselves to other overseas territories is comparing apples and plums.

1770 Every territory is different and the fact that we do not have a Public Accounts Committee does not mean that things are not working. The fact that we have a Principal Auditor who has reported on things that need to be dealt with, which have in great measure already been dealt with because we brought them to his attention, is a demonstration and things can be dealt with in a different way.

1775 Then the Hon. Mr Clinton, despite the fact that he was pretending otherwise when I started, goes on to say that this idea that we are against, which is the grilling of officers in public, is actually exactly what he wants to do, he confirms it. He goes on to read to us where it is that controlling officers are made responsible in the Law for the spending of their Departments. He shrugs because it is demonstrated, Madam Speaker, that what he wants is his five minutes of fame.

1780 He wants to be in the Public Accounts Committee (*Interjection*) to do to civil servants in Gibraltar what Members of Parliament in the United Kingdom try to do to me when they quiz me on Gibraltar. Although I have a very unfair disadvantage, which is that I have a 52-year Master's on Gibraltar and its political history and they are looking at it for one moment; and every Gibraltar appearing before a Select Committee of the House of Commons would have, whatever their life span is of history of Gibraltar, and the MPs would have two minutes of looking at how they are going to cross-examine that Gibraltar and everybody would do just as well.

1785 But here what they want to do is to embarrass civil servants. Look, any public servant in Gibraltar deciding whether they want to support or not support the GSD on having a Public Accounts Committee, should just look at what it is like when a Select Committee of the Commons gets any British civil servant in front of them. A Foreign Office civil servant, a Home Office civil servant or any other all it is, is a structured, managed humiliation.

1795 Hon. Members just need to look at that great friend of Gibraltar, Philip Barton, who appeared before a Committee and was roundly embarrassed by them because MPs are able to ask any question without control. There is not a judge dealing with a cross-examination subject to rules, there is a Chairman, who is another MP, and the MPs can do their political will; and embarrassing a civil servant to get your political peacock feathers up and burnished is very cheap and we will not allow it, Madam Speaker. The public servants of Gibraltar know that if they are in Government, despite the fact that the Deputy Chief Minister and the Father of the House have said, they say one thing in Opposition, then they do another in Government – if they are in Government every civil servant in Gibraltar, controlling officer in Gibraltar, will have to come before a Select Committee of the House to be cross-examined by Mr Clinton and his ilk, and if we are in Government they will not have to be cross-examined.

1800 We will stand here to face the music on spending. That is to say, the opposite of what Mr Clinton imputed to me on television.

1805 And then he says the other fallacy in the GSLP manifesto ... Well, the first fallacy is that it is a
GSLP-Liberal manifesto. He gets that wrong, even in his analysis and the second disrespect that
I detect in the way that he addresses this House, Madam Speaker, is not to have regard for the
fact that, in my view, the people of Gibraltar are always right the morning after a General Election.
Always right.

1810 I may disagree with the result, respectfully, but with a sweep of history one looks back and
says they are always right. You have to accept that; that is what a Democrat has to do. You have
to start fighting the other General Election, the one that is coming next, but you do not fight back
on the one that the people of Gibraltar have decided. And in 2023 the people of Gibraltar chose
the GSLP-Liberal manifesto, and the hon. Gentleman had better accept that and start showing
1815 respect for the result of the General Election, in the same way as we show respect for how close
it was. But we have the obligation, of course, to exercise our executive authority to give effect to
that manifesto.

The hon. Gentleman had better start backing up his political ideas and realising that just
because the public chose the manifesto he did not support does not mean that it is wrong, and
that is what he is saying.

1820 The fact that the Principal Auditor says that he cannot disagree more with the Commission on
Democratic and Parliamentary Reform is something that I deeply respect. He is entitled to have
that view and you might expect that from somebody who is a principal auditor. Of course. But he
does not just disagree with the Commission on Democratic Reform, with the Canepa Commission,
he disagrees, Madam Speaker, in agreeing with the Hon. Mr Clinton, with the people of Gibraltar
1825 in four successive General Elections. Four. And he disagrees with every executive of Gibraltar since
the 1980s when the AACR had a PAC.

So I deeply respect the right of the Principal Auditor to take that view; in fact, I respect and
defend his right to have that view as I hope he will respect and defend *my* right to have a different
view, in particular as the Leader of the political parties that put forward that manifesto and have
1830 succeeded in four consecutive elections with the general public in Gibraltar, the electorate in
Gibraltar, choosing our option. And if that produces, as the Principal Auditor suggests explicitly in
his report, a superficial level of scrutiny, well hon. Members had better take it on the chin. *They*
are the ones who need to take that on the chin because they are the ones delivering the superficial
level of scrutiny. Not us. We are not paid by the public to scrutinise ourselves; *they* are paid by
1835 the public to scrutinise us.

So I would say that any logical understanding of what the Principal Auditor has said is that *they*
are failing in their duty; that he has been driven to express a view because of their cumulative 12-
year failure to properly exercise their power in this House to scrutinise the executive, leading to a
criticism from an *ex-officio* Member of this House that their level of scrutiny of the Government is
1840 superficial.

A flawed manifesto policy, he said, Madam Speaker, continuing with his speech that cruelly
misleads the public. Well, Madam Speaker, again, how can the hon. Gentleman be more
disrespectful of the electorate? Now, he is routinely disrespectful of me culminating with his
expression in what you ruled – and I am grateful – was an unparliamentary fashion, in the way
1845 that he shared with the public in Gibraltar what he thinks of me and my intellectual capacity.

I do not think that of him: I think he is learned, I think he is dogged, he is determined, he has a
clear view, and I respect the fact that he continues with his expression of what should in his view
be the case. I respect him as a parliamentarian, even though I profoundly disagree with him.
I would never call him as intellectually bereft as he called me. I would not, Madam Speaker, let
1850 alone express it in the way that he did.

But I understand that they deeply disrespect us. They denigrate us in our professions, that is
what they used to do when I was in Opposition and they were in Government, and that we respect
them and we deal with them in a different way. But can I ask the hon. Gentleman not to impute
that level of disrespect to the public, to the electorate? The electorate is not capable of being
1855 misled by me or by my team, or by them and their team.

The electorate in Gibraltar sees through the nonsense. That is why we are here and they are there. That is why, Madam Speaker, hon. Members opposite managed to defy the principle which is carved in political stone that Governments lose elections and Oppositions do not win them.

1860 Look, I do not mind being very open and honest about what happened in the last election, given that hon. Members want to talk about it. We lost the last election and they came along and failed to win it. They managed, Madam Speaker, to have a Government that was obviously ready to lose an election and to snatch defeat from the jaws of success as a result of the decisions that they made.

1865 That is my reading of the last general election and so the public in Gibraltar cannot be misled. It cannot be misled. We did not cruelly mislead the public in Gibraltar by having a clear policy on page 40 of our manifesto that we were not going to have a Public Accounts Committee. *They* were not able to persuade Gibraltar that it needed to have a Public Accounts Committee. Or, is it that they are saying that they could have done so if the Principal Auditor had uttered his words before then? That is what they are saying, that they need the Principal Auditor on their side to win an

1870 election.
But the hon. Member says that the Parliamentary Reform Committee is entirely out of date because they reported in 2013 and in 2014 a Commonwealth Parliamentary Association Committee was formed about PACs elsewhere in the Commonwealth; and so, therefore, all of the work done by Mr Canepa, the Hon. Mr Canepa former Chief Minister, former Mayor, former

1875 Leader of the Opposition, former Minister. All of that is of no value whatsoever now, because in the Commonwealth they formed a committee to deal with Public Accounts Committees in 2014.
Well, Madam Speaker, to quote the Principal Auditor, I could not disagree more with Mr Clinton because the fact that the Committee has been formed in the Commonwealth Parliamentary Association changes nothing about the structure of Gibraltar politics. Gibraltar is

1880 unicameral, many of the other places in the Commonwealth, indeed some of the overseas territories are bicameral. Bermuda is bicameral. Does he know what I mean by bicameral?
I have a huge respect for his intellect, as he knows, but I do not know whether he knows what I mean by bicameral. It means it has two Chambers, Madam Speaker, (*Interjection*) an elected Chamber and a Senate. Just like at Westminster there is a Commons and a Lords. And that is the

1885 case in many overseas territories, so most of the territories and countries and nations that have Public Accounts Committees are bicameral. The minority are unicameral.
So the fact that the Committee was formed in 2014 of predominantly bicameral Commonwealth nations about public accounts committees, is not a good reason to have a public accounts committee in Gibraltar at all. Ever since 2014, the public in Gibraltar have continued to

1890 choose parties that propose not having a public accounts committee; and ever since 2016, they have heard the argument, because he has been making it since he put his Motion then, and having heard the argument and considered the issue, the public in Gibraltar have decided not to have a public accounts committee.
So we do not accept, Madam Speaker, that this is because he says so, and because a committee

1895 has been formed, what he called the direction of travel around the world. Nonsense, absolute nonsense. And if I say that he is piggybacking on the Principal Auditor's report for support for his Motion on a PAC, that is not to disregard the fact that he brought one in 2016, which he lost, and that he made the point to the public in 2019, and he lost; and then he made the point to the public again in 2023, in the debates during the General Election campaign, and he lost. And that his last

1900 chance, now, to bring a Motion was to piggyback on the Principal Auditor's report.
Of course he is doing that, Madam Speaker, of course he is doing that. He has said so and the terms of the Motion say so. The terms of the Motion refer to the Principal Auditor's findings in respect of public accounts committees. That is the logic for why they are going to do it, and then he defends himself against my accusation that he is here to scrutinise the numbers. He says, 'Yes,

1905 I am here to scrutinise the numbers, that is what I should be here for.'

Well, Madam Speaker, I am not just here to scrutinise the numbers because that is not what Government is about. Joe Bossano, who does better scrutiny of numbers than any other Member

1910 of this House ever has done, or ever will do, does not go to the office in the mornings just to scrutinise the numbers. He and we go to the office in the mornings to run Gibraltar, to deliver executive Government, that is our role. If you want to scrutinise numbers, Madam Speaker, go back to accounting, but do not pretend to go to Government because that is not what Government is about.

1915 The hon. Gentleman, I will say to him, perhaps is the best Financial Secretary Gibraltar is never going to have, because the Financial Secretary's role is to scrutinise numbers, but not the role of a Minister, that is completely different, those days are gone. The days when an appointed Financial Secretary would scrutinise numbers and would come to this House and present a budget ended the day that the Financial Secretary, Brian Traynor got up in this House and said I am passing over to Buana and Joe Bossano delivered the first State of the Nation Address in the 1989 budget address.

1920 The hon. Gentleman says to me that if I do not want to scrutinise numbers, I should get a hobby. Well, I have a number of hobbies, Madam Speaker, many of which I am not able to exercise whilst I hold this executive office, which is about much more than scrutinising numbers. I have three in particular that are more important than anything I do as a Chief Minister and more important than scrutinising numbers. One is age six, the other is aged eight and another one is aged 11; and everything that I do, I do for them. Like most Members of this House who give their time, whether in Government or in Opposition to make Gibraltar a better place for the next generation, not to come to this place to scrutinise numbers.

1925 That there is shock and anger, given what has been disclosed in the Principal Auditor's report, which is the theme that we have heard from Mr Clinton and Mr Bossino, no doubt we will hear now in purported reply from Mr Azopardi. Look, you cannot imagine the shock and anger that was in the Government when we saw some of these overtime claims. That is why we stopped it and that is why the Principal Auditor is reporting on it, because we and our system reported it up to the Principal Auditor.

1930 That there is shock and anger at the cost of the early exit packages, of course there is. And do you know where that shock and anger was first expressed, Madam Speaker? In a press release issued by the GSLP-Liberals in Opposition in 2011, when the Housing Works Agency Early Exit Package was first announced, and the analysis that Joe Bossano did then is the analysis that the Principal Auditor is doing now. And we stuck our colours to the mast, Madam Speaker.

1935 We lost Members as a result of the position that we took against those early exit packages. We had Members, lifetime Members, brilliant, fantastic people who came in and said to me *estoy entregando mi tarjeta*, 'I am handing in my card because I want the deal for the Housing Works Agency'. We won the election. Governments honour the agreements that are done by previous Governments. You cannot, to go back to 2007, cherry-pick what you do and you do not do, especially when you have an agreement with the union.

1940 But you know what happened, Madam Speaker, those Members came back and they were with us for the rest of their lives. But we said what we thought about the early exit packages because it was the right thing to do and we said it in 2011 and the Principal Auditor is now saying it in 2016-17, 2017-18.

1945 So there is no surprise to us, there is no shock and anger that what they did in Government produces the result that we have to answer for in Government to the Principal Auditor because that, we always understood, was the wrong way to progress; and Mr Reyes, who was in Opposition and has continued in Government, has long quizzed us on the effect on the Housing Works Agency of the early exit package that they introduced when in Government, and has had to put up with the fact that whenever we answer him, we say, 'Well, what can we do? You agreed this early exit package. You agreed two out, one in. And you agreed that the work was to be done in the private sector.' And we disagreed.

1950 So, we roundly agree with the Principal Auditor. Now, the hon. the Leader of the Opposition says in his social media, 'Well, the GSLP-Liberals they cannot have it that way. If you did not like the early exit scheme you should have stopped it. If Mr Picardo did not like the idea of an early

1960 exit scheme, why did he not he scrap the February 2011 one? Instead, he introduced six new schemes.'

Does he not understand that it is the same scheme that is being rolled forward? Because the union obviously has a high watermark of what is agreed and the union representing its Members will not agree anything else. Does he not understand, and I am sure he does, Madam Speaker, because I have the highest intellectual respect for the hon. Member, despite the denigration that comes from them, and I have no difficulty in saying that I think he is an excellent lawyer, despite the denigration I suffer from them when they attack me.

Does he not understand, which I know he does, that the Government cannot scrap an agreement that has been done? That we are bound by that agreement and if we were to scrap it, in other words, if we were to stop the early exit scheme now, that would put the Taxpayer in the worst possible situation.

In other words, you have paid for people to go, to stop doing something; and now he is suggesting that the benefit that would come from the disappearance of the Housing Works Agency, which is how they analysed it, would be undone and we would continue to now re-employ people. In other words, to undo the potential saving.

I have more intellectual respect for Mr Azopardi than to believe that he thinks that is possible. So when Mr Clinton says that the electorate expects action, what he fails to tell them is that they have had it. That this is a time machine. This Principal Auditor's report, other than in relation to the 2003 elements in respect of the GHA Pathology Unit, is a TARDIS. Not because it is late, but because it is a time machine.

We took the action to stop the abuse of overtime except, of course, Madam Speaker, one thing: whenever we touch the overtime some would go running to them and some, in the union, would go running to them and on more than one occasion, I have had to see them outside my office at No. 6 Convent Place demonstrating about our attempts to deal with these problems. Whenever anybody said *me van a tocar el allowance*, my allowance is going to be touched or my overtime is going to be touched, straight to College Lane and marching up Main Street.

So *they* have to explain to the electorate, Madam Speaker, why when we were taking the action that the hon. Gentleman says the public expected us to take, which we took, they were siding with those who were abusing the overtime and those who were seeking to abuse allowances.

Just like, Madam Speaker, they need to explain to us, although I realise that this is easy politics and that looking in detail at what I am saying now is much harder than the spin which is the headline that flies and is then very difficult to control because, as we know, something which is untrue goes around the world before the truth has even started to take off.

What they say with the Estimates Book. The Estimates Book does not have enough information, they say. Madam Speaker, in 2000 and 2001 the Estimates Book had 147 pages. It did not get much bigger for 2010-11. In 2023-24 the Estimates Book has almost 300 pages. So how is it that we are not giving enough information when we are giving double the information that they gave?

It is not that we are adding spacing or printing in Arial 14 instead of Arial 12. (*Interjection*) Let's be clear. We are giving more information, it has less pictures, because in their day they used to love putting in the pie charts, and yet it has more pages. It just shows, Madam Speaker, that this is an attempt to run a lynch mob with the Principal Auditor's report as the rocket fuel for it, and I am happy to stand here between them and the public servants of Gibraltar, who do not deserve this.

Incidentally, Madam Speaker, though he is no longer here, I was delighted to see a former Leader of the Opposition in the gallery earlier. That is exactly where I think he belongs. Then, Mr Bossino, Madam Speaker, (*Laughter*) starts to talk to us about humility and if Madam Speaker will forgive me, I am going to go through the two speeches we have heard. Before I go to the substance of my speech (*Laughter*) I am just dealing with the things that they have said.

The Hon. Mr Bossino starts by telling us that we have to have the humility to at least listen to them, as if we did not. Madam Speaker, Government is a difficult and laborious business, we have long been encouraging them to bring motions. Speaker Canepa used to say to them, ‘Look, you get embroiled in debates at Question Time and I have to tell you to stop. Bring motions.’
2015 Whenever they bring a motion we are ready to deal with it. Not only have we listened, Madam Speaker, we have made parliamentary time.

A number of my colleagues have already replied. I am replying at length. All of us will have worked to prepare for today in order to be able to address these issues. We do not say they are not important, we say it is important to put them under the microscope but to look at the truth
2020 of what is happening here.

But, Madam Speaker, with the very greatest of humility, we also disagree with them and disagreeing with them, just like them disagreeing with us, is not a mark of an absence of humility, surely; and us disagreeing with the Principal Auditor is not a mark of an absence of respect or of humility. In the same way I assume that the Principal Auditor disagreeing with us is not a mark of
2025 an absence of his humility or respect for us, it is just that we are *all* in a constitutional democracy, entitled to our views; to defend it and to seek support from the public in that thing called a General Election, which they lost again for the fourth consecutive time, for the propositions that we each put.

