

**STATEMENT TO BE MADE BY THE PRESIDENT OF THE POLICY AND RESOURCES
COMMITTEE ON 17th FEBRUARY 2004**

I would like to inform members of the decision taken by the Policy and Resources Committee in relation to the proposal that a Committee of Inquiry should be established to investigate the circumstances leading to the States' decision in September 2003 to reach an agreement with Les Pas Holdings.

Members will recall that on 24th September 2003, the States approved a report and proposition of the Policy and Resources Committee entitled 'Fief de la Fosse: Proposed Agreement with Les Pas Holdings', (P.117/2003). During the debate on the proposition, the Policy and Resources Committee said that it would draw up proposals for a Committee of Inquiry.

Following that debate, the Policy and Resources Committee prepared a draft report and proposition in which it was proposed that a Committee of Inquiry should be established in order to investigate the circumstances leading to the States approving the agreement with Les Pas Holdings, and that the Privileges and Procedures Committee should be requested to nominate a President and members of such a Committee of Inquiry.

The Privileges and Procedures Committee, having considered the draft report and proposition, decided to advise the Policy and Resources Committee that it did not support the proposals set out in the draft report and proposition, nor would it be willing to nominate a President and members of a Committee of Inquiry.

Before taking a decision on how to proceed, the Policy and Resources Committee decided to write to all States members to invite their comments on the matter. A total of seven replies were received from States members in response to this invitation, and the majority of these were not in favour of proceeding with a draft report and proposition.

Having considered these replies in detail, the Policy and Resources Committee shares the views expressed by the majority of respondents that a Committee of Inquiry would be extremely costly and of questionable benefit.

In considering this issue, the Committee was made aware of an ongoing public inquiry into the development of a site at Mount Murray in the Isle of Man. The actual costs of this inquiry have yet to be finalised, but the Committee is advised that the estimated costs, due to its detailed and far-reaching nature, may well be between £2 and £3 million. At this stage it is difficult to give a precise estimate of the costs that would be associated with a Committee of Inquiry on the circumstances leading up to the agreement with Les Pas Holdings, but it seems likely that they would be at least as significant as those incurred by the public inquiry in the Isle of Man. The subject matter that would need to be addressed by the Committee of Inquiry is complicated, and it spans a long period leading up to the conclusion of the agreement with Les Pas Holdings in 2003. In these circumstances, the States should expect that at least £2 or £3 million would need to be made available to fund a Committee of Inquiry.

The Committee also shares the concerns expressed by some members that the Committee of Inquiry would be of questionable benefit. The agreement with Les Pas Holdings has already been debated at considerable length by the States, and a wide range of information has now been made available to the public through the publication of a transcript and audio recording of the debate. In the view of the Policy and Resources Committee, the essential information relating to this matter has now been made public as a result of the publication of the transcript, and it is highly questionable as to whether a Committee of Inquiry would add any new material factor.

In conclusion, therefore, the Policy and Resources Committee does not believe that sufficient evidence has been given to demonstrate that such a Committee of Inquiry would be of benefit, and has therefore decided not to proceed with the proposal for the establishment of a Committee of Inquiry.

A background paper, which sets out the Committee's position on this matter in more detail, is being circulated today to all States members and the media for their information.