

DEPARTMENTAL REVIEW

A PART OF

THE CHIEF MINISTER'S BUDGET ADDRESS 2018



HM Government
of Gibraltar

Her Majesty's Government of Gibraltar
6 Convent Place
Gibraltar

DEPARTMENTAL REVIEW 2018

This document provides further details of the departments and matters for which the Chief Minister has Ministerial responsibility. In order to reduce the length of the speech delivered in Parliament by the Chief Minister, these matters are highlighted in this document, in the form of a report by the Chief Minister. This document will be laid before Parliament on the day of the Chief Minister's Budget Address for 2018.

THE INCOME TAX OFFICE

1. Mr Speaker an important part of the revenue aspect of the year I am reporting on, and the year we are estimating for, comes from the collection of corporate and personal taxes from economic operators in our economy. In that respect, I think most taxpayers will agree and will have appreciated how in the financial year 2017/18 the Income Tax Office has continued to improve the processes for the assessment and collection of taxes in Gibraltar.

2. Mr Speaker, as you are aware, there is an increased global tax transparency drive regarding exchange of information. The Income Tax Office complies with all international obligations and has during the last financial year exchanged information, both automatically and on request, with treaty partners under the applicable conventions and directives emanating from the OECD and EU.

3. The Income Tax Office has a progressive strategy to develop intelligent systems, provide bespoke suitable staff training and foster links with other tax authorities. In this respect reciprocal visits with HMRC have taken place in the last year and have proved extremely fruitful.

4. And also very important and as a key principle of basic fairness, the level of Tax and Social Insurance arrears continue on a downward trend. This is a direct result of the effective strategy, co-ordination and significant efforts between the Central Arrears Unit and the Income Tax Office. Both these departments continue working closely together with the common aim of ensuring taxpayer compliance in all material aspects.

5. The Income Tax Contributions has recently moved to modern fit for purpose facilities in a more centralised location with improved access for the general public.

INDUSTRIAL RELATIONS

6. Mr Speaker, HMGOG is justly proud of its record of accomplishment in respects to Industrial Relations within the Public Sector. A cornerstone in this administration's policy, the Industrial Relations Unit that this Government has established has been strengthened in order to better meet the needs of Public Sector Workers and their representative organisations.
7. Through the work of the IRU, negotiations have concluded in areas such as the Borders and Coastguard Agency where a Collective Agreement was concluded in 2017 with Unite the Union inclusive of increases to allowances, enhancement of the Borders and Coastguard Officers pay structure and other terms and conditions.
8. Through the work of the Industrial Relations Officer and his team, as Minister with responsibility for Industrial Relations I now have

regular contact with the three principal Trade Unions in Gibraltar on a fortnightly basis. In this manner, HMGOG can better take the pulse of Industrial Relations matters in the workplace, noting the salient points of their concerns and addressing these before they become a real problem. That being said however, it is important to emphasise that unions and Government will not always see eye to eye but through the forum that has been created, a real commitment to finding the middle ground to concerns that are palatable to all parties can now commence.

Vacancies in the Civil Service

9. Further to the commitment that I made during my 2018 May Day address, Mr Speaker, I reemphasise HMGOG's intention of permanently filling Civil Service vacancies that are currently filled by subcontracted staff. I am happy to report that we working with the GGCA towards a formula that will allow for phased intakes into the Civil Service that is not disadvantageous to incumbent subcontracted post holders whilst being sensitive and mindful of the posts' entry requirements.

Upper Rock, Beaches, GHA & Bus Company

10. The fiscal prudence that HMGOG exhibits allows for continued

growth, where necessary and appropriate, of Public Sector departments in order to better serve the interests of the community and Gibraltar PLC. My cabinet colleagues, Mr Speaker, will be able to go into greater depths of the recruitment of staff in the Departments under their Ministerial oversight, but I would like to highlight in passing some specific examples of the conservative recruitment that this Administration has pursued that is already paying dividends. At the Upper Rock and Beaches department and the Gibraltar Health Authority, a number of Craft Grade appointments have been made. Within the Gibraltar Health Authority, in this Administration's bid to repatriate services, Minister Neil Costa has overseen a significant expansion to clinical and medical cover through employment of additional staff, particularly through the localisation of posts of professionals working abroad and now returning to Gibraltar with the valuable skillsets that they have developed outside of Gibraltar. I would like to finish by commending Minister Paul Balban in his work with the Gibraltar Bus Company where over 15 employees were subject to indefinite variations in order to offer the fantastic, enviable and free bus service available to the community. Mr Speaker, what I have just described is by no means an exhaustive list of recruitment within the Public Sector but only a glimpse of the avenues where HMGOG engages

in quality recruitment.

Sheltered Employees

11. Finally, Mr Speaker, I would like to highlight an enhancement to the terms and conditions of sheltered employees working within the Public Sector who will now be able to enjoy sick leave and annual leave entitlements on par with the rest of the Public Sector employees. Dignified and quality employment for all our citizens is at the heart of the work that HMGOG engages in and it is hugely satisfying for us to stamp out discrepancies of this nature.