So the Hon. Mr Bossino can be assured that we have the humility to listen and also the wherewithal to defend what we believe is right, even in the face of a street that might not yet have realised how they were being led by Members opposite, to see the Principal Auditor’s report as anything other than an endorsement of the work that we did in 2016-17 and 2017-18, to stop those abuses. Then he says that we have to have the humility to be ready to digress from our manifesto.
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Well, Madam Speaker, I remind the hon. Gentleman that when he first stood for election with the GSD – of course he first stood for election with another party – but when he first stood for election with the GSD before deciding to call it a day, before deciding to come back, before losing I do not know how many leadership elections – he was standing for election with the man, the former Leader of the Opposition – the former, former, former Leader of the Opposition used to say was the greatest Gibraltarian of all time – who said that in the GSD lexicon manifestos are a wish list. He said this on radio and I thought I was not hearing right, so I actually asked for a transcript.
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The Hon. Sir Peter Caruana said on radio in the 2011 General Election campaign, when it was put to him by Mr Gerard Teuma who was then doing the leader’s interviews, that he had not complied with much of what was in his manifesto for 1996, 2000, 2003 or indeed 2007. He said, ‘Well, manifestos are a wish list.’ That is probably a better impression of the King than it is of Sir Peter. But they are sometimes indivisible in my mind. A wish list and we say – and he will know from the 2003 General Election campaign – that we consider our manifestos to be a contract with the people.
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So there is a completely different approach. When we cannot comply with the manifesto commitment, we say, ‘Look, we have not been able to comply’ for the following reason. We work very hard to deliver, directly, against our manifesto commitments. So the hon. Gentleman will forgive me for saying that it is, indeed, an article of faith for us, not just that there should not be a Public Accounts Committee, because we have acquired a commitment to the public that there should not be, for the reasons that we have explained at length in this debate and in earlier debates. But it is an article of faith for us also that we keep to our manifesto commitments, unless there is an objective reason why we cannot, which we explain to the public.
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So when he says that we must have the humility to support them I would say to them, Madam Speaker, that obviously they have failed to learn humility – humility ... Humidity, we all have in Gibraltar! Humidity at budget time when they fail to support even the Appropriation Bills. Every Government of Gibraltar, Madam Speaker, has come to this House since our first Constitution, proposed a budget, heard Members of the Opposition argue why they would do things in a
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different way, and then the House has unanimously voted the estimates; because at the end of the day the estimates are what enables you to pay the civil servants every month, the public servants, and discharge all of the economic liabilities of the Government.

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Until Roy Clinton was elected to this House, and the Hon. Mr Clinton got up in a speech, having persuaded the then Leader of the Opposition, Mr Feetham, that it was a good ruse to vote against the budget; and ever since then they have been voting against the budgets, with some Members abstaining, some Members voting because they have been a shower, Madam Speaker, when it comes to this. And now Mr Bossino, in apparent forgetfulness of the arrogance that leads them to vote *against* every budget, he tells us to have the humility to support this Motion, which goes against our manifesto commitments, to go against the thing which led to us winning, that is to say our manifesto.

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I suppose it is the easiest red-flag trap that has ever been invented. Here is the trap, please come into it. It is like the spider saying to the fly, 'My web is in bright green for you to see, but fly into it anyway.' We are not going to fall into the trap of failing our obligation to the people of Gibraltar to comply with our manifesto obligations, Madam Speaker.

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Humility, he says, because it is the Principal Auditor's recommendation that you should do this. Well, as the Principal Auditor says, 'All of my predecessors agree with me.' So that is to say, Madam Speaker, five of them at least. It is the successive view of five principal auditors that a public accounts committee should be established by this House; and yet in all of that time they have been in Government for four successive parliaments and did not do it, and they did not have the humility to do that which the principal auditors were saying they should do. And now they are asking us to do it, despite us having a manifesto obligation not to do it although they, to boot, had a manifesto obligation *to* do it.

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This is difficult perhaps, Madam Speaker, to conceptualise, but they had a manifesto commitment to do a public accounts committee, and apparently they had principal auditors who agreed with them, and they did not do a public accounts committee. Now Mr Bossino comes and tells this House that we should have the humility. The Hon. Mr Bossino has the gumption to come to this House and tell us we should have the humility to do that which they did not do, just because the Principal Auditor says that we should, just like he says all principal auditors said that we should.

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I thought it was a little unbecoming of who I think he is that he should say to Mr Bossano, the Hon. Mr Bossano, the Father of the House, that he was almost not elected. It is not as if Mr Bossano came last on the list. *(Interjection)* Absolutely right, thank you. It is not as if Sir Joe – imagine not calling Sir Joe, Sir Joe – he might take it very badly. *(Laughter)*

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It is not as if Sir Joe came last on the list, because he might have come last on the list, that he is less relevant. Or is the Hon. Mr Bossino telling me that I should ignore those who come bottom of the list, that I should not answer questions of the person who came last on the list because he or she might not have been elected? But that is not how democracy works: if you are in, you are in; and if you are out, you are out.

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Or is it that we have to have varying degrees of respect for Members of this House depending on how they are in the ranking? Because I remind him that the hon. the current Leader of the Opposition was fourth in the ranking of the Opposition last time, but he was still the Leader of the Opposition, perhaps because there was no one capable of mounting a campaign having come higher than him on the list to become Leader of the Opposition.

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Joe Bossano was, in the end, comfortably elected, he was not last on the list. But I thought it was rather unbecoming of the hon. Gentleman, who had long professed to be a fan of the Father of the House, to go down that particular route especially given what he then went on to say about the Hon. the Father of the House, defence of the right of people of Gibraltar, to the right of self-determination, with which I could not agree more.

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But of course, the Hon. Sir Joe Bossano said two things about that. He said: the road to self-determination is paved through self-sufficiency, and he has also said that sometimes if you have an external threat you cannot put everything that you are doing in the public domain as you might in another country; and if you have a national economic plan to deal with something which might

2115 be brought about by an external threat, if you publish all the details of the national economic plan what you are doing is advertising to the external threat what it is that they have to do to thwart your plan for when they come to threaten you.

2120 So, the Hon. Mr Bossino seems to have fallen into the trap of that which might be referred by the Principal Auditor to them, and for their level of scrutiny of us as being rather superficial. In understanding only what Joe Bossano says about the need to keep some things confidential and then insisting that he publish all of the details.

2125 So, Madam Speaker, I hope that has made him understand a little of how we have to deal with some things in Gibraltar, something that Gibraltarians have always routinely understood. I have always been fascinated by the fact that there are some things that I consider to be Gibraltarian open secrets. Things that all of us know the reality about and some people out of Gibraltar just do not get, and there are things which are beneficial for Gibraltar. I will not mention which they are because then I would fall into the trap of identifying, for the external threat, what they are.

2130 But what would have happened, Madam Speaker, if the Principal Auditor's report had been published before the General Election? Well, it is a hypothesis, but the hon. Gentleman seems to be shocked when I said, from a sedentary position, that we would have improved our majority. I will tell him why I think that, for a simple reason, you can look at the Principal Auditor's report and do what the Principal Auditor says they do of us – that is to say, a superficial scrutiny. Or, you can look at it in detail and understand that actually, the sins that the Principal Auditor is alerting us to are all sins seeded in their time in Government; and what a better analysis does is demonstrate that GSD early exit packages were bad for Gibraltar and in particular for its public finances, that they were not value for money, that overtime had got out of control in their time, that we stopped the abuse.

2140 Therefore, I am very disappointed that I did not get the Principal Auditor's report before the General Election, because I think it might have enabled me to undo many of the myths that they try to propagate about what the Hon. Mr Bossino has been known to call the 'golden legacy' of the GSD. That golden legacy, Madam Speaker, is really something that does bear closer scrutiny.

2145 So, Madam Speaker, if I can now start with my prepared remarks. It is very clear to me that we have not heard everything that is behind this Motion in the things that they have said in this House today, at least not yet, because the Hon. Leader of the Opposition has said that they filed this Motion. He has said specifically that they have filed this Motion to remove politically engineered delays, blocking the emergence of further Principal Auditors' reports.

2150 That, Madam Speaker, for all of the reasons I have already given, is absolute nonsense. Work can already have started, indeed I am sure it has already started on all of the other reports. Indeed, one of the answers that I have to give him, and Mr Clinton, is that I understand the 2019 report will be completed by December of this year.

2155 So what politically engineered delays am I doing? This is the pace at which the Principal Auditor is working. But, Madam Speaker, that sort of language on social media and television, that there, Madam Speaker, that is *Trumpian* politics. That is, they stole the election; that is standing on the Hill in Congress and saying they stole the election. That there, Madam Speaker, is dangerous stuff, to accuse a Chief Minister of deliberately engineering delays, of politically engineered delays blocking the emergence of further Principal Auditors' reports, that there is *completely* untrue; and I do not use another word, Madam Speaker, because it would be unparliamentary. Otherwise, I would use that unparliamentary word to describe the thing that the hon. Member is saying. And you might even persuade a few people using that sort of language and keeping to that sort of lexicon. But in the long term, however personally beneficial it may be to the hon. Gentleman, he will know that that is bad for Gibraltar.

2165 'The GSLP shambles cheats you,' he said. 'Wherever you look in the audit report it confirms the need for better controls on waste and abuse,' he says. Well, Madam Speaker, the GSLP is not here to cheat anyone. The GSLP and the Liberals are together in Government to do every day an honest day's work for the people of Gibraltar. Despite the innuendo that is thrown at us, and I will come to all that innuendo now when I deal with Meddoc, all of that innuendo that they try and use to

persuade where they cannot persuade with truth. We are not here to cheat anyone. But what is, in my view, objectively only describable in that way, as cheating, is to say that wherever you look in the audit report it confirms the need for better controls on waste and abuse.

2170 No, there are parts of the audit report that refer to waste and abuse that requires better control, with which we agree, and much of which has already been done. But there are *most* parts of the audit report that confirm the excellent discharge of their responsibilities by controlling officers in the Departments coming in on target and properly accounting for every single penny; and indeed increasing the revenue of the Government of Gibraltar year-after-year.

2175 Waste and abuse cheats you, it cheats your families and that is why financial controls are needed to stamp it out. If it is tolerated by Ministers it is a public scandal. People will be rightly angered by all this. Well, people are rightly reacting to being whipped up in respect of all of this. But listen to this language, Madam Speaker, if it is tolerated by Ministers it is a public scandal. Well, it is not tolerated by Ministers, Madam Speaker, that is why, in great measure, the Principal Auditor is reporting on these matters because it was not tolerated by Ministers and that is why it was being dealt with by Ministers.

2180 The hon. the Leader of the Opposition talks about a glimpse into a catalogue of waste and abuse. Yes, which they created; the catalogue. This catalogue of waste and abuse is not the Argos catalogue, it is the GSD catalogue of waste and abuse, with the early exit schemes, with the allowances ran rampant, with the overtime ran rampant. You try and rein that in, you try and take a car that is travelling at 200 miles an hour and stand in front of it. See what happens to you.

The only safe way is to break it slowly and to engine break it; and that is why, finally, things were being done to deal with this issue. Despite the fact that we were dealing with Brexit, we were also dealing with those abuses of overtime and those issues relating to allowances.

2190 What are the key arguments in the years for which the Principal Auditor is reporting the highest revenue ever? Second, the things that are identified were fixed by us then. Third, deficit issues relating to what happened after COVID are not at all related to these issues.

2195 Hon. Members are trying to make the argument that we had a deficit after 2020 and they could all have been fixed if we did not have the problems that the Principal Auditor is referring to. But we did not have the problems that the Principal Auditor is referring to after 2020, because we had dealt with them in 2016-17 and 2017-18.

Madam Speaker, I am going to try and abbreviate what I am saying in order to keep the House for less time, but there should be no doubt in hon. Members' minds opposite that they will not be garnering support for their Motion when it comes to what this side of the House is going to do.

2200 Madam Speaker, in particular, when it comes to the Public Accounts Committee, I want to refer the House to paragraph 2.8 of the report of the Democratic Reform Committee, which the Deputy Chief Minister referred to, and to the exact terms of our manifesto commitment at page 40 of our manifesto. I was going to take the House through those in detail, but I think they have been entirely properly ventilated by now, so I do not need to repeat those.

2205 But I do want to make this important point. The Parliamentary Reform Committee, the Canepa Committee as it was referred to in shorthand, had a minority report. That minority report was delivered by Mr Robert Vasquez, who was a candidate at the last General Election as an independent. I just want to remind the House that Mr Vasquez's minority opinion did not deviate from the findings of the rest of the Committee on the Public Accounts Committee. It was purely on the electoral system, not on the issue of the Public Accounts Committee.

2210 So, Madam Speaker, we are going to be very clear that we are going to stick to our position on the Public Accounts Committee and we are very proud of the work that we have done in the years that have been reported on, in particular in the context of the revenue for those years and how we drove, not just the GDP up in a way that they had said we could not deliver on, but also the revenue.

2215 When you look at what it is that they are saying and the vehemence with which they are saying it, Madam Speaker, when it comes to this PAC, and the absence of it and every other overseas

territory having a PAC and us not having it, I have to remind hon. Members and I have to remind the House and those who may be watching that we have, of course, heard all this before.

2220 Of course, as the Father of the House and the Deputy Chief Minister have reminded us, we have heard it from them on the Public Accounts Committee and they have won elections in 1996, 2000, 2003 and 2007 and saying they are going to have a Public Accounts Committee and they have not delivered it.

2225 But we have also heard it in other matters. We have heard from them, Madam Speaker, that if we were to have an L&G facility in Gibraltar we would be risking blowing up Gibraltar. *(Laughter)* We won the election on that subject in 2015, and the morning after they were the damp squibs of damp squibs, and did not do that which any right-thinking Gibraltarian who felt that the L&G facility was going to blow up Gibraltar, and go and chain themselves at the doors of where the facility was going to be installed. That is what I would have done. If I thought somebody was going
2230 to do something that was going to blow up my children, I would go and stop it. I would lie under the tanks to stop them from laying the tanks.

John Cortes would do that for a simple tree! *(Laughter)* Let alone to stop Gibraltar from being blown up. Hell and brimstone, this is going to blow up Gibraltar. The public vote for it, they accept it, do nothing about it.

2235 On equal marriage, I thought that I was finally going to resolve the issue that many of us have in our minds about whether or not there is a heaven and a hell; because either a St Peter or somebody else would emerge from the skies that opened after we voted in favour of equal marriage and I would see for myself that this was going to happen. This was going to enable us to see the heavens open because we had voted for equal marriage. They all voted against and yet,
2240 of course, at the last General Election we were told that if elected, the GSD position was that they would not change anything on equal marriage. But look, equal marriage is about a civil status here.

On abortion, Madam Speaker, I was accused of everything short of being the abortionist myself. The hon. the Leader of the Opposition, who failed to respond to my entreaties to produce a different law, which he said could be produced but he did not ever put pen to paper on, joined
2245 those who were against the limited legalisation of terminations and reproductive rights for women, and voted in a referendum against it.

There, they happily accepted the result of the plebiscite. So they accepted in relation to what they described as the ending of human life and they said, fair enough, there has been a referendum, we will not change it even if we win the general election; and the Hon. Mr Bossino,
2250 who passionately feels in respect of these things, also joined in the context of his leadership election with the Hon. Mr Azopardi, saying, 'Okay, but if I am elected, I will not change anything.'

Having the power, when you become leader of a party and you hope to become Chief Minister of Gibraltar, having the power to do something to change the things which you believe are wrong, passionately wrong, because he told us and I respect him for having told us – and then saying, but
2255 do not worry because it gets in my political way, I will not do it. You can still vote for me, I will not undo abortion, is really quite remarkable; and despite that, despite all those conscience issues, hell and brimstone issues, which they now say they will not undo because there has been a vote and people have accepted it, on the Public Accounts Committee there are more papal than the Pope.

2260 So when it comes to what we might call the shorthand, the papal issues, equal marriage and abortion, that is fine. The public have voted, I will not get anywhere near it, it is fine, you can vote for me, do not worry. On the economic issue, on the political issue, the public accounts committee I do not accept four successive general elections. I will do it anyway. Even though I had the chance to do it for four successive general election wins.

2265 This is remarkable, Madam Speaker, this is not serious politics. We have to take everything that they say with a pinch of salt. In one day they are crusaders against overtime and the next day they are crusading to my office to defend overtime because we have had the gumption to try and stop it.

2270 It is remarkable and woe betide us if before the general election we had touched anyone's allowance or told them that they could not work until 9 o'clock, because it was from my office to College Lane (*Laughter*) and we were getting the feedback. We were getting the feedback, it is okay I have been told by the GSD that my overtime is safe, my allowance will be put into a pension and I will be fine. That was before the election. Now they are with the Principal Auditor on the overtime and allowances.

2275 Well, look, if Joe Bossano and the rest of us were almost not elected, the right analysis for Mr Bossino to do is because we were standing in the way of the abuses. If we lost support it is because we were stopping the things that the Principal Auditor has identified are the problem. If people they said were flocking to them, they know they were flocking to them because they wanted more overtime, because they wanted more allowances and we were saying no. That is the reality because we have been firm on these issues and if it costs us popularity, it has cost us popularity because it was the right thing to do. That is why we agree with the Principal Auditor in many of these things because he was agreeing with us.

2285 Madam Speaker, I have to confess that there are some things that you work out later and they have taken positions defending people who are, in our view, abusing overtime and abusing allowances, etc., only to now change their position and be against the abuse of overtime and again, the abuse of allowances.

2290 I did not quite understand, Madam Speaker, you know I have seen this before that is why in one of my budget speeches I almost sang them the *Karma Chameleon* from Boy George and Culture Club because they change their colours quicker than chameleons. But I did not quite understand that at the General Election, their slogan, time for change, was actually descriptive of what they were going to do the minute they were elected.

2295 That is to say, they were going to say one thing before the election and they were going to change their position the morning after, because before the election they were the ones defending everyone who was told no by Sir Joe or by me. What the Principal Auditor does is to look for needles in haystacks. Of course, I have boasted, I suppose legitimately even they will agree, of the highest revenue in any year. But there were problems, of course there were, the ones we were identifying, which we were pointing the auditor to, and others which the auditor is looking for that is what an auditor's job is, to find the needles in the haystack. But that does not mean that you get rid of the haystack; you identify the needles and you get rid of them.

2300 When it comes to contracts without tenders and efficiencies, Madam Speaker, the hon. Gentleman will allow us to say that we think that we are Boy Scouts who have done things because we needed to deliver business efficacy. We have defended those things, we have explained why we have done them, we have come under attack, fair enough, that is what democracy is about.

2305 But we are Boy Scouts or Girl Guides when it comes to this, because we have never given a contract for the cleaning of Gibraltar without a tender, despite the European rules. We have never given a contract for £1 billion of value for the Airport works, the approach road, the approach lighting, etc., the tunnel without tender despite being asked in this House, specifically, about that contract; and neither can we be accused of being inefficient in the way that we handle our contracts because of a Tunnel work's contract to deliver the Europa Sports facility, which had to be done quickly to save the heritage asset because, of course, we would have been accused of sacrificing the heritage asset if we had not done the contract for the tunnels.

2310 I mean, it is not as if we had done a contract for £25 million that went on to cost £85 million, that is not our record, Madam Speaker, because we did not build the new air terminal, which was billed as costing £20 million or £25 million and ended up costing £85 million. That is a GSD record. We do not have the record for buying a building to turn it into a theatre and ending up with a £10 million hole in the ground. *That* is a GSD record.

2315 Imagine if we had the record for lending a developer £7 million. That developer loses the £7 million, goes into liquidation. The Taxpayer loses its £7 million and Barclays Bank loses another large amount and Barclays Bank leaves Gibraltar as a result. That is not a GSD record, *that* is a GSD record. And imagine if in the context of those contracts, what the developer builds is a

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set of flats that start to buckle after the fifth floor. That is not a GSLP-Liberal record. *That* is a GSD record.

