



RENEWABLE HEAT  
INCENTIVE INQUIRY

Oral Hearings

Day 83 | Tuesday 4 September 2018

**Being heard before:** Rt Hon Sir Patrick Coghlin, The Chairman  
Dame Una O'Brien, Statutory Inquiry Panel Member  
Dr Keith MacLean, Technical Assessor to the Inquiry

**Held at:** Parliament Buildings, Stormont

**Contents**

Opening Remarks: The Chairman ..... 1

Evidence Session: Dr Andrew McCormick (Department for the Economy) ..... 4

1       **1:59 pm**

2       **Opening Remarks: The Chairman**

3       **The Chairman (Rt Hon Sir Patrick Coghlin):** Good afternoon, ladies and gentlemen. We  
4       have returned with the autumn sunshine.

5       The Inquiry remains committed to completing its work as efficiently and expeditiously as  
6       possible while continuing to ensure that it acts fairly towards all who have engaged with it.  
7       To that end, the Inquiry wishes to set out at this stage a number of informal discussions  
8       which Inquiry counsel have had with legal representatives over recent weeks on this topic:  
9       the timetable to which the Inquiry intends to work in respect of the completion of its public  
10      hearings.

11      Up to the 29<sup>th</sup> of June of this year, the Inquiry had taken oral evidence over the course of  
12      82 days of hearing. It has taken that evidence, broadly, in a chronological sequence. The  
13      Inquiry intends to complete the taking of oral evidence from witnesses, subject to  
14      exceptional circumstances, by the 26<sup>th</sup> of October of this year. That is likely to involve  
15      hearing evidence orally over a further 30 days, and further details of this can be found in the  
16      timetable for September and October. The majority of the Inquiry's oral evidence has  
17      therefore already been taken, particularly in relation to phases 1 and 2 of its work. As a  
18      result, the Inquiry expects both core participants and those to whom the Inquiry has granted  
19      enhanced participatory rights already to be preparing written closing submissions — any  
20      written closing submissions they may wish to submit to the Inquiry.

21      In respect of core participants, the Inquiry has determined that it wishes to receive any  
22      written closing submissions from core participants no later than noon on Friday the 16<sup>th</sup> of  
23      November. While the Chairman will retain the discretion to extend the time for compliance  
24      with any direction, it should be noted that I will only do so for the provision of written  
25      submissions in exceptional circumstances, where particularly compelling reasons have been

1 advanced. And then I set out —. On the website you will find the details with which the  
2 written submissions from core participants should comply.

3 In respect of enhanced participants, the Inquiry has determined that it wishes to receive  
4 any written closing submissions from those individuals to whom the Inquiry has granted  
5 enhanced participatory rights and whose involvement or alleged involvement with the RHI  
6 scheme ended prior to June 2014 no later than noon on Friday the 2<sup>nd</sup> of November. Any  
7 written closing submissions from those individuals to whom the Inquiry has granted  
8 enhanced participatory status and whose involvement or alleged involvement with the  
9 scheme ended after June 2014 should have their written submissions in no later than noon  
10 on Friday the 9<sup>th</sup> of November. In the same circumstances, I will retain a discretion to extend  
11 time for compliance with any direction, but time will only be extended in exceptional  
12 circumstances where particularly compelling reasons have been advanced, and, again, on  
13 the website, the details of the form in which written submissions from participatory rights  
14 individuals have been set out.

15 Oral closing submissions will take place on Wednesday the 5<sup>th</sup> and Thursday the 6<sup>th</sup> of  
16 December as necessary. Any enhanced participant who wishes to make a closing oral  
17 submission will be allocated a 15-minute time period for their legal representative to do so.  
18 Where a number of enhanced participants are represented by a single legal team, it may be  
19 that one composite oral submission will suffice, and the Inquiry will agree a composite time  
20 period which will be available for that purpose. Any core participant which wishes to make a  
21 closing oral submission will be allocated a one-hour time period for their legal representative  
22 to do so.

23 Oral submissions should not simply be a rehearsal of the evidence or of the content of  
24 respective written submissions but should be confined to key points which the particular  
25 participant wishes to draw to the panel's attention. Any participant who wishes to be

1 allocated a slot during the closing oral submission sessions must indicate to the Inquiry  
2 solicitor in writing no later than noon on Friday the 31<sup>st</sup> of August. If it is the case that a legal  
3 team will be able to provide a composite oral submission on behalf of a number of enhanced  
4 participants, then its notification should suggest to the Inquiry how this should be  
5 accommodated, bearing in mind the principles to which I have just referred. All written  
6 closing submissions will be published by the Inquiry on the website and provided to both  
7 core and enhanced participants in advance of the facility for oral closing submissions. The  
8 transcript of oral closing submissions will be published by the Inquiry in the usual way.

9 In the unlikely event that a participant should consider that redaction is required to some  
10 portion of their written closing submissions, any application in this regard should be made at  
11 the time of providing the written submissions, identifying clearly the text to which the  
12 application relates and the reasons for the application.

13 I'm drawing these to the attention of the public and the legal representatives and the  
14 participants at this stage. They are subject to change, depending on the development of  
15 circumstances, and they may also be supplemented by, for example, a specific indication in  
16 due course as to particular matters which I would wish a particular participant to address in  
17 the course of his or her written or oral closings.

