



Mr. Kieran Lenihan
Clerk to the Committee of Public Accounts
Leinster House
Dublin 2
D02 XR20

20 July 2018

Re: PAC32-I-1011

Dear Mr. Lenihan

Thank you for your letter dated 11 July 2018 in which the Committee seeks information regarding the case taken against the Minister for Finance by Mr. David Hall (David Hall v the Minister for Finance, Ireland and the Attorney General 2017/11173P) ("*the Proceedings*").

In the first instance, I can confirm to the Committee that the State Claims Agency is not a party to the Proceedings.

As set out in my letter to the Committee of 24 May, the Department has taken legal advice in relation to the Proceedings with a view to having them resolved as expeditiously as possible, while protecting the interests of the State.

It is a matter of surprise and concern to this Department that correspondence exchanged by the parties to the Proceedings and covered by without prejudice communications privilege appears to have been disclosed to the Committee (a non-party to the Proceedings) and made public. In particular I refer to the transcript of the Committee's meeting of 28 June 2018. Such unilateral disclosure is not only inimical to a settlement of the Proceedings by the parties, it would also appear to be an abuse of without prejudice privilege.

Without prejudice to this, and without waiving or violating the "without prejudice" privilege that properly attaches to the engagement between the parties, the Department can confirm the following:

1. The Proceedings have not been the subject of a settlement agreement and are ongoing.
2. No offer has been accepted, so this question does not arise. However, I can confirm that the Department would not suggest any role for the Committee outside of its normal remit.

3. The Department will keep the Committee updated with regard to any significant developments in the Proceedings as they enter the public domain and without prejudice to the rights of the Defence.

Without repeating the points made in my letter to the Committee of 24 May, I would like to again assure the Committee that the Department is taking every step to ensure that these proceedings are disposed of as expeditiously as possible while preserving the rights of the Minister and his obligations under Law.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D Moran', with a long, sweeping flourish extending to the right. The signature is positioned above a horizontal line.

Derek Moran
Secretary General