2325 So the hon. Gentleman, I think, will with humility understand that we are not going to take any lessons from them on sticking to budgets, on granting contracts without tenders, or on efficiency, because at the end of the day this is about who can be trusted with Government money. With that record, I would consider them indictable of the offence of not being the best people to hold the purse strings.

2330 But, of course, look at the attack we suffered, Madam Speaker, for four years or eight years on the issue of the *Sunborn*. I should call it the '*sunburn*' when it comes to them because they said when it first came into the Bay that we had invested £40 million of Taxpayers' money on a rust bucket and that we were going to lose it all. That the depositors in the Savings Bank were going to be left without a penny.

2335 When we announced that they paid everything back and that we had made £10 million, they never mentioned it again. When I juxtapose these things, Madam Speaker, with the things that we have seen from the Principle Auditor, I am not criticising the Principle Auditor, the Principal Auditor is doing the right thing, a good job identifying these problems which we had signposted to him, even though we disagree with him on some things. But when it comes to Credit Finance and the fact that he refers to the early exit packages producing a payment from the Government of £5 million or £6 million to Credit Finance, as if that were a loss to the Government, we have to remember that Credit Finance is not entirely alien to the Government. It is held through the GDC and so the value here is that that money is being paid into the Government through another structure.

2340 So, Madam Speaker, we roundly disagree with those elements of what it is that hon. Members are suggesting are the findings of the Principal Auditor that are contrary to what the Government defends.

2345 But of course one thing is clear, because Mr Clinton has repeated it again today and Sir Joe often refers it to the House, as Father of the House. That hon. Members have confirmed that they are unable to determine whether things that the Government is doing are value for money or not. In other words, their analysis of the book with double the detail that we used to have, does not enable them to get up and say, 'This is not value for money.' And yet Sir Joe's analysis on the Housing Works Agency, without seeing it in the Estimates Book because it was done in February of 2011, was sufficiently precise to be able to demonstrate that it was not going to be value for money, it was the wrong decision and to be vindicated by the Principal Auditor six years later.

2350 Well, Madam Speaker, that, I think, is a demonstration of how we do things compared to how *they* do things. And when it comes to the issue of Government companies, well look, Madam Speaker, first of all hon. Members know that we are voting money here in the Estimates Book to the Government structure because they left the Government companies, not just as holding companies but as trading companies.

2355 When they were elected in 1996, we had a structure which they called a web of Government companies, which were holding companies, it did not incur any costs, it held assets. The only trading company was the GDC, which is not a company, it is a statutory authority. They said they were going to undo it and yet when we were re-elected they had brought in many more companies as trading companies with losses in the region of £100 million. So we pay £25 million a year, latterly £30 million a year, towards that structure.

2360 Homeowners complained that the Principle Auditor does not know where the money is going, he says. Well look, the Principal Auditor is right to ask for it to be provided to him officially because that is how he would report. But do hon. Members know that the Principal Auditor has direct access to the computer system that shows him where every penny goes in respect of the Government companies, because they are all in the same computer system?

2370 So the Principle 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,

2375 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.

2380 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. What the hon. Members are doing is taking an auditor's report and turning it into a party political instrument; and that, Madam Speaker, is unfair – unfair on the Principal Auditor, because he does not deserve to be used as a political hammer by hon. Members opposite. But they should know that they will find us an anvil to that hammer and they know that anvils do not succumb to hammers.

2385 Madam Speaker, I was left with the feeling last week that the Hon. Mr Bossino – in his attempts to anaesthetise us during Question Time – was going to repeatedly refer us to the *Times* because he has referred us to the *Times* on a number of occasions. I do not know whether he has seen today's front page, he might not have had time to read it, given that he was obviously preparing deeply for the debate this afternoon – 'Cleverly warns of AI fakes threat to the election'. Misinformation, Madam Speaker, is one of the key things that we all have to be alive to. 2390 Misinformation is the sort of spin that goes beyond just putting a political complexion on things. It goes to, for example, suggesting that a Chief Minister is somehow deliberately engineering delays to things.

2395 I saw that one of their candidates at the last General Election, over the weekend, has tweeted about the United Nations Day for the highlighting of the spreading of information. The spread of misinformation can result in people being left uninformed, unprotected and vulnerable. Do not share rumours. I could not agree more.

2400 Of course, that stable mate of theirs, who was not elected, was below Sir Joe; and the person who came after Sir Joe said that she had been the subject of a misinformation campaign last year. It has had a detrimental impact on her family and required journalists to check their facts before reproducing lies.

2405 But of course, it is all the question of what is the misinformation? It is misinformation to say that the Principal Auditor is highlighting things which we are responsible for, without explaining that they were the seed which germinated into the abuse. It is misinformation to talk about things as if we are the ones who have done them wrong, when in fact they are the ones who have done them wrong.

2410 Whether it is the early exit schemes or GJBS, because GJBS, Madam Speaker, one of the criticisms that the excellent men and women of GJBS have had to suffer, is that they are told that they are expensive by the Principal Auditor when doing the work that the Housing Works Agency would have been doing before.

2415 But it was not us that gave GJBS a 20% pay rise after the General Election campaign of 2011 had begun. It was not us that poisoned GJBS in that respect. It was them. So it is misinformation for them to now complain about the cost of GJBS without going back and saying, we put our hands up to the fact that we put the cost of GJBS up. In the same way as it is misinformation to say that we are cheating the public, as the hon. Leader of the Opposition did in one of his tweets.

2420 Ironically, Madam Speaker, his tweets, when I see them, say that they come from Earth rather than from Gibraltar, on 12th February from Earth, right? The GSLP shambles cheats you: no tender, invoices signed by Chief Minister, duplication of invoices, contractor paid twice and Government did not even realise without saying but the money was returned because we did realise; and no tender is seen as cheating, except this was a very small contract which had to be done quickly. But what about the contracts that *they* granted without tender for over £1 billion?

If we were cheating, what were they doing, Madam Speaker? Highly questionable Europa Sports Tunnel contracts. And then of course the issue of the Meddoc contract.

Now, Madam Speaker, let's be very clear. There is advice to politicians that if somebody is running a rumour which is not true you should not reply to it, because it is not true and you are going to give it legs.

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I have never taken that advice, I have always faced things head-on, and that is why I have said in this House in the past, I and no member of my family has any relationship whatsoever with Meddoc. As far as I know, the person who used to be my mother-in-law had no relationship with Meddoc. I always thought it was very unfair for that to be the allegation. But the Hon. the Leader of the Opposition has no compunction, knowing me as he does and knowing that I would never lend myself to anything that was potentially suspect, in referring to the Meddoc contract as 'suspect' trying to play the innuendo. 'Facts behind the suspect Meddoc contract award only emerging now because Mr Picardo engineers delays to slow down the Principal Auditor and block scrutiny and accountability'.

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Well, Madam Speaker, I am not going to sue him for libel, but he knows the law of libel well enough to know that this is a clear attempt at running an innuendo suggesting that I somehow stopped analysis of this because, somehow, I was related to somebody who had something to do with Meddoc. I do not believe I ever did. I do not believe anybody who has ever been related to me had anything to do with Meddoc, ever. But there is absolutely nothing suspect about the Meddoc contract. *Quite the opposite.*

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Hon. Members have to remember that when we were elected there was almost none of this care done. They spent a few hundred thousand pounds in providing care. We now spend many millions of pounds in providing care in our community. There was no alzheimer's and dementia facility at the time.

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There was Mount Alvernia and 30 beds at Cochrane Ward. That was it. There was about 150 beds for the elderly in Gibraltar at the time, yet almost immediately thereafter we opened a Calpe Ward. Then we did the Old Naval Hospital site, we stopped their dementia facility; and then we tendered and Grand Home Care got a contract and they started to owe us PAYE and Social Insurance in the hundreds of thousands of pounds. They started to abuse workers' rights and the union had an issue with them. Then we tendered again.

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And so, to answer the Leader of the Opposition's question – as I answered it at Question Time, because I did not avoid answering the question – no, I do not agree with the Principal Auditor's findings in respect of Meddoc and I asked myself why it is that the Principal Auditor made that finding. And why it is that I was not asked for more information about those tenders; why the then Minister for Health was not asked for more information about those tenders.

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I know, sadly, Madam Speaker, that a very senior civil servant who was involved in all of this process passed away, a very young man he was too, and that the Principal Auditor may not have had all of the information that he should have had in this respect.

So I am not being 'weak' in my feeble defence of 'the suspect Meddoc contract', which is what the Leader of the Opposition said in his press release of 6th February. I am being firm in the defence that the Government has ensured that we have got the best possible value for the Taxpayer and driven down the cost that the Government used to pay. And when I come to the issue of the terms of the Motion, I will address how we can redress that going forward.

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But this is not secret, Madam Speaker, because if the GSD had done their homework in looking at the answers that they had in this House before, they would see the answer to Question 51/2017 on the contract details for the Dementia Day Care Facility, giving them the exact amount for which Meddoc was being granted that contract, being told that the formidable John Cortes who has just gone out to spend a formidable penny, who was then heading the GHA, carried out a competitive tender board process to grant that contract. That there were six tenderers, three submitted quotes, they were interviewed by the tender board and that is how the contract was granted.

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Then they ask questions about the ownership of Meddoc and the ultimate beneficial ownership going down the road of pursuing the innuendo. Then in question 140/2017, they asked specifically about ultimate beneficial ownership and they were given the information, all of the information; and then they asked the value of the John Mackintosh Wing contract in Question

2475 388/2018 and were given all of that information. Then we issued a public statement on 9th April 2018 setting out what the transition of care at the John Mackintosh Home to a new service provider was all about.

None of this is suspect or hidden, or had to be unveiled by a principal auditor in his report. All of it was shared with them in this House or with the general public; and if they want to see the contracts, Madam Speaker, I have them here and it is my intention to table them at the next sitting of the House so that everybody can see that there is no suspect contract, and no reason to believe any of the innuendos that hon. Members *might* have intended that should have run.

2485 But if you have a three-quote tender system that they introduced, how can it be wrong that we also pursue that after a tender process with the three who have submitted quotes? Or is it that this can be as simple politics as just because we are black, just because we are GSLP-Liberals the things that we do are suspect; and when they do suspect things they are fine, like giving contracts for £1 billion without tender. And *that* I intend to address when I come to the terms of the Motion and when I ask that this House resolve what it is that we should ask the Principal Auditor to do next.

2490 Madam Speaker, before I come to the terms of the Motion, there is one more thing that I need to deal with. The things that Mr Azopardi said, I was trying to avoid answering and I said I would answer during the course of this debate. Issues like: what are we doing to ensure that the Treasury Department is up to date in performing its bank reconciliations? We have given them additional staff resources.

2495 What is the status of the arrears recovery legislation, which the Auditor refers to in 3.3.7 of his report? It is in draft, it is moving apace. I assume they are going to congratulate us for re-establishing the Central Arrears Unit, which they disestablished when they were elected. They cannot now be aggressively pursuing that we do more with a unit that we had when we were in Government from 1988 to 1996, they disbanded and we re-established.

2500 Can the Government advise why the Principal Auditor has found in his recent report that there is no formal contract in place for the use of International Hansard Services? Well, Madam Speaker, because the previous Clerk, whilst attending a CPA conference, was able to do a deal and everybody has relied on that deal since then and I think we should have a contract to put in place. But why is it that they do not ask about the tender for this one or the three quotes? Because it is all above the threshold.

2505 What is it that we have done to advise, or can we advise what steps we have taken to ensure that statutory authorities and agencies are submitting their accounts to the Principal Auditor by the stipulated dates, and not lagging behind? Well, Madam Speaker, I agree with the Principal Auditor that they should all be submitting their accounts on time, because what we do as Ministers with the Financial Secretary is send circulars reminding people of their obligations to do that.

2510 What are we doing to ensure that the accounts of bodies who the Auditor has certified should be tabled in Parliament in a timely fashion are tabled? Ensuring, Madam Speaker, that they have the resources to do that. I have already told him when it is expected that the 2019 report should be done.

2515 Well, Madam Speaker, I know that that has been lengthy and I apologise but when so many innuendos fly and so many things are said in order to try and get the lynch mob to run against us, when I say I am here to stand between them and the public servants and the civil servants of Gibraltar, I am going to explain every detail of why.

2520 So, Madam Speaker, if the usher would come in. I propose to amend the hon. Gentleman's Motion. If the usher could very kindly distribute to each Member of the Government and the Opposition the terms of the written notice that I have given to amend the Motion. I propose to make this Motion real and I ask that hon. Members have the humility to understand why it is that the Motion that I am going to propose should, in Mr Bossino's interpretation, enjoy the unanimous support of the House.

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Madam Speaker, I propose that the House should amend this Motion as follows. It should insert the words 'and welcomes' after the word 'notes' and delete the words 'delaying the tabling of the ...'; and then at the end of that first paragraph, delete every word after 'March 2018' till the end of that paragraph, so that the first paragraph should read as follows: 'This House notes and
2530 welcomes the Principal Auditor's report on the audit of the Public Accounts of Gibraltar for the year 31st March 2017 and 31st March 2018.'

I assume, that so far, we can agree.

I then propose that the following paragraph should have the words 'calls on to assist' deleted and then the following words added – and I will read the whole paragraph given that in this context
2535 it is just the addition of words, as far as I can see. So that the second paragraph would read as follows: 'Commends the Government for its continued assistance and co-operation with the Principal Auditor and is assured by the Government that it will continue its customary assistance and co-operation in assisting the auditor in completing his work on the Public Accounts of Gibraltar for the year 31st March 2019 and every year thereafter.'

Then delete the words 'calls on' at the beginning of the next paragraph and add the word
2540 'welcomes' and say 'the Government indication that it intends to take the Supplementary Appropriation Bills 26/23 for the two-year period 2019-21, through all of its parliamentary stages in the March 2024 meeting of Parliament'.

Then delete in the next paragraph 'calls on' and add 'similarly welcomes the Government
2545 indication that it intends to take the Supplementary Appropriation Bill 27/23 for the year 2021-22 through all of its parliamentary stages in the March 2024 meeting of the Parliament.' And then say this: 'This House furthermore resolves that it is democratically right and essential to respect the fact that at the last General Election the electorate selected a very clear policy set out on page 40 of the election-winning GSLP-Liberal manifesto, which specifically provides that there
2550 should not be a Standing Committee created to be designated as the Public Accounts Committee.'

Delete the rest of that paragraph and then add the following three paragraphs: 'Confirms the
2555 importance that this House places on the excellent work of successive Principal Auditors. Notes that the contracts awarded for the provision of care to Meddoc and other providers was the subject of tenders and negotiations designed to reduce the price paid by the Taxpayer, despite the relevant information in this respect, unfortunately, apparently not having been provided to the Principal Auditor and invites the Principal Auditor to review this part of his report with the further information available; and now calls upon the Principal Auditor to investigate, with the full co-operation of the Government and the provision of such additional resources as may be
2560 necessary, the legality of the grant of contracts by the previous administration to Master Services and for the Airport tunnel, roads, approach, landing and related works without tender and to report to this House accordingly in such time-frame as he may consider reasonable in a special report on the same.'

Speaking now, Madam Speaker, to the Motion as I propose it should be amended. I think I have
2565 highlighted, in the context of what I have said already, what are the issues that I am trying to ensure the public gets clarity on. In particular, given the way that the Leader of the Opposition and Mr Clinton and his party have sought to suggest that the party and Government that I lead have, somehow, failed to act properly in the grant of contracts and in the use of the three-quote system which they invented.

Madam Speaker, I think it is absolutely essential that we address what it is that the Principal
2570 Auditor has said has been the information he has not received in respect of the Meddoc contract. I am disappointed that we were not asked for the information at No. 6 Convent Place. We would have been able, perhaps there, to remind, because of the change of Ministers, those in different ministries, what had happened in respect of those contracts.

Some of those negotiations actually happened in my office because there was one particular
2575 company, Grand Home Care, that was refusing to lower the amounts that were charged per hour to the Government. They were seeking to run a cartel with other companies and I was very clear to them that they would not get any contracts from the Government unless they were up to date

2580 with PAYE Social Insurance and they agreed to the reasonable but lower rates, which the Government was proposing; and we did all that to get the price down from the amounts that were previously being charged. In other words, these tenders led to a *reduction* of the cost to the Taxpayer.

2585 Whilst most tenders might lead to an increase because it is at the end of a period, the negotiation we led actually meant that costs were reduced; and in particular, Madam Speaker, what erodes trust is when something is abused for a party political purpose in a *Trumpian* way. So it is very important that we amend the Motion, as I am proposing, so that the Principal Auditor has the chance to go back. He cannot be interfered with, but he can be asked by this House to look again at something because his report highlights that he has not had the information he needed to have.

2590 John Cortes was the Minister for Health then, then we had Neil Costa and we have also had Samantha Sacramento. There is a lot of information going back a number of years. We had the problem of the death of a young man who was closely involved with all of us in those negotiations, who would have been the official, who would have been the constant. So it is up to us now to help the reconstruction of that and invite the Principal Auditor to have this information. And to understand, Madam Speaker, that sometimes there is great complexity in the heart of
2595 Government and how Government does things; and sometimes, Madam Speaker, you cannot simply answer with one word. You have to go into detail of how things are going to be done and these were *very* tough years that we were dealing with, Madam Speaker, to all of our detriments.

2600 But look, despite that, in all of these years being reported on, we delivered more new schools than they ever delivered and I am just talking about one term. We delivered higher revenue than they ever delivered, bigger surpluses than they ever delivered and an Island Games, which Gibraltar became committed to because others could not deliver them.

2605 So, Madam Speaker, I think it is very important that we understand that there is absolutely no misinformation that we have ever been responsible for perpetuating. But as I have, I think, now demonstrated, Madam Speaker, there is a lot of misinformation that we have fallen subject to.

2610 But given that all of this is framed, Madam Speaker, in the context of a public statement yesterday echoing public statements that we had to face in the General Election, that we were somehow misleading people with the things that we were saying, I think it is only fair, Madam Speaker, that I should table, in this House, the University of Gibraltar's telephone bill for 1st June 2015 which shows an average spend of £3,000 a month, and the University of Gibraltar's telephone bill for the month after, which shows that the then Vice-Chancellor incurred a cost of £97,000 to the University, demonstrating that we have never perpetrated on the people of Gibraltar, any misinformation whatsoever, although we stand accused of that; and that of that £97,000 incurred in one month, in one instance it was £42,000 incurred in 1½ hours of data roaming.

2615 So, Madam Speaker, if there is any misinformation affecting the public's perception of politics and politicians in Gibraltar it is misinformation put into the public domain, not by the GSLP-Liberals, who are scrupulous in telling the public the truth always and at every moment, believing that it is a slippery slope indeed if we start to garner votes by misinforming the public, something we would never do.