BORDERS & COASTGUARD

12. The Borders and Coastguard Agency, under the Guidance of its temporary CEO, has progressed as an organisation over the past 12 months. It finds itself in full running compliance with the 'General Data Protection Regulation' and now has a qualified Data Protection Officer to ensure that our personal data is accurate, safe, secure and lawful. BCA uphold the rights of individuals and their privacy.

13. The BCA, together with its law enforcement partners, now has

arrangements in place with a BCO Fully Qualified DRM (Designated Risk Manager) to collaborate with MAPPA (Multi-agency public protection agency) to assess and manage the risks posed by sexual and violent offenders.

14. Mr speaker, BCA has also taken on the issuance of Visas and Visa waivers and administration of applications for all entry visas into Gibraltar. It's proven to be a challenging yet successful year in accessing all applications referred by all the UK Visa application centres. The BCA has proven to be up to the challenge and performed an excellent job in issuing said visa waivers to our community, especially during the busy summer period where additional summer visa waivers are issued to allow our Moroccan community spouses and children who are still in full time education to visit their families working and residing in Gibraltar.

15. The agency is continuously monitoring and reviewing to improving existing systems and relationships both internally and externally with our neighbours for the benefit of our Gibraltar. In conjunction with other law enforcement colleagues such as the RGP, HM Customs, GDP, Cuerpo National Policia, UK Border Force, Home Office, Interpol, and other essential services the BCA

have established excellent working relationships to keep Gibraltar safe and secure above all. Information provided by Interpol integrated in our IT systems play a major role in early detection leading to significant arrests of criminals issued with European arrest warrants.

16. Our sophisticated border IT systems aids us to process in all our entry points; and the communication and good relationships between law enforcement colleagues across the globe is of up most importance.

17. The BCA also undertake extensive House Checks throughout Gibraltar to assist the following departments; CSRO, GHA, Education department and the Housing department to ensure applications made to these departments are of persons residing in Gibraltar and complying with the rules and regulations to obtain such any other benefit.

18. The Agency continuously support our locally registered shipping agents providing them assistance in movements of seafarers embarking and disembarking from Gibraltar. They support agents to ensure seafarers are able to transit to their

destination. Their priority is to ensure movements of seafarers are done in a safe and secure manner through Gibraltar.

19. And in relation to the Extensive works carried out at the Eastgate commercial entrance with the erection of new buildings and the road works leading to our land frontier and part of the tunnel project we must praise our BCA Officers together with HM Custom officers who have managed to maintain a steady flow of inbound and outbound traffic.

PUBLIC SECTOR HUMAN RESOURCES

20. Mr Speaker, the Public Sector HR Unit continues to assist all government agencies, authorities and government owned companies. The department has concentrated on a review of the GHA HR systems in order to update and modernise HR working practice, working in conjunction with Care Agency HR to streamline processes.

21. They continue in their push to introduce change and have formed an integral part of the ERP team which is delivering latest

technology for a modern approach to HR.

CSRO

22. In respect of the Civil Status and Registration Office, I am happy to report that as a result of changes to existing practices and procedures, along with the relocation of tangible resources, a number of internal processes have been streamlined, bringing about a noticeable improvement to administrative efficiencies in the department. One such improvement is in respect of identity and civilian registration cards. By relocating the card printers to a site within Joshua Hassan House it has afforded the Civil Status and Registration Office the capability to make better use of its human resources and make the process faster and more efficient. Mr Speaker, the time taken to produce and issue an identity or civilian registration card has been reduced by fifty per cent.

23. The department has also reviewed and re-drafted a number of its guidance notes and information booklets, providing up to date information on services relating to civil status, citizenship, registration of births, deaths and marriages. On the subject of

marriages, the passing of the Conversion of Civil Partnership Rules in May this year has meant that couples can now convert their civil partnership into marriage. This important piece of legislation represents inclusion and acceptance and it attests my government's commitment to equality.

24. Gibraltar continues to be an attractive destination for weddings and civil partnerships as the number of ceremonies steadily increases every year. According to figures for this first quarter, along with the number of bookings confirmed at this stage, it is highly likely that this year we will surpass the 2017 figures, when a total of 1593 ceremonies were officiated by the Registry Office.

CUSTOMS

25. This last Financial Year saw the full launch of the paperless, electronic Asycuda customs data management system. The system handles manifests and customs declarations, accounting, transit and suspense procedures.

26. It runs on the very latest 2017 Harmonised System World

Customs Organisation tariff, based on the EU 8 digit code nomenclature. The HS system is used by more than 200 countries and economies as a basis for their Customs tariffs and for the collection of international trade statistics. Over 98 % of the merchandise in international trade is classified in terms of the HS tariff. Asycuda is used in over 90 countries worldwide, and HM Customs Gibraltar has contributed greatly by introducing new and unique modules to Asycuda which are now in use in some of those countries.

27. HM Customs, in consultation with the Chamber of Commerce and the Federation of Small Businesses engaged in a training programme for all import and export stakeholders to ensure readiness before launch including presentations and question and answer sessions answered by the Collector of Customs.

