

Written Ministerial Statement

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Regional Development

Settlement in the case of Declan Gormley v the Department for Regional Development and Others

*Published at 1.30 pm
on Thursday 21 February 2013*

Mr Kennedy (The Minister for Regional

Development): I wish to make a Statement to the Assembly in respect of my decision to reach a settlement with Mr Declan Gormley who had taken action against the Department for Regional Development and 4 individuals, including my predecessor Conor Murphy, MP

Mr Gormley had taken his case as a result of the decision to dismiss him from the position of non-executive director with NI Water in March 2010 following the publication of a report by an Independent Review Team. At that time Conor Murphy, MP was Minister for Regional Development.

Following the recent High Court Case in which Mr Gormley was awarded damages against Sinn Fein, he had indicated that all that he wanted from the litigation against the Department and the other defendants was an apology and the legal costs incurred in the case. In light of this statement I felt duty bound to ensure that this was explored with Mr Gormley's legal advisers.

Following tough negotiations by both parties it was eventually possible to reach a settlement on the basis of an apology on behalf of the Department and the payment of Mr Gormley's reasonable legal costs but without payment of damages.

The terms of the settlement are as follows:

The Plaintiff will stay the proceedings on terms that he will obtain no relief from any of the defendants

apart from the Department, but the Department will give an apology in the following terms:

"APOLOGY: MR.DECLAN GORMLEY

In March 2010 some of the non-executive directors of Northern Ireland Water Limited, including Mr. Declan Gormley were dismissed from the board of that company by the then Minister for Regional Development, Mr Conor Murphy. The Department was the sole shareholder in the company.

Whilst this is regretted, it would now be impracticable for the situation to be reversed.

Notwithstanding this the Department categorically acknowledges that Mr Gormley was not guilty of any personal wrongdoing or misconduct in his role as non-executive director of Northern Ireland Water. The Department further acknowledges that his removal from office did not reflect adversely in any respect on his character or integrity.

The Department has now apologised to Mr Gormley and has agreed to pay his costs. Mr Gormley has accepted the apology, which is all that he wished to secure from this litigation. Accordingly the matter is now closed."

The plaintiff will not receive any damages but the Department will pay the plaintiff's reasonable costs to date.

As always I had to weigh a number of factors in coming to my decision. I believe that I have acted entirely in the public interest in deciding that this case should be settled.