2620 But I would say, Madam Speaker, I am not surprised that I have not received a writ for libel from that person who stood for election with hon. Members opposite because she will know, like I know and now the whole of Gibraltar knows, that what we said was true; as everything I have said in this debate about every aspect of what the Principal Auditor has raised and which I have addressed as I have moved the Amendment.

2625 And so, Madam Speaker, I now move the Amendment standing in my name and hope to be able to reply to anything that hon. Members say at this stage on the Amendment. (*Banging on desks.*)

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NOTE: The following is the text of the amended Motion moved by the Hon. Chief Minister.

THIS HOUSE

NOTES and WELCOMES the Principal Auditors report on the audit of the public accounts of Gibraltar for the years 31 March 2017 and 31 March

COMMENDS the Government for its continued assistance and cooperation with the Principal Auditor and is assured by the Government that it will continue its customary assistance and cooperation in assisting the Auditor in completing his work on the public accounts of Gibraltar for the year 31 March 2019 and every year thereafter.

WELCOMES the Government indication that it intends to take the Supplementary Appropriation Bill B26/23 for the two-year period 2019/2021 through all its Parliamentary stages in the March 2024 meeting of Parliament.

SIMILARLY WELCOMES the Government indication that it intends to take the Supplementary Appropriation Bill B27/23 for the year 2021/2022 through all its Parliamentary stages in the March 2024 meeting of Parliament.

This House furthermore Resolves that it is democratically right and essential to respect the fact that at the last General Election the electorate selected a very clear policy, set out on page 40 of the election winning GSLP Liberal Manifesto, which specifically provides that there should NOT be a standing committee be created to be designated as the Public Accounts Committee.

CONFIRMS the importance this House places on the excellent work of successive Principal Auditors.

NOTES THAT the contracts awarded for the provision of care to Meddoc and other providers was the subject of tenders and negotiations designed to reduce the price paid by the tax payer, despite the relevant information in this respect unfortunately apparently not having been provided to the Principal Auditor and invites the Principal Auditor to review this part of this report with the further information available;

AND NOW CALLS UPON THE PRINCIPAL AUDITOR to investigate – with the full cooperation of the Government and the provision of such additional resources as may be necessary – the legality of the grant of contracts by the previous administration to Master Services and for the Airport tunnel, roads, approach landing and related works without tender AND TO Report to this House accordingly, in such time frame as he may consider reasonable – in a SPECIAL REPORT on the same.

Madam Speaker: I now propose the question in terms of the amendments moved by the Hon. the Chief Minister. Does any Member wish to speak? Hon. Member.

Hon. Dr K Azopardi: Thank you, Madam Speaker.

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I will not mind if you do not put the preface 'Honourable'. I know that sometimes it is a mouthful.

Madam Speaker: The hon. Member knows it is intended.

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Hon. Dr K Azopardi: Yes. Well, if I take a leaf out of the Chief Minister's book, I intend to adopt perhaps a similar approach. I am going to tackle some points that all hon. Members have

mentioned because it is all relevant to the amendment as well, because the amendment that has been put forward deals with the Motion put forward by my hon. Colleague, Mr Clinton, amends part of it, replaces text with different parts; and so it is important to focus the central pillars of the original Motion have been amended, but are there in a different form. So it is important to respond to all the items that have been raised by the hon. Member.

So can I start with the contribution, of course, of the Father of the House, who I have to say is absolutely consistent in his position. His position on the Public Accounts Committee is well known and has been the case for a long time. He focused his contribution on the Public Accounts Committee and my replies to him will do the same.

He takes consistency, if he does not mind me saying so, almost to the point of religious dogma. But that is not necessary, he may not think that is a criticism, he may think that is a compliment. But I would say to him that it is important that even though, of course, traditionally he has had that position, and indeed they have had that position, and I know that from the comments made by several Members they are unpersuadable on the issue of the Public Accounts Committee, despite the best efforts of my friend to my right. They are unpersuadable.

But despite that, I think what is important is to recognise that there is a need to modernise. We cannot just stay where we were because we have done it in that way for the last 20 years, or 30 years, or 40 years or whatever it is, just to stay in this parliamentary straitjacket despite the fact that governance reforms require something different.

The Members opposite pride themselves in saying that after 2011 they became the 'new dawn' and that they changed certain things. Well, I have criticised them for saying that they are the new dawn because I do not believe it. But they did change certain things and in changing certain things is because they took the view that certain practices followed by previous administrations, including the first GSLP administration, was wrong and should have been done in a different way.

So this is the same: if we want modernisation in terms of working practices or accountability, then that should also change; and that is the central point that I make.

The Father of the House said that, of course, we had the opportunity to do it and the GSD did; and I think that the theme was adopted then by several contributions on that side by the Hon. the Deputy Chief Minister and by the Chief Minister himself. And what I will say, and I will say it probably a couple of times in reply to different people, is that of course the GSD did have a manifesto commitment to do it in the 1996 election and there was an attempt to do it.

The reason it did not work was because the hon. Father of the House, who was then the Leader of the Opposition, made very clear that he did not want it. He said as much, very clearly, in Parliament and then afterwards when he was consulted about it and it was clear that he was never going to co-operate with that process, and in those circumstances it did not happen.

Was it a mistake? Yes, it probably was, because we could have thought of doing things in a different way. Although the theory that you could put other Members, maybe extra parliamentary Members, onto a Public Accounts Committee was not as developed as it is today, *many* years on, more than 25 years on.

The Hon. the Father of the House said, in a less generous remark, that they have got to do some catching up. He said, I think, to quote him, that: 'They have got to catch up to the level of manipulation the GSD did in Government'. That is precisely the phrases that, I think, he used. I thought that that was *stunning*, given the track record that the GSLP had in Government, and indeed through successive administrations, as I will give examples when I continue with my contribution.

Indeed, he also said that that my hon. Colleague, Mr Clinton needed to know the history of the party he defends, meaning the GSD. Well, equally, as he sees my contribution as it goes along I would suggest to him that, in fact, if there is a judgment on the issues that are the central core themes of the Motion that my hon. Colleague put forward that has now been suggested to be amended.

The central core themes are delay and where that comes from, and what is the cause and effect of the delay; and whether there should be a Public Accounts Committee. And on those central

issues – in particular the first one, the issue of delay – the track record of the party that *he* defends is much worse than the party that *we* defend; and it will become obvious in my comments, why.

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Several Members on that side pointed us to the Committee Stage of the budget so that we could address questions, but it is obvious that in the Committee Stage of the budget you just cannot do what can be done in a Public Accounts Committee. And if anyone is really interested out there to have a look at these processes, they are online now and they are not just in the big countries. In some Overseas Territories and Crown Dependencies, comparative jurisdictions to Gibraltar, of comparative size to Gibraltar the proceedings of the public accounts committees of Jersey, Guernsey, Bermuda are all online, you can actually view these sessions.

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And it is obvious when you look at the proceedings in the public accounts committees in those small territories – despite the efforts of the Chief Minister to persuade the listener that somehow this really does not fit in the democratic context of Gibraltar – despite all that, actually it makes Gibraltar seem strange; as a strange unique place where somehow it must be shielded from the light of accountability that has shone throughout the Overseas Territories and Crown Dependencies that have introduced this system.

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So, somehow, Gibraltar is special, it should be protected, the civil servants need to be protected. Well, in reality, Madam Speaker, what is happening here is not that the hon. Members want to protect civil servants but that they are *saying* that to hide behind civil servants so as to protect themselves from accountability. That is the reality. Because it is obvious that the Committee Stage of the budget just simply is not the forum where you can address the questions in detail, because when you go to any of these proceedings the Public Accounts Committee might look in detail at a specific contract or a specific issue of expenditure.

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They might call a second meeting a month later where they can ask for the contracts, where they can scrutinise particular expenditure. That is not the way the Committee Stage of a budget works in this jurisdiction where it is all rushed through at the end in a Committee of the whole House, where we simply do not have access to the back-up documents that make up these individual items of expenditure and do not have access to it. Whereas it is obvious when they are asking value-for-money access questions in through these procedures, that you can do so through the Public Accounts Committee process.

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The early exit schemes have been mentioned *many* times by the Chief Minister and by other speakers by ... I cannot recall which other speakers, I do not want to attribute comments to anybody else. But I certainly remember the Chief Minister saying so. And the Chief Minister, on a number of occasions during his contribution, has said, 'Well, all the Principal Auditor is doing is he is pointing everything that is wrong' – and he talks about misinformation, he has the gall to talk about misinformation and then says that all the Principal Auditor is pointing to is a malaise in respect of which the seeds are all GSD seeds.

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Well, if there is any misinformation it is in that statement itself; and I wonder why he has the gall to think that that even flies. If anyone picks up the Principal Auditor's report, where is the seed? When we talk about the Europa Sports Tunnel contract, where is the GSD seed? Or the Meddoc contracts between 2015 and 2018? Where is the GSD seed there? There is no GSD seed.

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Where is the GSD seed in other aspects of criticism of the Principal Auditor's report? And on the early exit schemes that have come up several times?

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The early exit schemes, the first one, was introduced by the GSD administration of Peter Caruana as he was then, Sir Peter, in early 2011. He was elected Chief Minister in December 2011. He is the Chief Minister of Gibraltar. He gave us, particularly my colleague to my right, he gave him a lecture on doing the right thing when you are in a position of power, when you become the leader.

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Well, if he thought it was so bad, the early exit scheme, why then not change it? Did he change it? Well, listeners might be wondering whether he changed it. Well, Madam Speaker, the conclusion of the Principal Auditor is that not only did he not get rid of it, but that between 2013 and 2021, the GSLP-Liberals changed the conditions of the early exit scheme in the original Housing Works Agency, expanding its terms and making it available to more people, and keeping

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the scheme open indefinitely. And then, between 2013 to 2019, the GSLP-Liberals introduced new early exit schemes to six other Government-owned companies, agencies and departments, with the Principal Auditor noting that 'Not all schemes are the same'.

2750 So when the hon. Member stood up and said, 'Well, it is just that it was the same scheme rolled out.' No, it was not. The Principal Auditor says specifically in his report that not all schemes are the same as paragraph 5.2.3 if anyone wants to bother to check those things. The reality is that, I am afraid to say, the hon. Member is a master at misinformation, if he does not mind me saying so. Well, he probably does.

2755 Madam Speaker, the contribution made by the Hon. Deputy Chief Minister concentrated on the Public Accounts Committee in many great respects. His contribution did not address the issue of delay – of the politically engineered delay, which I will address a bit later in my contribution – and nor did the Father of the House look at that particular aspect.

2760 But in the same way as it was raised by the Father of the House, he did suggest that there were other mechanisms of getting the same information via the parliamentary structures. He has been a Member of this House a long time, longer than I have, and he knows that that is not so. Because in a debate we cannot get information from the Government. We sometimes can get clarification from the Government, when there is a Ministerial Statement, as we did earlier today when the Hon. the Minister for Financial Services made a Ministerial Statement.

2765 But in Questions and Answers we do not get information sometimes. Sometimes we do; sometimes we do not. Because, as was pointed out the other day, there is no control of the answers that are given. So, when Ministers stand up and say they are not prepared to answer, or are not prepared to answer some aspects, well that is the answer and we are stuck with it, and we do not have the ability to probe, and we are limited as to supplementaries.

2770 So, it is the idea that somehow in a Question and Answer session, or the idea that in a parliamentary debate, or the idea that in a Committee Stage of the budget, we can ask the same things as you could in a Public Accounts Committee is just complete nonsense. It is complete nonsense.

2775 If we really want to talk about the past, because the Hon. the Deputy Chief Minister raised this first and I was surprised actually. I was surprised to hear him talk about the past and other contracts that were granted just before the election and so on. Look, I do not think contracts should be granted just before elections, days before or weeks before; but if there is anyone who first started doing it, seriously, does he really want to talk about the past? Has he forgotten the contracts that were granted in the run-up to the 1996 election and other contracts that were granted? Or taking the last election, as an example, the *scramble* there was for votes as they were trailing in the polls, so as to give everyone who was complaining rises, or this, that and the other, or give in to demands.

2780 They had described the bus drivers as fielding unacceptable claims and yet we know that they settled claims with the bus drivers. (*Interjection*) So, I will not take lessons from them on good Government. If there is any manipulation and if it was suggested in that way, I am afraid to say the manipulation is on *that* side of the House.

2790 The Hon. the Deputy Chief Minister pointed to, he gave the example of an old Principal Auditor's report and talked about language and picked out language. But the reality is that the language and the tone and the criticism in this report, in these reports, is *much more severe* than in previous Principal Auditor's reports. That, of course, points out deficiencies in the past, but not in these terms of massive breaches of tendering laws; or indeed lack of information flowing to the Principal Auditor despite repeated requests for information.

2795 When you pick up this Principal Auditor's report it just strikes you that the amount of to-ing and fro-ing between the Principal Auditor, officials and Ministers in respect of aspects in relation to his value-for-money work and the sheer obstructionism that he is facing when he is simply seeking information. He says his role is being constitutionally undermined. He talks about the difficulties in getting information and he talks about his very clear conclusions.

2800 This is not us making this up, anyone can go and check the reports, and check and see what this report says. So, with all due respect to the Hon. Deputy Chief Minister, there was quite a lot of talk of birds the other day, ducks, but I am not going to say that was an intervention that suggested that, but it is another bird that came to mind when I heard him. It suggested to me that he is in cloud cuckoo land on that position, thinking that somehow this report is just another report. It is *not* just another report.

2805 Of course, I note that they are not going to abandon their position on the public accounts committee because it is their principle. But they call it a principle, fair enough, and I accept it is democratically legitimate to have different positions, but they elevate lack of accountability into a principle, as if it *is* a principle. Well, I think it is a difference of opinion but I am not sure if standing on the ethos of the central theme and philosophy behind their opposition to a Public Accounts Committee, which is really to want continuation of a lack of accountability and that the avoidance of scrutiny is a principle. It is certainly not a principle that I would commend to this House.

2810 The idea that there is an international view – I think it was put in that way by the Hon. the Deputy Chief Minister – that small territories are not suitable. Well, I have to say I beg to differ with him significantly on the subject, because precisely on the issue of small territories, he made the point that somehow there is an elevated academic thinking that we should not have public accounts committees for small territories.

2815 Well, the CPA, the Commonwealth Parliamentary Association, has produced a handbook on parliamentary financial oversight for small jurisdictions, precisely to support the establishment of public accounts committees in small jurisdictions. Far from it being an international view, that there should *not* be and that it is inappropriate for there to be public accounts committees in small jurisdictions, there is academic writing – supported by the Commonwealth Parliamentary Association – to bolster the principles of any jurisdiction wishing to establish a public accounts committee. And, as my hon. Colleague to my left has said, all Overseas Territories have introduced it; and the idea that Gibraltar should be, it is because ... as the Chief Minister was talking about bicameral and unicameral. To my knowledge, there is only one bicameral legislature in the Overseas Territories, that of Bermuda. All the others are unicameral. All of them have Public Accounts Committees.

2825 The Crown Dependencies, Jersey and Guernsey, the Isle of Man have Public Accounts Committees and yet somehow we are supposed to believe, the people of Gibraltar are supposed to believe listening to this debate, that somehow the quality of life, the quality of democracy in Gibraltar is better by not having scrutiny through a public accounts committee, even though everyone else has it. Everyone else has it, all the other small jurisdictions have it, but everyone is getting it wrong. Everyone is getting it wrong!

2830 Well, I think people will see through that transparent position because that transparent position displays an inability and unwillingness of the Government to expose itself to real scrutiny in a modern way. I am not saying about scrutiny how it was 60 years ago, or 50 years ago when the Hon. the Father of the House became a Member of this House. I am talking about scrutiny in a modern sense because we have got to move on, surely.

2835 Madam Speaker, the Hon. the Chief Minister, when he responded to my hon. Colleague, Mr Clinton, who kept his contribution fairly tightly – as he would, of course, given his style – to the central pillars of the Motion, which were about delay and the Public Accounts Committee. But the Chief Minister, in his reply, started wading around.

2840 We heard him make contributions about equal marriage and other things completely unrelated to this. You had to think, you had to really struggle sometimes during his contribution, to understand the relevance of the things that he was saying. It was just almost a scattergun political approach intended to undermine the central points that were being made. But on two very specific issues on which they have no answer – and on the issue of delay, they have no answer, and I am going to deal with it in detail, because they *have* no answer; but it was a scattergun approach intended simply to try to, in the way that he does, mask the arguments that are fielded because they have got no answer to those arguments. That is the reality.

2850 When he first got up, the Hon. the Chief Minister said I wanted to change the rules of the speaking of the debates. Well, I do not accept that I did. I think he always likes to give lessons on the rules and I do not accept what he said and that there is a natural order in relation ... that is slavish on these issues.

2855 It was obvious that he was going to suggest an amendment. It was obvious. So it is better that he went first and explain what amendment he wants to make. The convention, surely, is that the Leader of the Opposition should follow the Chief Minister and be able to reply to the Chief Minister; and I wanted to know what the amendment was so that I could deal with it on my feet and I intend to deal with it later in my contribution.

2860 He talks about, never before has an Opposition made so much hay on a Principal Auditor's report. Well, maybe because never before has there been a Principal Auditor's report like this; and never before has there been a Government that has politically engineered delays to the process which do not allow the Principal Auditors' reports to be concluded. That has never before happened.

2865 So I ask: what *are* they scared about? Because he says, the hon. Member says he is here to face the music. Yes, all right, face the music, what is there to hide? Why is the Government so scared that it needs to politically engineer delays to legislation so that the Principal Auditor cannot conclude his reports?

2870 If there was a monument to opaqueness, it happened the other day – which he still has not answered, by the way – because I asked him several times could he confirm that Meddoc were the lowest bidder in the two other contracts I mentioned? He still has not answered; refused to answer Question and Answer, said that he would answer when it came to the debate. Still has not answered

2875 That is why the Public Accounts Committee, actually, is more relevant because civil servants would *not* refuse to answer in the way that he does; and it is not the first time. I am giving that as an example because it happened the other day. But he knows there are *many* examples where we have stood up in this House, asked him questions and he point blank does not answer. And it is not just him, it is other Ministers. But civil servants *would* answer because they are politically neutral and they would provide the information to a Committee of this House with respect. He talks about respect and I will have something to say about that.

2880 Nobody believes. Nobody who has followed the detail of what is being debated today, believes that they have not delayed the conclusion of these reports. Indeed, he made what was a damning admission. He said that he accepted that the delays of the Supplementary Appropriation Bills delayed the publication of the reports. That was a damning admission. That is precisely what I am saying and that is precisely what we talk about.

2885 So to the charge as to whether they deliberately delayed the conclusion of the Principal Auditor's report and its publication, the verdict is guilty on his own admission. On his own admission. If Brexit obstructed things, and COVID, I am the first to say and understand that of course Brexit and COVID were huge challenges. Brexit is still a huge challenge for Gibraltar but that did not stop the Government continuing with normal business on other fields.