28. In-house workshops were also delivered to customs staff.

29. As at today, over 99% of all customs declaration forms are submitted via Asycuda which has reduced clearance times, facilitated trade and increased customs control capabilities and risk management whilst improving business efficiency by reducing

paper use.

30. Following from the demolition of the old Custom House, this has now been relocated to Waterport Wharf in two separate buildings. These are fit for purpose buildings constructed using environmentally friendly fixtures. The new Drug Detector Dog Section will be housed in one of the buildings.
31. A new enclosed holding area for commercial vehicles is well under construction in British Lines Road. It will enable Customs officers to carry out requisite checks on incoming and outgoing vehicles away from public view, in a safe environment and with appropriate equipment. It is expected to be completed shortly.
32. The Customs Marine Section will shortly be relocated, with various alternative locations already identified and discussions are ongoing between the Collector of Customs and the Chief Technical Officer on the most appropriate venue and the designs of the new station.
33. Four new patrol vehicles will shortly be put into service as well as one already in place for the Dog Section. Other specialist

equipment has already been provided to assist officers in the execution of their duties.

34. A number of international seminars and workshops have been led by HM Customs both locally and abroad, including a recent one on modern Customs procedures for control of international trade in CITES listed species co-hosted with the UNCTAD Centre of Excellence and the Government of Switzerland with the support of the CITES Secretariat.

35. The Government remains committed in the fight against illicit tobacco activity and is working closely with the Collector of Customs to amend the Tobacco Act even further to broaden the scope and penalties in the Act and such amendments will be made public shortly.

36. Drugs and tobacco detections and seizures are up, a testament to the excellent work done by Customs officers both at land and at sea in what are challenging and sometimes dangerous situations. HMGoG remains committed in ensuring they receive the best training and equipment to service their needs and I thank them for their daily, sometimes unseen dedication to duty.

DRUG & ALCOHOL SERVICES

37. Mr Speaker, I now move on to my portfolio responsibility in respect of Drug and Alcohol Services. This is an issue that we need to get right given the potential it has to make a positive difference on the lives of many within our community who suffer as a direct result of drug misuse. I have to declare a vested interest in this; not only as a politician, but as the father of three young children who wishes to protect them from the devastating consequences that substance abuse can exact upon any family. I am very excited to be dealing with this important area of Government policy.

38. One of the first issues we tackled on my taking over was to reinstate more regular meetings of the Advisory Council on the Misuse of Drugs. This has helped to give our work a more focussed and strategic steer and brings together experts and professionals across many fields. This is already yielding results, which will inform our future drug strategy.

39. Our response to drug misuse needs to be evidence-based and has to meet the needs of our community. With this in mind, I have commissioned various research studies and have significantly enhanced the human resources needed to enable this to happen. We will be conducting a school-based survey among our secondary school students, which will be taking place early in the next academic year, as well as a wider drug prevalence survey. We are also working with all stakeholders in creating a National Drugs Database. We must acknowledge the important role the voluntary sector plays in minimising the harm that drugs and alcohol misuse causes. They will be widely consulted and their views will form part of any strategic responses.

40. I could not tackle the drugs issue without addressing the Cannabis debate head on. We all know this is a fast developing area and there are many emerging opinions on this subject which are, at times, challenging to keep abreast of. Our approach is one based on common sense. The medicinal uses of cannabis and its derivatives is quite distinct from its recreational use, as is the cultivation of cannabis plants which are engineered to have no narcotic properties for a variety of legitimate uses. We have

embarked upon an exhaustive process of consultation and research into all these facets, which will allow us to develop clear unambiguous responses.

41. I am particularly proud to have under my responsibility, a dedicated and consummate group of professionals who work in Bruce's Farm Rehabilitation Centre and within the community providing an excellent level of care. Their dedication has turned around the lives of many individuals and families within our society. I intend to take this to another level. We will be expanding these services. This will make them even more responsive and accessible by developing a well-resourced team, in a purpose built facility within the community to augment the work done at Bruce's Farm, which de-stigmatises substance dependency. Our Drug Services are currently in contact with well-respected experts in this field, who are providing advice on how best to develop this service. It is testament to the success of our drug services that I recently had the privilege to meet an ex-patient of Bruce's Farm who is currently undertaking a degree in addictions counselling funded by the Government of Gibraltar. I am happy to say that a second person

with a similar background will also be commencing this same course in September of this year.

42. We will be imminently launching a dedicated drug and alcohol website that my team has been working hard on for the past few months. This will provide an authoritative point of reference for anyone wanting to know more about this subject or who needs to access help. The drug and alcohol team has also been developing an awareness campaign that will be rolled out over the coming months. We are also working with our educators in the development of a programme that will deliver the drug awareness message in the most effective way possible. One of our Education Advisers recently attended a conference in the UK where the latest findings in this field were presented.

43. As the largest employer in Gibraltar, we need to lead by example. I am therefore announcing that over the coming year we will be implementing a Drugs at Work policy throughout the public sector starting with the essential services. Our approach will not necessarily be a punitive one but rather will encourage those who

may have a dependency to seek appropriate help. However, my Government is also clear that it intends to adopt a low tolerance approach to drug and alcohol misuse within the public sector as a whole.

Fabian Picardo QC MP
Chief Minister