2890 So why is it that in relation to this, making sure that all the Supplementary Bills go through all the stages, through this Parliament, there you pray in a Brexit or later something else? I will talk about this in a bit more detail.

2895 But the Supplementary Appropriation Bill for 2016-17 was published in January 2018; and the 2017-18 was published in March 2019, not taken in this House. The January 2018 was not taken and passed in this House till July 2021, three and a half years later. In the meantime, there was actually quite a lot of Government business being done; and let's not forget that the parliamentary break, in relation to COVID, was principally between March and May 2020 because after May we came back, in a limited form, and in June/July we were back to normal business almost.

2900 Yet these Bills were not taken and the Hon. the Chief Minister says, he *thanks* the Principal Auditor for pointing out things that they corrected or are correcting. That presentation is almost *Orwellian* in nature. So everyone who has been subjected to hearing about the Principal Auditor's

report for the last five weeks should now realise everyone who is in shock or has been angered by the issues, should realise that instead of being angry you should be thankful that the Government has done such a great job. It is *Orwellian*.

2905 Does anyone seriously believe the things that are emerging from the Hon. Chief Minister's mouth on that issue? How desperate is he to defend himself about the criticism? It would be better, it would sound better for him to be a bit more self-effacing about the issues and accept there were things that we got wrong. There were things that are pointed out that were wrong. Not lay the blame at the GSD door all the time because people do not believe that, when he has been Chief Minister for 12 years and when it is obvious when you look at the detail that these
2910 things, some of these things, did not happen because of GSD issues.

It would be better for his credibility, out there, on this issue, the Principal Auditor's report, if he was more self-effacing on the matter. But he will take his own counsel on that issue; and not mine.

2915 Madam Speaker, I absolutely respect the election result. I *absolutely* respect it. I always do. But what I will say is this, because he has mentioned it several times that it has been the verdict of the people of Gibraltar that they should not have a public accounts committee for the last four elections.

2920 Well, I make the same point that I have made on many occasions when we have debated, when he has made similar points in respect of any granular point that happened to be in their manifesto at the time. In my experience, my *limited* experience – limited in the context of the Father of the House, because he has much more extensive experience than I do in politics – I have only been around for 30 years. I am not sure one can make as simplistic an analysis as saying that if I get elected, everyone has agreed with every single dot, line or comma of my manifesto.

2925 So to suggest, somehow, that the people of Gibraltar, as a collective, have formed the view that they do not want a public accounts committee because they do not want there to be scrutiny in that way, or accountability in that way. I think it is a facile, superficial position, with all due respect to him. I think that is not how people vote.

2930 People will vote on a panoply of reasons: some people will vote because they have a housing issue and they agree with him; or some people will vote because they agree with him on something else; or some people will vote because they like him; or some people will vote because they like *other* Ministers.

2935 But to suggest that people have voted, and as a collective, the people of Gibraltar endorse their position that there should not be a public accounts committee is in the same way not serious, because he said at certain parts of his contribution that our position is not serious. Well, I will tell him that *he* was not serious when he said that.

The hon. Member, you know, donned his best (*Interjection*) altar-boy expression. Yes, I was struggling, I had the Spanish in my head. He donned his best altar-boy expression to say that they respect us all the time. But we do not respect them. I just find that staggering.

2940 With all due respect to the hon. Member, there are harsh things said on both sides in the normal course of things. Let him, please, not pretend that somehow he arrives in these political debates with some saintly aura, as if he never gets his hands dirty. His very last contribution on this particular debate, trying to personally attack someone who is not even a Member of this House, shows that he is quite prepared, under the guise of privilege in this House, to say whatever he wants on any issue irrespective of the consequences.

2945 The hon. Member said, in his scattergun approach to contribution, he talked about us voting against the budget as if somehow that is relevant to the Motion on whether there are delays or whether in fact, we should have a Public Accounts Committee. He called it 'the arrogance' of voting against every budget. I made a note, what happened to what we were told a few minutes before, that we could have legitimate democratic differences of opinion? What happened to that?

2950 Why is our position of voting against the budget arrogant? What happened to respect? What happened to respecting our political view? We may have a different view. We have come to the

view that we should vote against the budget on some reasons that we have specified on a number of occasions, that I will not repeat on this occasion, but no doubt we will repeat in due course.

2955 **Chief Minister (Hon. F R Picardo):** Madam Speaker, I intended no disrespect to the hon. Gentleman, but I *have* to go outside to make a phone call.

If he wants to move on to replying to others ... But I have to go out and I have to make this phone call. (*Interjection*) Or recess for ten minutes if he prefers. It is up to him.

2960 **Hon. Dr K Azopardi:** It is probably best to recess because I am on his contribution.

A Member: It gives everybody a break.

2965 **Hon. Chief Minister:** Whether the House should recess for 15 minutes to 10 past nine, Madam Speaker?

Madam Speaker: Yes, for 15 minutes.

The House recessed at 8:55 p.m. and resumed its sitting at 9.10 p.m.

Madam Speaker: The Hon. the Leader of the Opposition had the floor.

2970 **Hon. Dr K Azopardi:** Madam Speaker, for the benefit of the thousands of people who are listening at this hour, I am going to start the point that I was making before I was interrupted again.

2975 So the Chief Minister in his contribution said to us, the arrogance of us voting against every budget – and this is someone who of course had said, and contributions on that side talked about that it was perfectly fine to have democratic politically legitimate differences, and that is a democratic legitimate difference that we have. Because it is certainly not arrogance to vote against them; we do so for reasons that we explain.

2980 We have explained before in the budget sessions to this House, and no doubt we will again in future if things do not change, because of course there are reasons why we do that. Again, he adopts this fairly peculiar, rather provincial view of things as if, ‘Well, it has always happened in that way until you broke the pattern. It has always happened like that in Gibraltar and therefore it should always happen like that in future’. Without adding that in *many* mature democracies in the Western world, Oppositions regularly vote against the budgets without anyone thinking it is strange; and they do so for legitimate political reasons, too.

2985 So, with all due respect, I do not think that it is either arrogant or indeed strange, because we have supported our position and it rather flew in the face of his own statements that they showed respect to us and yet they call our position arrogant. Well, then, that is a matter for him again.

2990 I have spoken before, during the initial parts of my contribution, about his repeated references to the sins that the Principal Auditor points to are all seeds of the GSD. That is palpable nonsense when you pick up this report. I know that is what he wants people to believe, but that is palpable nonsense.

2995 He can point to the original early-exit scheme being a GSD creation. What he cannot do is to then point to the GSD as being the reason why he decided to introduce schemes in six other entities. Nor can he point to the GSD in saying that he then changed the terms in particular different directions. Nor can he point to the GSD when his Government awarded the elderly care contracts in Hillside’s Bella Vista and John Mackintosh Wing between 2015 and 2018. That has got nothing to do with the GSD.

Nor can he point to the GSD on the Europa Sports contract. Nor can he point to the GSD on the deficiencies or the obstructionism of the Principal Auditor on the lack of information. The breaches of tendering laws, those are not faults of the GSD, they are the faults of his administration. Nor is it the fault of the GSD that people were abusing overtime in his time.

Now, it is clear that he said when he made that admission that the publication of the Principal Auditor's reports was being slowed down. He says he gives information to this House that on the 2018-19 Principal Auditor's report should be ready by December 2024. That is already four years after the event. I will have more to say about that timing so that people can understand the difference between his administration and the GSD because he is very keen about emphasising differences. So I think it is important that they stand on their track record.

He likes to talk about track record, so let's talk about *his* track record when we get to that stage. In one of his more emotionally enthusiastic, being-carried-away moments, he said that I was the equivalent of standing on the Hill in Congress. *Trumpian*, he said. Well, perhaps I will say this to the hon. Member: I think that was a moment when he was really getting carried away. Perhaps when he reflects a bit more about the consequences of what he just said, he would withdraw that comment, because being *Trumpian* and standing on the Hill in Congress was a person who did not accept the result of an election, and who could have incited or be seen to incite, in effect, rebellion. And I think that is so far removed from the position of the party that I lead that, on cold reflection, he might think he got carried away to say no more than that when making that assertion.

If there is anything *Trumpian* about the position, Madam Speaker, if there is anything *Trumpian* it is to say that it is all the GSD's fault. If there is anything *Orwellian*, it is to say it is all the GSD's fault because no one believes that. No one believes that after 12 years of Government when someone reports on your time in office it is somebody else's fault. Nobody believes that.

Nor is it the case that the caricature that he made of the type of people who were flocking to the GSD correct, either. People were not flocking to us because the GSLP was standing in the way of abuse. I think if there is anything *Orwellian*, that is what it is. So, somehow, they are the guardians of good governance, doing nothing wrong, doing everything right, being the most accountable and scrutinised Government ever. But if anyone supports us, it is because they are in favour of abuse.

Well, with all due respect, Madam Speaker, that is a disrespect of the electorate or the people who do not support them, because that is to put everyone who supports us in a container that they tolerate waste or abuse, or want particular concessions that are outrageous or unacceptable. There are many people who support us but they supported us for different reasons.

Again, it is impossible to categorise why people support us on a one-dimensional level. But it is disrespectful of the electorate and the people who supported the GSD at the last election, to somehow categorise people who supported us as being people who wanted to undermine good governance in some way.

Then he tries to joke at this late hour. I know he likes to pepper his speeches with jokes. So he makes a joke about our 'Time for Change' slogan. Our Time for Change slogan, he makes a joke. The problem is that, of course, Time for Change was never our slogan. But with the Hon. the Chief Minister, why let the truth get in the way of a good story? Let's just invent that we had the slogan because it fits with the story and now let's make the joke. Unfortunately, that was not the slogan.

He talks about contracts made without tender or contracts gone wrong, and he gives a few peppered examples of unnamed contracts. I still do not know what £1 billion contract means. From time-to-time he talks about this £1 billion contract, I am not sure what exactly he is talking about because he never gives further and better particulars about it.

But has he forgotten, if we are going to talk about contracts awarded without tender or contracts gone wrong, has he forgotten? Do they really want to talk about that? Because has he forgotten their award of a £2.5 billion project to a company that did not even exist when an expressions of interest process was run? Has he forgotten the award of the Victoria Quays project

3050 without tender; or the contracts gone wrong at Harbour Views? The disastrous Harbour Views that needed to be 'recladded'?

Or if he wants examples of opacity, the opaque unaccountable CSSL involvement in the murky dealings; and I mean murky by opaque dealings in respect of the structures behind the national economic plan. Has he forgotten about that?

3055 Then when he turned to Meddoc, he made a big thing about ... I have to say he protests too much about Meddoc, because he implied that he was outraged about the fact that we call it the 'suspect' Meddoc contracts. But we called it the suspect Meddoc contracts as shorthand because the Principal Auditor says they are suspect.

3060 The Principal Auditor was not satisfied that the contracts to Meddoc had been awarded to the most competitive bids. He found that he could not get information when he asked for it. He found that there was a breach of tendering laws. He found, bottom line, that he was not satisfied that the best value-for-money bid had been awarded, *ergo* to Meddoc; and therefore they are suspect for those reasons pointed out by the Principal Auditor. Not because we say so but because the Principal Auditor says so. It is not that our press releases were close to libel, we were taking what the Principal Auditor said and repeating it. That is all.

3065 I know he wants to pick a fight with us to distract from the Principal Auditor's reports, but the uncomfortable things that are being said are being *repeated* by us, not *invented* by us. The original source is the Principal Auditor's reports. So if he has a problem with the findings, address the findings.

3070 But the hon. Member's contribution, which was long and wide – and I have not replied on every single issue. I am replying on the amendment, because the amendment replies on the two central pillars of the original motion, so I am going to address that. The amendment addresses that and the issue of the politically engineered delay. So let's talk about that, because that is a central point which is addressed by the hon. Member in his contribution and in the amendment.

3075 I want to explain why they are politically engineered. Despite the previous promise to be speedier because under the law the accounts have to be transferred by the Accountant General to the Principal Auditor within nine months of the end of the financial year, unless time is extended by the Minister for Finance – the Chief Minister, who gave himself an extension of time to do so when Supplementary Appropriation Bills had been legislated by this House.

3080 We are not saying that this was a cause of the delay. We *are* saying it, but we are repeating it once again, because this is contained in the Principal Auditor's report. It is not our invention. It is very clear from the Principal Auditor's report that he says it is an issue of delay.

He says in page 369 of his report, the Public Accounts of Gibraltar:

I agree that the audit reports on the Public Accounts of Gibraltar to be presented to Parliament need to be submitted on a timely basis. However, there are a number of important factors that have contributed to the delay in finalising my report.

And he puts as his first reason the: 'Delay in enacting the Supplementary Appropriation Legislation.' And he talks about that massive delay.

The Public Accounts of Gibraltar could not be finalised until the corresponding supplementary appropriation legislation had been approved by Parliament. Consequently, the audit of the 2016-17 and 2017-18 public accounts could not be completed until the Supplementary Appropriation (2016-17) Act and the Supplementary Appropriation (2017-18) Act had been taken to Parliament and approved. This took place on 27 July 2021.

3085 The Chief Minister has already admitted that had an effect on slowing the publication of the report. It is an obvious point, despite him saying to this House that it would be different, that they would proceed differently, because as my hon. Colleague, Mr Clinton has said on 2nd March 2016, he came to this House and said that the practice, in future, will be that the Supplementary Appropriation Bills will be published earlier, and within the statutory nine months after the close
3090 of each financial year; prescribed for the submission of the annual accounts to the Principal Auditor under section 52 of the Public Finance Control and Audit Act.

So he said on 2nd March 2016, 'I am going to do this within nine months'. But the wheels have fallen off that wagon, badly; and that is having an effect, as the Principal Auditor says. And that is not something that I invented, it is a clear cause.

3095 What is the effect of the delay? Well, the effect of the delay is simple: the effect of the delay is to bury the truth on financial issues, to bury the scrutiny – and bury and slow down the publication of the Principal Auditor's report.

It is obvious: it delays value-for-money audits. It delays the ability of investigating. It delays the publication and it means things do not surface – politically uncomfortable things. All of that is natural consequences to the decision to slow down the process of Supplementary Appropriation Bills. All of that has natural consequences, whether he likes it or not.

3100 He may think that is an uncomfortable truth, but my role is not to make his life easier. My role is to say it as I see it; and what I see, on this side of the House, is that he is engineering political delays for his own benefit.

3105 Before the 2006 Constitution, Madam Speaker, the Principal Auditor had to send his reports to the Governor before they were tabled in the House, and that tended to cause a delay. This was acknowledged by the Father of the House in a speech he gave in 2007, where he was talking about the receipt of the Principal Auditor's reports and accounts and he said:

Now we have the 2004-05 final audited accounts, and in addition, the 2005-06 audited accounts, which have arrived sooner than was the case previously, because under the new Constitution the Principal Auditor sends his accounts and reports directly to this Parliament without first submitting them to the Governor, as was the requirement under the previous Constitution.

I would like to take the opportunity to congratulate the Principal Auditor, both on providing the 2005-06 audited accounts so expeditiously to this Parliament and also on the contents of the report. The Principal Auditor completed his work this year by April and it makes the audited results much more relevant to have the details for the 2006 financial year when we are debating the 2007 budget, than to have a two year time lag, as has been the case until now.

3110 The Father of the House recognising several things: first of all that the changing constitutional practice meant that it could now be swifter after 2006-07; and that the two-year lag was the case before, and that a shorter period was more helpful to Members of the House. All of that supportive of what we are saying, and all of that supportive of the fact that when we are now contemplating reports that are six years old, seven years old and will be five or six or seven years old as we go forward because the delay is now locked in relation to subsequent financial years. It is unhelpful to the cause of scrutiny and accountability and the work of the Opposition; or indeed the public, the taxpayer, value for money, all those issues.

3115 In fact, Madam Speaker, what is clear ... and I think it is important to talk about this because the Hon. the Chief Minister likes to talk about the GSD in office and likes to expose our differences and so on. So let's talk about that. Let's talk about the GSD in office because as the Hon. the Father of the House said in his contribution in 2007, and indeed is supported when you look at the dates between the end of the financial year and the publication of the Principal Auditor's report during the term, the 16 years of the GSD being in office.

3120 The first period before the 2006 Constitution, and for the reason that the Hon. the Father of the House gives, there was on average a lag of between 18 months and two years because the report had to go via the Governor and it slowed the whole process down.

3125 When that was changed as a result of the 2006 Constitution, it made it much quicker. So what was it? What was the experience under the GSD Government, especially during that last stretch after the new Constitution was put in place, the new Constitution that is governing the way that they are handling the public affairs of Gibraltar?

3130 Well, I will tell him, because the Principal Auditor reported to this House in respect of the following financial years on the following dates.

For financial year 2005-06 on 31st May 2007, 14 months after the close of the financial year.

For 2006-07 on 3rd April 2008, 12 months after the close of the financial year.

For 2007-08 on 2nd April 2009, 12 months after the financial year.

- 3135 For 2008-09 on 8th April 2010, 12 months after the close of the financial year.
For 2009-10 on 16th March 2011, 11 months after the close of the financial year. And, by the way election year, without any attempts to politically engineer the delay of the conclusion of the report.
And for 2010-11 on 17th May 2012, 14 months after the end of the financial year.
- 3140 But, Madam Speaker, that is the GSD experience, that is the GSD in office. Eleven to 14 months. But the wheels have fallen off the accountability wagon; the guardians of good governance; the GSLP-Liberals. But in fact, through this deliberate mechanism of delaying the Supplementary Appropriation Bills they have delayed scrutiny and the work of the Principal Auditor because where are we now? Where are we when we do the similar comparison?
- 3145 Let's do the similar comparison of recent years, because it started off well, they were fairly quick initially, but then 2015-16 in January 2019, nearly three years after the close of the financial year.
The ones we have just got, 2016-17 and 2017-18: 2016-17 six years and 10 months after the close of the financial year; 2017-18 five years and 10 months; and 2018-19, if we get it in December, will be more than five years after the close of the financial year. Five and a half years, if we get in December, as predicted by the Chief Minister.
- 3150 So where are we with the others? The 2019-21 Supplementary Bill is pending. We are now nearly, even if the Bills are taken in March – and I will address that in the specific wording of the amendment – that is already three years after the close of the financial year. Three years.
- 3155 And because of that, it will not be expected that the Principal Auditor will just take that and then immediately publish it. There will be a lag, because he will do the work that he normally does ... I do not know what kind of work, I do not sit on his shoulders, I do not know exactly the process that he follows. But it is obvious that once that Bill is passed there will then be a time lag to the publication of the Principal Auditor's reports.
- 3160 So the effect of that will be that even if those Bills are passed in March, we are now not going to get the Principal Auditor's report for the financial year ended 2021 for probably another long stretch of time; and by the time we get it, it might be five years after the close of the financial year. That is the reality. It might be close to the next election or maybe it might be after the next election. Who knows, given their track record?
- 3165 So that is the reality of what we are seeing. People understand it, when I talk about 'politically engineered' the Supplementary Appropriation Bill for 2016-17 was published in January 2018. This was two years before COVID.
There was an intervening general election, it was not taken before the 2019 election and you might think – the natural observer might think: 'Well, it was convenient because it obviously had the consequential effect that the Principal Auditor could not publish his reports.' And the Chief Minister will say, 'Oh that is so unfair, so outrageous.' But he is such a beneficiary of that and he is in control of the timetable; and he is in control as Leader of the House, of the Government business.
- 3170 So he cannot have it both ways. He cannot be in control of the business and then if we accuse him of slowing it down with that natural consequence, say it is unfair. If he wants us not to criticise him on that issue, well then make sure that you do what you said you would in March 2016, and take the Bills through the Parliament in a speedier way.
- 3175 It was so slow that they had to do it after the 2019 election. But they did not do it immediately after the 2019 election. No, they did it in July 2021, so late that here we are, those reports have emerged after the 2023 election, and hey presto he was the beneficiary of that. Also a fact, whether he likes it or not, an inconvenient truth.
- 3180 The Supplementary Appropriation Bill for 2021, Madam Speaker, was published in February 2022, 18 months before the last election. It could have been taken then, before the last election. No. They do plenty of parliamentary business when they want to. This was to ensure that the Principal Auditor could conclude his reports; and yet it did not happen. People will make their own mind up as to why that is the case.
- 3185

The hon. Member can say as much as he wants, that they had pressing business on this, that or the other. But when it is convenient, they do what they want. So he will forgive me for not accepting that as the easy answer to the problem.

3190 Where this leads us, Madam Speaker, is that the result of all that is a democratic deficit. It is as high as that. It is a democratic deficit because the Principal Auditor is a constitutional officer of independence, intended to conclude important work on the scrutiny of the Government accounts in a way that we could never do. Because he has the resources, the team and the ability to seek information directly from civil servants and the Government, in a way that we could never do. To
3195 get answers in a way that we could never do. That is not just my view, that is the view of the Principal Auditor; and yet that is the conclusion.

So when the Principal Auditor's work is blocked to the point that he cannot conclude his reports, of course it is a democratic deficit. It is a double democratic deficit when there is not a public accounts committee to support the work; because if the Principal Auditor was blocked, but
3200 we had a public accounts committee, we could be much more incisive about it. And yet the report reviews and reveals that not only is there a democratic deficit, that that Principal Auditor believes that his independence is being undermined and that he is being obstructed in the process of seeking information. So if they have got nothing to hide, they will get on with it, and they will also make sure that in future they get on with it too.

3205 It is not just about comparing when the Principal Auditor's reports were published during the GSD period of administration. Because all the GSD could do ... the GSD could not publish the reports, it is up to the Principal Auditor, who is independent, but it is interesting that the publication of the Principal Auditor's reports was coming so soon after the end of the financial year.

3210 It is interesting that under his administration, especially in the last six or seven years, they have done the reverse, they have slowed it down so that you cannot get the publication of those reports; and people will make up their own mind as to what that means. But it is instructive to compare when the GSD was taking the Supplementary Appropriation Bills through this Parliament and when *they* are. Because I have explained what they have done with the Supplementary
3215 Appropriation Bills that were published in 2018, 2019 and in 2022, and not taken.

So what did the GSD do? Well, I will tell him, because he is so fond of comparisons. So let's compare, shall we? Because he is fond of comparisons and I know he may find this uncomfortable, but let's make the comparison. We can take any year, but the average is that the Supplementary Appropriation Bills were being taken by the GSD within that financial year, or within months or
3220 days after the end of the financial year.

So let's start. Let's give examples. Look, 1996-97, our very first year, on 17th March 1997 the Supplementary Appropriation Bill for 1996-97, that year, within the financial year. I will not bore the House with all the dates, but let's rattle them off:

In 2000-01 on 26th March 2001 that year;
3225 In 2001-02 on 25th March 2002 that financial year;
Within the financial year 2002-03 on 29th April 2003, one month beyond the financial year;
In 2003-04 on 30th June 2004, three months after the financial year;
In 2004-05 on 23rd June 2005, three months after the end of the financial year;
In 2005-06 on 19th April 2006, 19 days after the end of the financial year;
3230 In 2006-07 on 31st May 2007, two months after the end of the financial year;
In 2007-08 on 27th May 2008, two months after the financial year;
In 2008-09 on 30th July 2009, four months after the end of the financial year;
And in 2009-10, the last Supplementary Bill that was passed by the GSD before they lost the election, on 8th November 2010, seven months after the financial year.

3235 When you look at all that and you compare to *their* record in office, their recent record: 2016-17, four years and four months after the end of the financial year; 2017-18 on 27th July 2021, three years and four months; 2018-19 on 27th July 2021, two years and four months; 2019-21,

even if it is taken in March this year as the amendment suggests, three years after the end of the financial year.

3240 That is the difference between them and us that, on average, we are taking our Supplementary Appropriation Bills within a month or two of the financial year. They are doing it years after with an obvious effect. The obvious effect is that they delay the Principal Auditor's report, its conclusion, its emergence and they are the political beneficiaries of the lack of scrutiny.

3245 Madam Speaker, a few words about the Public Accounts Committee, if I may. My hon. Colleague, Mr Clinton has at length explained the rationale behind the Public Accounts Committee, and of course we accept there is a difference of opinion. We do not agree with them. But I will say, why we disagree with them that there should not be a Public Accounts Committee for Gibraltar, and therefore cannot agree that aspect of the amended Motion that suggests there should not be a public accounts committee for Gibraltar.

3250 Perhaps the starting point, if I may, because the Public Accounts Committee in the Westminster model has a long-standing history, started in 1861 under the Prime Ministership of William Gladstone. Who, the Father of the House will be delighted to know, was Prime Minister at the age of 85. So perhaps he will throw his hat in the ring in the succession contest to come shortly on that side of the House.

3255 But the Public Accounts Committee has been described by the eminent constitutional historian, Peter Hennessy, as the Queen of Select Committees, which by its very existence exerted a cleansing effect in all Government Departments. Indeed it did. And it may be that for some time we have been speaking about a Public Accounts Committee on this side of the House and perhaps it has seemed an esoteric concern.

3260 But I would venture to say that if people did not fully see the need of a public accounts committee or appreciate it, in the face of an opaque Government that manages Gibraltar's affairs in this way: not willing to give answers; not willing to give straight answers to straight questions; not willing to provide information, not even to the Principal Auditor; obstructing accountability; and in the face of this Principal Auditor's report I venture to say that people understand the argument for a public accounts committee so much more now.

3265 So if there is one thing I am grateful to the hon. Member for, is to having ensured that people understand why we *should* have a public accounts committee; and a public accounts committee is complementary to the Principal Auditor and the work of Parliament. And of course it *should* be. And anyone looking at the work of public accounts committees across the Commonwealth would be struck by the work that is done.

3270 It is not intended to be partisan. It is a forum where you advance the work of value for money, and scrutiny, and accountability. Because if we are a modern democracy, if we are a mature democracy, which I believe we are, we cannot stay as we were. We change things all the time, Madam Speaker, we change things all the time because things change around us. So technology changes the way we work and we do things different in the Health Authority or in the care services.

3275 We do things different in how we sell goods or transact financial services; but in this House we are supposed to pretend that the working practices should not change and the composition should remain the same, broadly. And nothing else should change, and even though the world changes around us and even though other places get a public accounts committee for good reason, 3280 Gibraltar should stay in a cocoon because we are special, we do not *need* that level of scrutiny because somehow we are blessed with a Government that are the guardians of democratic accountability.

Well, I am sorry but I just do not buy those arguments, because democracy evolves and is dynamic and changes, and you need to move and amend things and practices to ensure that you do things in a better way; and when you look at the work of public accounts committees around other jurisdictions you can see the value of those committees.

The Motion that was suggested and put forward by my hon. Colleague, Mr Clinton suggests a membership of four, with the Chair being a Member of the Opposition. I should say that that is a stop-gap composition because in my view the future composition of a public accounts committee

3290 should be made up of backbenchers on both sides. That would be a better way of proceeding and indeed there should be, possibly, also extra parliamentary Members. That is the case in other jurisdictions.

When you look at the Public Accounts Committee of Jersey, for example, they have extra parliamentary Members as well as Members of the States of Guernsey – and there is even a job spec which is available online if anyone wants to see it, about how to join the Public Accounts Committee of Jersey and what your role and description is.

3295 So it is clear that the Public Accounts Committee is an important watchdog of value for money and scrutiny; and through its mechanisms and indeed through lay and independent members, can ensure relevant information and make recommendations and actions. It has powers, and when you look at the Handbook on Oversight – which was published for the Commonwealth, which I was alluding to earlier – it is also obvious that a public accounts committee should have an ability to seek Government’s responses on specific issues, which would be provided on a much more timely basis on matters of importance of value for money.

3300 All of that is important to guarantee a better handling of public monies. Because this is not a *game*, Madam Speaker. However much the hon. Members on that side may want to convert it into it, it is not a game. This is about handling the people’s money and when they have the privilege of being elected to the Government of Gibraltar they are handling the people’s money on sacred trust. That does not mean, therefore, that they behave as if it is their money and shield it from visibility. It does not mean that they obstruct the Principal Auditor and it does not mean that they obstruct a public accounts committee.

3305 It means that they administer the people’s money in a democratic context where there are checks and balances on the administration of governance and the financial administration. That means also ensuring that there are all these constitutional structures.

The hon. Member talks about and he relies on the 2013 Commission on Democratic and Political Reform, and what I would say about that – because of course it was chaired by a former Chief Minister that I hold in great respect – but the analysis in the entire report on the issue of the public accounts committee is, with all due respect to those authors, flawed and based on a history that does not need to inform the future.

3310 So, for example, in the whole report there is, in effect, three paragraphs that talk about a public accounts committee, in the whole report. The first one is a paragraph that does not express a view one way or the other, it just says we need to consider whether there should be a public accounts committee, as it existed between 1980 to 1984. That Committee was composed of two Opposition Members, one of whom was the Chairman, and two Government Members. So that paragraph does not express a view one way or the other.

3325 In the next paragraph, what they say is there have been varied views from responders, in the main there has been support for a public accounts committee, and there have been suggestions that such a committee should be chaired by a Deputy Speaker and that backbenchers should form the backbone of that committee. That paragraph does not express a view – *their* view – but expresses the view of the people who responded to the consultation. And the people who responded to the consultation, in the main, supported a public accounts committee.

3330 So, where is this collective Gibraltar population who is against the public accounts committee? When the 2013 report, which they themselves rely on, says that in the main people who responded on the issue supported it. But that does not express the committee’s view, it expresses the people’s view.

3335 Then he says that they are of the view, the committee, that the Public Accounts Committee proved ineffective in 1980 to 1984. In other words, 33 years before the report, that committee proved ineffective because Ministers were expected to scrutinise and question senior executives of their Ministerial colleague’s department.

3340 If a public accounts committee were to be set up, it would be essential for Government backbenchers to take the place of Ministers. Well, that sentence is not telling you either that they

are against it, because it conceives of the possibility that it might be set up as long as there are backbenchers. Well, that is the position that we share.

Where they do express the negative opinion is in the following sentence: 'We have concluded there is no need to establish a general purpose standing committee, nor a public accounts committee, given that Opposition Members have every opportunity to examine Government expenditure in detail, as well as debating the report from the Principal Auditor on the Government Accounts for every financial year.'

That is the only sentence in the entire report where they express any analysis on the issue of whether or not there should be a public accounts committee, and express a negative opinion. *That* sentence, which is the pillar on which they are building their argument, is flawed. A flawed analysis. It is a flawed analysis because not even the Principal Auditor agrees with them in the lengthy paragraphs read by my hon. Colleague, Mr Clinton. And it is obvious that Opposition Members do not have every opportunity to examine Government expenditure in detail.

Anyone listening to the sessions of this House, the meetings of this House can see how they do not answer and then we run out of Supplementaries; or they do not provide information. Anyone can see if they were to just take a casual 15-minute expedition into the Jersey Public Accounts Committee and watch a session for 10 or 15 minutes. Anyone can see if you look at the Bermuda session for a few minutes. Anyone can see that kind of inquiry is not possible in this Chamber. And anyone can see that debating the report from the Principal Auditor is not the same as the scrutiny delivered by a public accounts committee because here we are debating the Principal Auditor's reports – (*Interjection*) Well, we are debating the principal ...

The hon. Member from a sedentary position, the Father of the House says we are not debating a Principal Auditor's report. But we are in effect, because there have been a number of allusions to the Principal Auditor's report and sometimes allusions to things that have nothing to do with a Principal Auditor's reports.

So here we are, debating it, but it is obviously not the qualitative equivalence of a public accounts committee; and it is entirely twisted logic for them to say that the people who supported them, supported voting for no public accounts committee.

I said before in my contribution that the reason that GSD did not introduce a public accounts committee was because the hon. Member opposite made very clear his opposition to it. Very clear. The Hon. Father of the House made very clear his opposition – and he says 'Yes' from a sedentary position, because he has been consistent. I told him that he has evangelised his position almost.

But I will accept that the GSD made a mistake because we should have proceeded in a different way and found more imaginative ways ahead. And that is a mistake that we are not going to make again. If we are elected to Government we *will* deliver a public accounts committee.

I accept that that is a difference of opinion. It is a difference of opinion and there we are. And therefore that aspect of the amended Motion, of course we cannot support, because we do not believe what they seem to believe in that evangelical way.

Yes, of course, there has been criticism in other public auditor reports, but not to the level of that we are seeing here. We are not seeing things like the number of times that the Principal Auditor talks about the breach of the tendering laws; or even the example where he gave of the Chief Minister approving invoices; or an auditor not satisfied that big multi-million pound contracts were awarded to lowest bidders; and Government clearly obstructing the flow of information to the Principal Auditor. A catalogue of serious value-for-money issues of waste, and in some cases of abuse.

A Government that is opaque and untransparent, with poor oversight, lacks procedures. Because that is the central accusation of the Principal Auditor. Again, not my accusation, the Principal Auditor's: bad value-for-money mechanisms; lacks procedures; a Government keen on putting the lid on inconvenient truths.

The Chief Minister correctly quoted, because I have said publicly that this cheats the Taxpayer. And I mean it: this *does* cheat the Taxpayer and families, because people rightly expect more. I do

not mean 'cheat' in the sense that Ministers have their hand in the till, I am not talking about that. What I am saying is that if you are on sacred trust handling the people's money, and you are presiding over systems that do not deliver value for money, that cheats the Taxpayer. It is obvious.

3395

You have got to reach the conclusion. I know the Chief Minister wants us to reach the opposite conclusion that these things have been found but everything else is hunky dory. But our view is different. Our view is if these things are found in a spot check, what else is there?

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Is this the tip of the accountability iceberg, because we are finding out about these things that happened six years ago. So what else has happened more recently? What else? What other contracts, what other land deals, what other abuses, what other examples of waste, what other breakdowns in value for money? That is the reality of the context of all this.

3405

So, Madam Speaker, that is why we conclude that what the Government are seeking to do is bury the process, bury the questions, bury the answers, bury the information by slowing it down, by delaying the Principal Auditor in not being able to conclude the reports. And that prevents accountability.

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Having donned his best altar-boy look, the Chief Minister then presents us this amended Motion. He has just told us, during the course of a speech, how respectful he is and so on; and yet you go through this and it is a monument of partial self-congratulation and a political tool. Let's go through it.

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There are parts that we welcome, up to a point. There are other parts that make it so egregious. It is deliberately so, and it is worded that way, and he knows it. And we have known each other long enough to distinguish his tools, and surely he understands that. If he really wanted to produce an amended Motion that had a scintilla of a chance of consensual approach, he knows that this is not the way and there is not even an attempt; and when you get to the end there is a big hand grenade thrown in. Just, why not?

3420

Madam Speaker, this amended Motion, when he has a paragraph that says that it *commends* the Government for its continued assistance and co-operation with the Principal Auditor, and he is assured by the Government that he will continue its customary assistance and co-operation in assisting the auditor. That is *Orwellian* in the face of a Principal Auditor's report, where it is obvious he is not getting the assistance from the Government and it is obvious that he – the Principal Auditor, who I have never spoken to in my life – feels that his independence is being undermined.

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How are we going to commend the Government for assistance that the Principal Auditor does not believe he is getting? Self-congratulatory nonsense that does not stand up to scrutiny in the face of the Principal Auditor's Report. It flies in the face of the Principal Auditor's Report on aspects that are detailed in that report.

3430

Madam Speaker, there are paragraphs where the Government is indicating that it intends to take the Supplementary Appropriation Bills for 2019-21 and 2021-22 at the next meeting of Parliament, in March. We welcome that (*Interjection*) although of course it is a very long time after it should have been taken. But of course we welcome it because that is what we asked for in our original Motion. So we welcome it. But that is as far as it goes, because the next paragraph that they are asking us to agree is twofold. First that in the last general election the electorate decided that there should not be a Standing Committee on public accounts. For the reasons that I have indicated, I do not accept that that is the case. I do not believe that people vote in that way.

3435

So of course we cannot believe that, nor can we support a paragraph that suggests there should not be a public accounts committee because they delete the rest of it. So we do not accept that, obviously. Insofar as the line that the House would confirm the importance the House places on the excellent work of successive Principal Auditor's, of course we welcome that and of course we could agree that.

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The next paragraph notes that the contracts awarded for the provision of care to Meddoc and other providers was the subject of tenders and negotiations designed to reduce the price paid to the Taxpayer, despite the relevant information in this respect, unfortunately apparently not

3445 having been provided to the Principal Auditor, he invites the Principal Auditor to review this part of this report with the further information available.

Madam Speaker, anyone picking up the Principal Auditor's report on that aspect will be struck by his conclusions. I am talking about the paragraphs that start at page 328 and end at 334. The Principal Auditor says at page 334, in relation to the three contracts awarded to Meddoc in relation to the Bella Vista, Hillside and John McIntosh Wing contracts:

I am unable to conclude that the contracts for the provision of healthcare services for the elderly in the three sites were awarded to the best tender submission bids in all three cases.

3450 He sets out a catalogue of problems, procurement regulations that were not followed, no procurement documents, no notices published, no written record of all stages of tenders, no signed formal contracts. Despite the fact that the hon. Member says he is going to table the contracts, but the Principal Auditor in his discussions and exchanges with senior officials of the Health Department could not get his hands on a contract, but the hon. Member just suddenly has
3455 produced one, because it was there. Why could it not have been given to the Principal Auditor?

The Principal Auditor says that one of the contracts was awarded to Grant Home Care and then removed because the Government said they owed money. But when he tried to verify whether they owed arrears he could not verify it; and there was no mechanism to verify it. And yet the Chief Minister stands and says, 'Well, they owed hundreds of thousands'. And presumably that is
3460 welded into the wording about the contracts award for the provision of care to Meddoc and other providers on the subject of tenders – *blah, blah, blah*.

How can we satisfy or support a paragraph which flies in the face of the conclusions of the Principal Auditor's report? When he says the opposite, the Principal Auditor says the opposite to what this paragraph says and invites the Principal Auditor to review this part of the report, with
3465 further information available. What is this, a court of appeal? Where we are going to say to the Principal Auditor, 'By the way ... I am the Government, I am in a position to provide as much information, you are requesting information backwards and forwards, I do not give you the information and now suddenly I do not like your conclusions. So can you please change your conclusions in some way?'

3470 Well, surely the way forward would be, as the Principal Auditor says in his reports, 'I sent a draft of this report to the Health Department and I am going to reflect their response in the 2018-19 reports. So whatever they have got to say to the Principal Auditor let them say it. Let them say it and let it be in the 2018-19 reports.

Then the final paragraph now calls upon the Principal Auditor to investigate, with the full co-
3475 operation of the Government – *blah, blah, blah* – the legality of the grant of certain contracts, etc. (*Interjection*) And, of course, that is not to have a lynch mob – *blah, blah, blah*.

But, look, Madam Speaker, the Principal Auditor is an independent officer under the Constitution. As far as I am concerned he can investigate whatever contract he wants. He can investigate any contract as far back as he wants and in the future, whatever he wants.

3480 He does not need our guidance to do so, and indeed I would say the framing of this paragraph is unconstitutional because under the Constitution, Section 74(3) of the Constitution says:

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

It is not for us to tell the Principal Auditor what he should or should not do. It is for him to decide. As far as I am concerned, if he wants to investigate these contracts, let him investigate it. If he wants to investigate other contracts, let him investigate them. He is not a political tool to be
3485 used because the hon. Members on that side think it is convenient. Let him investigate whatever he wants to investigate. That includes any contract given under the GSD administration or any GSLP administration. It is up to him but what we cannot do is subject him to directional control in an unconstitutional way.

3490 For all those reasons, therefore, we will vote against this amended Motion because it is simply
what always happens. It is a political twist of the hon. Member's making; a political twist that has
nothing to do with the reality, built around smoke and mirrors, which he does very well, but will
not obscure to the people of Gibraltar the reality of what is happening here. Which is that it is
clear to people *why* there is a need for a public accounts committee in Gibraltar, and it is clear to
people that the delay in the conclusion to the Principal Auditor's Report is politically engineered
3495 and that is why we need the Supplementary Appropriation Legislation to be passed at the earliest
opportunity. (*Banging on desks.*)

Madam Speaker: Does any other hon. Member wish to speak on the Amendment?

3500 **Minister for Inward Investment and the Savings Bank (Hon. Sir J J Bossano):** What is obvious
is that the Principal Auditor's report is seen by the Members opposite as a political tool and that,
therefore, the only interest they have in this is their attempt to continue the election campaign
beyond the fact that they have to wait three years to do it. It is not going to happen any time
before.

3505 The hon. Member opposite, when he is talking to this Motion, as amended, constantly behaves
as if he was under the mistaken impression that the enquiries of the Principal Auditor are handled
by Ministers who are stopping him from getting answers. Madam Speaker, I said in my original
contribution to the original Motion that there were things in the report that I had no
knowledge of.

3510 In fact, I can tell the House that there was an inquiry in the year that he is now doing, about
my Department, the Economic Development Department, where he was enquiring why we under-
spend, which should not surprise him. And I have never before been told what the concerns of
the Principal Auditor were in our case, it so happened that the Controlling Officer mentioned it to
me and the answer that he was going to give was, in fact, inaccurate.

3515 So if I had not accidentally found that out, then there would have been a report that contained
an answer which was not accurate because I knew more about it, about the reason for the under-
spending. So I am just pointing that out because in fact the hon. Member has, throughout, been
painting the picture that the elected Members in Government are plotting to stop the Principal
Auditor getting information.

3520 We do not know anything about the questions and we do not know anything about the answers
until we see the Book. Maybe it is something that should change because, maybe, if we were
aware of what he is trying to get and what he is not getting, we might be able to make sure that
he gets what he is asking for.

3525 But the hon. Member opposite must know that it works like that because he has been in
Government, and I am sure that this is not something that is happening new, but it has been the
way it has been happening all the time. So when he was in Government that must have been the
process that goes on now and has been going on since 2012, which is that the Auditor writes
letters to controlling officers. Of the 800 pages, or whatever it is, the bulk of the investigation is
the exchange of correspondence.

3530 I wrote to the controlling officer about this and he answered this; and then I wrote this and he
answered this. So that what we have is the bulk of the book, it is the correspondence between
the civil servant and the Principal Auditor which we have become aware of when the book has
been published; and that is converted into a theory that we have been conspiring to stop the
auditor doing his work.

3535 Then the hon. Member opposite expects us to believe that this is all a neutral thing and not a
political strategy. Well, he has just made it a political strategy by the way he has presented it.

I have said already that the Principal Auditor was mistaken in saying that the removal of the
12% to the people in his Department was something that he knew nothing about, and it was
something that would be interfering with the independence or the ability of his Department, or
3540 the way that it works.

Well, it is not true. I am telling the House that is not true because I remember distinctly that when I spoke with him he said, 'If it happens in the other places that get the 12%, I agree that you should do it, but not if we are the only ones that are going to lose it.' I am not making this up and I am not lying in Parliament, this is what happened. He may have forgotten it and therefore if that is construed as an element that he sees as trying to damage the work of the audit, then it does not make any sense because all that Members have to do is to look at previous compliments in that Department. And I have told him that before there was a typist, and the fact that the typist was there and got 12% was not damaging the Department. But now, if it is an AA and does not get the 12%, it is damaging.

It seems to me that in this particular instance it is not about saving money, but it is about trying not to lose the 12%, just like the other people do not try to lose allowances and other people do not try to lose overtime. So I explained the logic and the philosophy, which is a political view that it is better for people to move around the Civil Service and that it produces better management of material.

Well, if the hon. Members believe that because the auditor may not agree with that analysis of management, the auditor is entitled to impose his views on management, on the Government, and get the policy changed, then that is not the role of the auditor. The role of the auditor is to make sure, principally, that the money that this Parliament has voted has been spent the way the book says it should be spent, which is the legal authority to use money from the Consolidated Fund.

That is the principal element. That is where the £550 million are. And I have already demonstrated in my original submission that, in fact, that was not changed by any Supplementary Laws because from the beginning it was there and it is there, in all the years that the hon. Members want to find out what has happened to the money they voted – or did not vote, in their case. The information is there and they do not have to wait for the Principal Auditor to say how the financial year finished and whether there was a surplus or a deficit.

Members opposite have deliberately – I imagine, because it cannot be by mistake – tried to say there is something that is being hidden. Because the original reason for not voting for the budget – which came after four years in Opposition, and the hon. Members are there – the original reason was that they did not know where the money for the companies that was being passed as part of the vote in the Consolidated Fund, was moving from the Consolidated Fund into Gibraltar Investment Holdings and then into other companies.

The other companies are the companies we inherited from them losing money and have been losing money since. So if you have got a bus company and you decide that people should not have to pay fares, then the logic is that the bus company will lose money. The hon. mover of this Motion invented the concept in 2015 that we had two Books and that there was Consolidated Fund expenditure being done in the companies and that was what the £30 million was for; and that concept of the two books indeed, they said, the reason why you do not have a deficit is because the money is in the company. That is all in *Hansard*, that explanation, that was the original explanation that they gave; and because of that we will not vote.

Well, look, they do not have to give an explanation for not voting. If they do not want to vote, they do not vote, it happens in other places. It has never happened here with any other Government at all, but of course whether the fact that you say it has never happened here, that the Government does vote, the reply will be, 'Well, the fact that something has gone on for a very long time is no reason for doing it.'

So if we never have a committee like they want, and then the fact that we never have it is not a good reason for doing it. However, if it is how long have they had it in the UK – which is since 1865 – there, the fact that it has been that long *is* a good reason for having it. Well, it is irrelevant. If the time of doing something is irrelevant, it is irrelevant for those who do not have it and irrelevant for those who do have it. We are very clear what the policy of the party is. It was the same before; it has been the same in Government and in Opposition.

3595 Nothing in the Motion that was originally put was designed to make us change our mind because the Motion was not brought here for this purpose. The real purpose of the Motion is a last speech, and that is to try and say that the fact there are things that the Principal Auditor says he is not getting the information that he wants, and it may be that people do not know where the information is to be found.

3600 It may be that the people he asked were the wrong people. And I think it should be better for the work that he has to do, that we know what he is actually asking for and not getting. Because it is obvious to me that the Opposition Members either are convinced that we are giving instructions to civil servants not to give information; or else they are not convinced but they think it is a good policy to peddle on the basis that we have got something to hide, and that we are forcing the civil servants not to co-operate.

3605 I can assure Members opposite that nothing that the Principal Auditor has in this year's book, or in any other previous year, was something that I knew about before the book was published, and is probably the person most likely to be interested in those views and interested in the potential savings has been me.

3610 So, I was as interested in Opposition as I am in Government in making sure that we are not spending money that we do not need to spend, in order to provide the services that we have to provide. That view is a view that I have held, independent of being in Government and in Opposition; and when I have made contributions in my time in Opposition, it was contributions that were intended to be helpful for that purpose.

3615 That is not to make political capital but because, I think, that we should have a common interest in having an efficient and cost-effective public sector, because that is fundamentally the cornerstone of our survival as the people, and the survival of our country. And if we are not in that situation we are vulnerable to many other dangers.

3620 I have to say that the insistence of trying them to show that in fact in Government we behave in a way which is contrary to the way we behave in Opposition, is in fact what they do! Because what they preach when they are in Opposition, they do not practise. There are things that I do not know whether any of the audit reports that were done in their time ever looked at what they were doing when they were creating the authorities and the agencies; but the authorities and the agencies got pay rises of anything between 12% and 25%, to be doing the same job in the same place with a different colour uniform and a different name on the back.

3625 If that is not a waste of money, I would like somebody to explain to me how else one would describe that; and *that*, from the time that it was introduced, to *now*, has created a situation where the people in the authorities and the agencies that were created are doing exactly the same thing that they were doing when they were in the Civil Service. But they are no longer in the Civil Service and they get paid more than the people who remained in the Civil Service.

3630 I never understood the rationale for that because what the GSD proclaimed, when they were in Government, was that there were the two things that would benefit. One was that there was no fixed complement in the agencies like there was in the Civil Service; and that, therefore, it was possible to make savings.

3635 Well, it might have been possible in theory but all the agencies and authorities have grown. None have shrunk, except the ones that they decided to shrink by introducing the exit package; and the exit package was that having given them money to go out, then they gave money to go away. And in addition, in the case of the Housing Works Agency, a 25% bonus for not objecting to the money being done by private contractors, which they would not be able to do because they were shrinking.

3640 And to top that, another element that obviously the Principal Auditor did not discover about the scheme, is that originally in fact it required that for every two people that took the exit package, a new vacancy would be created and somebody would be recruited from outside the Government. Making it even worse than it is at the moment.

Then having done it, just before the 2011 election, in the House and Works Agency, it was also introduced in the garage, in the MOT garage of the Government where those other two big areas

3645 in terms of manpower were. The others that the Principal Auditor says have existed, there is one
in the company that is funded by my Department, which is a company that was created by the
GSD to provide services in different areas; and we decided that we would accelerate the closure
of that company by giving people the exit package and not recruiting anybody.

3650 So that company has been declining every year. Therefore, whether it is value for money or
not, the decision was that this was a company that we did not think was producing the value for
which it was presumably originally intended. And that, therefore, since we have a policy of not
wanting to make people unemployed, we then created a situation where we used the model –
because that was not done by the GSD – of exit package that the GSD has done, in this case has
been working on the basis that if Members look at the element of that company, which is in the
estimates of my Department, they will see that every year there is a decline in that funding,
3655 without exception, and that has been happening since 2012.

3660 So that is the explanation. There are individuals in some other places that may have got exit
packages. This is nothing new. It was not called an exit package before, but on past occasions
when there is a perceived value in an employee leaving the service earlier, given the fact that the
job that is being done may no longer be required, and there is difficulty in finding another area in
which to put that individual – well, it is not that there are now six exit packages where there was
one.

3665 We inherited two. The third one was in my Department and it has worked. We changed some
of the conditions in the others to make it less costly and then there have been occasional
individuals that have received an exit package. That is not the picture that is being painted in the
report, or at least the picture that is being described just now by the Hon. Leader of the
Opposition, in what he says is wrong with his exit packages.

3670 I suppose that the Government of the GSD, when they did this thing, might have thought that
there was going to be some benefit. I never could understand why they did it. But the reality is
that, quite independent of the exit packages, the most costly thing that they have done – and the
cost is still continuing to escalate – was to create a Port Authority where there was a Port
Department, and an Electricity Authority where there was an Electricity Department. And each
one of those required a pay agreement over and above the pay that was normally being paid when
they were part of the Civil Service and part of the Government.

3675 All we need to do is look in the budget of last year at what the Electricity Department was
spending, and look back over the time since there has been the Electricity Authority. And there is
no evidence that the package that they negotiated actually has produced savings. The Principal
Auditor either was not interested in any of that or did not know about it and did not ask.

3680 Can one call that waste? Well, it is an expensive exercise that the GSD introduced, presumably
in good faith, thinking that they would bring some benefits. But the reality is that all it did was
increase the cost of utilities beyond what it was before. If the hon. Members are interested, then
we can produce a long catalogue of innovative things that were being done before 2012, and how
much it increased the cost of the public service; and how, since then, the only thing we have been
able to do is honour those agreements, and apply the relevant pay rises to what was already a
more highly paid job than when it was being done as part of the Government.

3685 But to say, as the hon. Member says today, that the role of the Principal Auditor is hindered by
us is complete nonsense, because we do not know what he is asking and we do not know what
answers he is getting. I certainly do not know it and I do not think any of my colleagues do either.
And I believe, therefore, that what we need to take from this debate is the lesson that we are not
going to allow the reality to be distorted in order for it to become a political tool in the hands of
3690 Members opposite, and we have to get into what the Principal Auditor claims is happening in a
place. And the reason that he is discontented because they do not give him the answers to things
that he is legitimately entitled to have, and make sure we put it right; and if there are things that
are wasting money, then track the source of that waste. So that we are all clear when it started
and who stopped it.

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Madam Speaker: Any other hon. Member wish to speak on the Amendments? In that case, I call on the Hon. the Chief Minister as the mover of the Amendments to reply.

Hon. Chief Minister: Well, Madam Speaker, I am conscious of the late hour and despite the
3700 hugely compelling address from the Leader of the Opposition, I am afraid that the Government is
not going to relent with the proposed Amendments. I think the Father of the House has given a
flavour of why it is that we are going to stick with these Amendments, but I do want to go just
through some of the things that the Leader of the Opposition has said. And in doing so, if I pause,
3705 it is because I am going to try and avoid dealing with things that I have already dealt with in my
main speech, which I am sure will be appreciated not just by you, Madam Speaker, but by all of
the rest of the Members of the House and our respective families.

The Hon. Leader of the Opposition says that he accepts that they had four chances between
1996 and 2011 for electoral wins, when they could have done the PAC in a different way and that
they failed to do so, and that he now recognises that. Well, they would say that now, wouldn't
3710 they, Madam Speaker, but of course they did not have that reflection when they were in
Government.

He says that at the Committee Stage of the budget, one cannot do what you can do in a PAC.
Well, Madam Speaker, this is a theme that we heard him develop during the course of his address.
In fact, as the Hon. the Deputy Chief Minister said during the course of the Committee Stage and
3715 Third Reading of the Appropriation Bill, those of us who voted in favour of the Appropriation Bill,
even when we were in opposition – actually did not fall into the trap of doing a superficial analysis.

We actually went in great detail, trained by the Father of the House, then Leader of the
Opposition, to understand what our respective responsibilities were as Members of the
Opposition and we did get a lot of information, perhaps the sort of information that would be akin
3720 to what you could get in a PAC, or more.

So therefore, for that reason, I do not accept the Hon. Leader of the Opposition's proposition
that not having a PAC makes Gibraltar seem strange, or at least no stranger than the analysis I did
because of the other benefits that Gibraltar and Gibraltarians have over other Overseas
Territories.

3725 So therefore, Madam Speaker, the remarkable extrapolation that the Hon. the Leader of the
Opposition tried to do, which was to say that we, the Ministers on this side of the House, were
trying to hide behind civil servants by not having a PAC *is* – to use his phrase, which I think rather
pedestrian and that is why I do not use it, but given that he has used it five times I will share it –
seems to me to be *Orwellian*.

3730 In other words, when we are specifically saying *we* are the ones putting ourselves here to be
called cheats and highwaymen – as he called me during the course of the last Appropriation
debate – that we, by doing that, are somehow hiding behind the civil servants that we are saying
should not be the ones fronting this, is quite remarkable.

3735 Although I do recognise, Madam Speaker, that in the *Orwellian* world that the Hon. the Leader
of the Opposition inhabits when he says that something is a cheat, he does not mean that it is
cheating; and when he calls you a highwayman he does not mean that you are stealing anything
or putting your hand in anybody's pockets. (*Laughter*) So it is really quite a remarkable use of
language that one is having to psychedelically adapt to in the time that he is going to have as
Leader of the Opposition again, after the last General Election.

3740 He says that the Committee Stage is rushed through at the end of a Friday. Well, actually it was
not rushed through by us. We used to know that this was our obligation and we would go through
the Committee Stage in great detail, and so he says to me: 'How is it that I can argue that the
seeds of the problems of the Meddoc contract were sown by the GSD?'

3745 Well, for a simple reason, Madam Speaker. First of all the Meddoc contract is the fruit of a
tender process, but if it were not it would be the fruit of something called the three-quote system
which is something that they, the GSD, invented. And how is it that I can lay at the doors of the
GSD the fact that we did the tunnel under the Europa Sports facility without a tender? Well,

because *they* taught us to do things without tenders on occasions; except that the tunnel contract is for a few hundred thousand pounds and *they* taught us how to do a £1.1 *billion* contract without a tender.

3750

Why have we not changed the early exit scheme, he said? Well, for a simple reason, Madam Speaker, because the early exit scheme is signed by the Government; and the Government is therefore bound to continue with that scheme, because parliaments bind their successors and contracts bind Governments.

3755

He went on, Madam Speaker, dealing with all of the issues which I had raised which had nothing to do with the Amendment I was making. He was answering everything I had said in my main speech. I hope that means, Madam Speaker, we are not going to be treated to a further response to the things I said in my main speech by the Leader of the Opposition; although procedurally he is perfectly entitled to do so if you permit him to do so.

3760

What I did find rather unhelpful, Madam Speaker, was this idea that the Hon. the Leader of the Opposition wanted to insist on that somehow Ministers, something that the Hon. the Father of the House will have disabused him of, have been obstructive of the Principal Auditor. Ministers are not aware of the information that the Principal Auditor is seeking.

3765

Now that we are, we are actually bringing an amended Motion to this House to ensure that the Principal Auditor can have the information that he appears not to have in the context of the Meddoc contract. Although *nothing* that we have said or done, either in the budgetary process or today, is designed by desire or failure in some way, to somehow produce an unconstitutionality in our relationship with the Principal Auditor. Far from it.

3770

Saying that he should have a £1,000 open line if he wants to do some further investigation, is to do not just that which is normal in every Department, but that which had been done with him as Principal Auditor and other Principal Auditor's for years before. So how something that has been established under this Principal Auditor and previous Principal Auditor's, and has not been remarked upon – let alone called unconstitutional – can somehow be unconstitutional the next morning, is something which I find really very peculiar.

3775

So there is no question, Madam Speaker, of the Government seeking to avoid scrutiny in a modern way. Quite the opposite. This is the Government that has opened up this Parliament to the cameras; that has published more information than any other; and that is open to scrutiny.

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It is not a slavish rule to follow that we alternate between Government and Opposition when it comes to debates, it is actually quite normal and there is reference to it in Erskine May and in our Rules as well, I believe.

3785

Of course, it was obvious to the Hon. the Leader of the Opposition that I was going to move an Amendment, not because of the way I was behaving during the course of this debate but because I told him during Question Time that I would move an Amendment. But it is obviously normal that we should have the debate and that even though he speaks before me on the general principles of the debate, that he would be able to speak on the Amendment when I move it. Because any Member is able to speak on the Amendment, even if they have already spoken, as the Hon. the Father of the House has done today.

3790

So once again, he is praying in aid, procedural assistance, which is of absolutely no help to the argument that he is trying to deploy. Then he says: what is it that we, the Government, are scared of? What is it that we are trying to hide? Again, this is the usual use of language, which he then will not stand behind because he knows that we are not trying to hide anything. He knows that, actually, our Amendment is designed to deliver more information to the Principal Auditor, not less.

3795

So he is falling into the trap of making his arguments the English word for *callos*. In other words, utter tripe, Madam Speaker. Because of course I am happy to confirm to him that the Meddoc contract went to the lowest bidder. There it is, confirmed. The Meddoc contract went to the lowest bidder. But that is not the question that he asked.

3800 The question that he asked was whether I agreed with the Principal Auditor in his findings in respect of Meddoc and those findings, which were based on the idea that the Meddoc contract had not been through a tender process, I cannot agree with, because they are wrong.

3805 The Hon. the Leader of the Opposition says that civil servants would not refuse to answer questions in the PAC. Well, Madam Speaker, it is not a question of whether they would refuse to answer questions, it is about whether that is the right procedure to follow and we have explained why we believe it is not. So, therefore, Madam Speaker, I think it is absolute nonsense for him to use those arguments, to go to the suggestion that to the charge that they put the verdict is guilty on my own admission.

3810 I do not even know how he attempted to construct that argument but it is absolute nonsense. And I do not need privilege, Madam Speaker, to provide copies of the Gibtelecom bill of the university, because the Gibtelecom bill cannot expose anyone to an action for libel or any other form of defamation, because it is obviously true on its face.

So I do not know what it is that he was trying to do by making that argument, or by calling us provincial for referring to the ways that things have been done until now. Actually, that is not provincial, that is procedure, Madam Speaker.

3815 But I was fascinated to see how he was doing the chronology of things that happened under the GSD. But he forgot to mention the fact, in the long list that he did, that actually by the time they left Government in 2011 the times had got much longer and we had to pass their Supplementary Appropriation Bill, and the delay had been over a year.

3820 He shakes his head, even though I gave him the example and gave him the *Hansard*. We, the GSLP-Liberals, had to pass a GSD Supplementary Appropriation Bill because they published it, they did not pass it; it had to be republished by us in Government and we had to pass it. And the *Hansard* – which is done pursuant to a contract that is not in writing and was not subject to a tender – has been provided to them today.

3825 So, Madam Speaker, when he says, therefore, that he does not know what £1 billion contract I am talking about, it is the GLRC contract for the Airport, the lighting, the approach and the tunnel. Or, is it that they do not read the Government press releases?

3830 Let them go back and read the press release of 5th September 2012, then go back and read the last Question Time of the House before the change of Government. And if he thinks I protest too much about Meddoc, it is because I know that I am damned if I do and I am damned if I don't. But I will be damned if I am not going to tell the truth and insist that the 'rumourology' that they like to set light to is not deserving of this place of seriousness and of truth.

3835 He says that the Principal Auditor found the breaking of tendering laws. What does he think? The Principal Auditor is a judge? The Principal Auditor cannot find anything, he can give an opinion about whether things have been done in a particular way based on the information that he has, but he cannot make a finding of anything.

So he says that if we have a problem with the findings, as he calls them, we should address the findings. Well, we are addressing the findings in the Amendment, by providing the Principal Auditor with an opportunity to have more information about the Meddoc contract.

3840 Then he starts talking about COVID, as if COVID was the only difficult moment that we have faced in the past 12 years. Is it that Brexit was not a difficult moment? Is it that Brexit did not delay things? Does he not realise in the chronology that he did of our time in Government, that there was a guillotine in the way things were done in 2016 and that delayed everything? And that it is not humanly possible, in an administration the size of this administration, to have done things differently or more quickly

3845 The world changed for Gibraltar in 2016 and it twisted again in 2020, but not for the first time, Madam Speaker. *That* is the reality.

How is it that he can even get up and seriously say that we are not willing to provide information to the Principal Auditor? As the Father of the House has said, we find out that the Principal Auditor has not been given information when we read it in his report. So how can he impugn us with that? This is utter nonsense. Unless they, of course, were being told all the time

3850 what it was that the Principal Auditor wanted, so that they could provide it or not provide it. Something that does not happen to us, at least not in every instance. Perhaps on one or two occasions I have been asked that the Principal Auditor wants a particular piece of information and can I help; and I have always, religiously, helped and would continue to help.

3855 He says that if I wanted a consensus to pass this Motion, I would have drafted it in a different way, not calling in the last paragraph for the investigation, which he calls unconstitutional, of their time in Government. Well, if they wanted to pass a Motion in this House, they would not have put in it something which they know, and they have described as an article of faith, that we are against. And by the way, I do not agree that we are somehow asking the Principal Auditor to do something and in doing so are erring into unconstitutionality.

3860 How can this House, *calling* for something to be done, be unconstitutional? The Principal Auditor can say, 'I heard your call and I am not going to do it.' It is that simple. No unconstitutionality whatsoever. And I know that he knows that is the case. Because I consider him to be very clever when it comes, in particular, to our Constitutional Law.

3865 I have taken advice from him on Constitutional Law! And, Madam Speaker, when he accuses me of coming to this House with smoke and mirrors, I will take that accusation now on the same basis as I take his accusation that I am cheating, or that I am a highwayman. In other words, that he does not mean that I am cheating, he does not mean that I am a highwayman, he just thinks it is florid language which might help him get somewhere; and that, in the end, the smoke and the mirrors might end up being nothing more than just his last hurrah to try and defeat an Amendment that will pass, and I now commend to the House. (*Banging on desks.*)

Madam Speaker: I now put the question in terms of the Amendments moved by the Hon. the Chief Minister.

Those in favour? (**Government:** Aye.) Those against? (**Opposition:** No.) Carried.

3875 All right, what the House has before it now is the original Motion as amended. Does any hon. Member wish to speak on that? All right, in that case, I call upon the mover of the original Motion to reply.

Hon. R M Clinton: Thank you, Madam Speaker.

3880 Madam Speaker, today we have had the debate on many issues, but especially about the concept of financial scrutiny, which is close to my heart. And, Madam Speaker, the amended Motion obviously has deleted my call for a public accounts committee and I will say something about that later. But I can at least take some comfort, Madam Speaker, that we do have an indication from the Government that they intend to take the two outstanding Supplementary

3885 Appropriation Bills; which at least will put in motion or, at least, not prevent the completion of audits for those particular years. And I think, at least on that small score, I am thankful.

If I can turn to the Father of the House and his contribution, it is a shame that I feel, Madam Speaker, that we cannot make common cause in this House against waste because it is as close to his heart as it is to mine. Together we could probably have achieved a lot if we had agreed to a public accounts committee. Maybe we should call it something else. But I am sure that if we had made common cause we would then be able to address the common interest, and the common interest being to have an efficient and effective and economical public sector, as he has said.

3890 Madam Speaker, the Father of the House gave us a bit of a history lesson over the last 40 years. The history is not an excuse for the presence of the future. We are totally in control of the present and the future, and therefore to claim that public accounts committees are somehow a tick-box exercise in other jurisdictions is really to completely miss the point.

3900 Madam Speaker, when he talked about the numbers in the books and numbers in the Estimates Book and the numbers of previous, the actual, the estimate – yes, of course we know that is there. But what the Principal Auditor provides us with is information which is not in any of the books and that is the value-for-money audits and any other findings he may have.

3905 That is not something that we can magic up just by looking at the numbers. We need those audit powers if we were to do that job from this side of the House, which we cannot, and therefore we rely – and that is why, Madam Speaker, we have a parliamentary officer who is the Principal Auditor. That is his role, that is his function; and his role, as the Father of the House has correctly said, is to look at how this Parliament votes and make sure that the money is spent as voted and also to make sure the money is spent wisely and well.

That is the information that we, from this side of the House, obviously rely entirely on the Principal Auditor.

3910 Madam Speaker, there was something that the Father of the House said which was revealing: on the one hand he wants to take political responsibility for everything that goes on in his Department and in Government, which is laudable; but then, on the other hand, Madam Speaker, he says, ‘Well, there are things in the Principal Auditor’s report that I did not know anything about, like this famous PayPal account that I had to go out and send a search party for.’ Because he did
3915 not know anything about it.

So there is a practical consideration when looking at the roles of Ministers versus the roles of controlling officers and he himself has said controlling officers can get it wrong sometimes, and sometimes Ministers may not know what the controlling officers think they are doing or what they should be doing. This is where a public accounts committee comes in to its strength.

3920 The Minister should not be standing between Parliament and the controlling officers. The Minister should be standing with Parliament and looking at what the Principal Auditor is coming up with in his report. We should be working together; this is not a partisan issue. Unfortunately, this is the way it has been painted and now we have what they call, ‘the clear blue water between us and them’. We want it; they do not.

3925 But it is really doing Gibraltar a disservice because what we should be doing is we should be looking at the Principal Auditor’s report, all 900 pages of it, and saying, ‘Well, hang on a minute, how is this being done? Is this the way it should be done? Can we do it better?’ And that, I think, is a shame because as I said we should be making common cause on areas of waste because that is what the public expects us to do, Madam Speaker. It does not expect us to have a ‘You did, I did, you did, I did’ argument.
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What they want to do is to see this place doing its job, and that is controlling how Taxpayer’s money is spent. And frankly, to have these kinds of political point-scoring debates misses the point completely. The point is that we should be in this place making sure that the Taxpayer’s money is spent well and that it is done effectively and with economy. I do not think the Father of the House
3935 will have an issue with that. Unfortunately, although we have a common interest, I think unfortunately we are on the opposite sides of the political divide.

Madam Speaker, if I can turn to the contribution by the Deputy Chief Minister, I was frankly quite surprised that he used words that they had the rights to govern. This is a parliamentary democracy. Yes, they were elected, but they also have to account to Parliament. And the role of
3940 the Principal Auditor, yes, is to identify shortcomings and learn lessons to be learned. But, Madam Speaker, how are we going to learn any lessons?

He himself, the Deputy Chief Minister, then went on to list out four different audit reports, all of which talked about procedures not followed, capital works projects not followed, sick leave not in accordance with regulations, recruitment processes not being right, capital projects ... But,
3945 Madam Speaker, what are we doing about it? Are we just getting these reports every year and saying, ‘Oh, well, we have got the report; that is nice.’ And leave it on the table? There is absolutely no point in having a Principal Auditor if we do not follow these things up in this place.

So, Madam Speaker, I really do find it, in a way, ironic that in fact the Deputy Chief Minister has actually reinforced the point of the need to have a Public Accounts Committee to look at these reports and follow them through; so that we do not go back and have a little history lesson and
3950 say, ‘Well, look, in 2005-06 there was a problem with capital works.’ And do you know what? We still have problems with capital works. Or in 1980 they had a problem with contracts that were not signed or did not exist. We still have that problem today, Madam Speaker.

3955 This should not be happening, we should be learning the lessons as the Deputy Chief Minister said. We should be improving constantly, and without these follow-through processes from the Principal Auditor's report we are just going to be stuck, we are never going to improve, we are never going to learn those lessons. So, Madam Speaker, we have missed an opportunity today, for the second time, because I did bring this up in 2016. If we had done this in 2016, perhaps we would not have half the problems we have now.

3960 So, Madam Speaker, if I can turn to the contribution of the Chief Minister. The Chief Minister seems to suggest that these reports are just a time machine and have no real purpose, and that he resolved everything immediately as soon as he knew about them. But if you actually look at the reports on the famous overtime line on page 235, yes they occurred all the way up to 2016-17, 2017-18 but funnily enough, Madam Speaker, they continue in 2018-19 and continue in 3965 2019-20, two years after the dates of these reports.

Then, if you look on page 237 at 3.8.9, the Principal Auditor says:

I lastly 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 ...

Serious concerns to the Government!

... on the inordinate level of overtime earned by this management team, nevertheless, for reasons unbeknown to me the situation had been allowed to continue uncontrolled.

3970 And so, Madam Speaker, for the Chief Minister to suggest that the minute he heard about it, he stopped it. Well, he must have heard about it very late or there is something definitely going wrong where somebody in Government is not reporting up to him the way they should be. Because obviously the Chief Executive of the Environment Agency, or whatever it is called, claims they had reported to somebody. And yet it continued.

3975 So, Madam Speaker, forgive us if we take everything he says with a pinch of salt. When he talks about humiliating civil servants, my God, you could not make this up. This is not about humiliating civil servants this is about holding people to account. Now, if what he is telling us is that the civil servants who are controlling officers and receiving officers do not wish to be held to account. Why not? Why is it that he feels that he has to somehow act as a godfather to them and protect them?

3980 The civil service does not need protection from him, Madam Speaker. The Parliament is here to look after the Taxpayer and we should use all the tools available to us. And, Madam Speaker, when he talks about the Principal Auditor's opinion and he says, 'Well, he is entitled to his opinion as a citizen.' I think: this is not his opinion as a citizen, this is his opinion as a Principal Auditor. You cannot just say, 'Oh, well, it is just his opinion.' No, this is serious.

3985 But, Madam Speaker, the Chief Minister just does not seem to understand the Principal Auditor's words as a parliamentary officer carries significant weight. And if I can perhaps correct the record, Madam Speaker, what I spoke about on 21st July 2021 about the Supplementary Appropriations going over parliamentary sessions into different Governments, and he claims I said incorrectly, 'without precedent', he forgot to mention that I caveated those words with the word, 'perhaps', 'maybe'. I did not say 'without precedent' full stop. Of course he can hold his head and 3990 his forehead – but, anyway.

Madam Speaker, he talks about thousands of decisions. Well, Madam Speaker, all businesses in the world make thousands of decisions. He is not special. This Government is not special. There are businesses much bigger than this and have audit reports.

3995 Madam Speaker, if a chief executive of a big corporation acted the way he does, I can guarantee you the shareholders would not think much of him. Because, at the end of the day, the only comfort that the shareholders get, the only comfort the people of Gibraltar get, the only comfort that this Parliament can get, Madam Speaker, is from the work of the Principal Auditor. (*Interjections*) And the Principal Auditor, Madam Speaker, and the delay in his report, it is not that

4000 as the Father of the House has been trying to characterise, that we are suggesting that the Ministers are obstructing the work of the Principal Auditor. No, no, no, we are more specific than that: it is the Chief Minister who has been obstructing the work of the Principal Auditor.

Why do I say that, Madam Speaker, because in a scene reminiscent of *A Few Good Men*, with Jack Nicholson, when the Colonel was on the stand and he was being cross-examined and he just wanted to tell everybody what happened and he said, the truth, 'You can't handle the truth'.

4005 Well, Madam Speaker, he had that moment on 21st July 2021, when I was talking about the constitutional requirements for tabling the supplementary appropriations and he blurted out, from a sedentary position, 'When?' When, Madam Speaker? And that, Madam Speaker, says it all. It says it all because it shows he knew perfectly well what he was doing, it had nothing to do with anything or the other Government's business. The Minister for the Environment passed lots of
4010 Bills – ivory, circuses, you name it. But, no, not the Supplementary Appropriation Bills because, Madam Speaker, the Chief Minister decided it is a question of when.

It is when he decided, not when the Constitution says, when *he* decides; and to me, the person who has delayed this report is the Chief Minister himself because he is the one with the control of the agenda of this House. In terms of what he says about the Principal Auditor meant to find
4015 the needle and haystack, Madam Speaker, I have to say that he has got it completely wrong. Because, Madam Speaker, the auditor – as I was told from 101 Auditing – is not actually a bloodhound. The auditor is a watchdog; the auditor is there to warn us. To warn us when something is not right.

The auditor will go and check things, he will check that things are meant to be done according
4020 to the rules. That is what he is there to do. He is not there to sniff out the needles in the haystack. But unfortunately, Madam Speaker, it would appear from this report that he has found the haystack full of needles without even trying!

So, Madam Speaker, I have to say it is with some regret that I have seen the Chief Minister's
4025 Amendment to the Motion, which obviously I cannot accept, as amended. And I would warn this House that the watchdog is barking, it is barking loud. And I ask this House: what are we going to do about it?

Thank you, Madam Speaker. (*Banging on desks.*)

Madam Speaker: I now put the question in terms of the Motion proposed by the Hon. R M
4030 Clinton, as amended by the Hon. the Chief Minister.

Those in favour? (**Government:** Aye.) Those against? (**Opposition:** No.) Carried.

Adjournment

Chief Minister (Hon. F R Picardo): So, Madam Speaker, it is 20 past 11 in the evening. It has
4035 been a long and fractious debate, but that is what Parliament is about, to an extent. So I now move that the House should now adjourn *sine die*.

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

Those in favour? (**Members:** Aye.) Those against? Passed. This House will now adjourn *sine die*.

The House adjourned at 11.20 p.m.