18 Yes, Mr Scoffield.

19 **Mr David Scoffield QC (Senior Counsel to the Inquiry):** Thank you, Chair. Chair, in the  
20 course of those observations, you mentioned a deadline for correspondence with the Inquiry  
21 solicitor of the 31<sup>st</sup> of August. It's maybe just helpful to make clearly publicly in the Chamber  
22 that those directions were shared with legal teams much earlier during the summer and the  
23 purpose of your statement today has been to make them known to the public.

24 **The Chairman:** Yes.

25 **Mr Scoffield QC:** I'm grateful for that, Chair.

1 **Evidence Session: Dr Andrew McCormick (Department for the Economy)**

2 **Mr Scofield QC:** As you know, this afternoon, we're resuming the Inquiry's hearings with  
3 the evidence from Dr Andrew McCormick —

4 **The Chairman:** Yes.

5 **Mr Scofield QC:** —and he was the permanent secretary of DETI, later DFE, from July 2014  
6 to February 2018. So, Chair, Mr McCormick — or Dr McCormick — is in the witness chair,  
7 and I understand that he's going to take an oath.

8 **The Chairman:** Yes.

9 *[Dr Andrew McCormick sworn, which oath was: I do solemnly swear that the evidence I*  
10 *shall give to this Inquiry will be the truth, the whole truth and nothing but the truth.]*

11 **The Chairman:** Do sit down, Dr McCormick.

12 **Mr Scofield QC:** Good afternoon, Dr McCormick.

13 **Dr Andrew McCormick (Department for the Economy):** Good afternoon.

14 **Mr Scofield QC:** I just want to start with your written witness statements if we may, and  
15 you have provided three detailed substantive written witness statements to the Inquiry on  
16 your own behalf. There's one further statement, as you know, which you have provided,  
17 which is a DFE corporate statement where you are the deponent, and I want to leave that  
18 aside just for the moment. But I want to take you just to your written statements just to  
19 show them to you and identify them for the panel.

20 So the first was dated the 22<sup>nd</sup> of May 2017, and we should find that beginning at WIT-  
21 10508. And that runs to WIT-10564. Then your second witness statement was dated the 18<sup>th</sup>  
22 of October 2017, and that should run from WIT-11251 in the Inquiry's bundle to WIT-11300.

23 **Dr McCormick:** OK.

24 **Mr Scofield QC:** And then finally, much more recently, a further statement of the 22<sup>nd</sup> of  
25 August 2018, and we find that at WIT-26224. And that should end at WIT-26332. And can I

1 just ask you: do you recognise those statements?

2 **Dr McCormick:** Yes.

3 **Mr Scofield QC:** And the signatures that we've seen on the last page of them — each of  
4 those signatures are your signature, is that right?

5 **Dr McCormick:** Yes, correct.

6 **Mr Scofield QC:** And can I ask: do you want to adopt those statements as part of your  
7 evidence to the Inquiry?

8 **Dr McCormick:** Yes, I do.

9 **Mr Scofield QC:** Thank you. Now, I also ask witnesses at this stage if there are any  
10 corrections that they've identified within their written evidence which they'd like to make or  
11 if there's anything significant that they'd like to add at this stage in particular.

12 **Dr McCormick:** So, there's one correction of fact. I omitted to remember that, as well  
13 meeting Terence McCracken of Innasol in February 2016, I also had a meeting around that  
14 time with Moy Park. It's — the Bates reference is available to the Inquiry on — and I found  
15 that actually in the bundle that was sent to me. I just missed it in not completing my reading  
16 in time. But that's a point of fact I missed.

17 I would also just want to draw attention to the fact that, in the course of the period since  
18 completing this statement, I've been reviewing further evidence, and there are a number of  
19 aspects where I have probably been more tentative than I needed to be in the written  
20 statement and a number of places where the further evidence would mean I was probably  
21 maybe too strong in some of the things I've said. So there would be adjustments of  
22 interpretation rather than of fact that we can come to as need be as you wish.

23 **Mr Scofield QC:** I was going to ask —.

24 **The Chairman:** Mr Scofield, could you first of all identify the place at which he says he  
25 also met Moy Park? Is it in one of the statements?

1 **Mr Scoffield QC:** It will be, Chair. I'm not sure I can give you the reference —.

2 **The Chairman:** No, in due course. You don't have to do it now.

3 **Mr Scoffield QC:** It might be that Dr McCormick has that.

4 **Dr McCormick:** I have it in my phone but not on paper. We can send that to you. It was —  
5 .

6 **The Chairman:** And, secondly, of course, he can add or retract any emphasis he wishes to  
7 place on any particular part of it.

8 **Mr Scoffield QC:** I think, certainly, in relation to that, Dr McCormick, it might be helpful  
9 just to — to deal with that as we go and deal with each topic in the course of your evidence.  
10 And, when we get to the end, if there's anything that you think you ought to have corrected  
11 or placed a different or greater emphasis on that we haven't covered, we can come back to  
12 that.

13 **Dr McCormick:** Thank you.

14 **Mr Scoffield QC:** Thank you. We can take that witness statement down for the moment.

15 I just want to summarise, again as I always do with witnesses, your role. I think most  
16 people are probably aware of it, but just to set out the role that you had, and then I want to  
17 just lay out for you and for the panel and for anyone who's following some of the topics that  
18 I hope to go through in your evidence today, tomorrow and when you return in October.

19 So, you've made clear in your statements that you became the permanent secretary of  
20 DETI on the 1<sup>st</sup> of July 2014. That was a post that you held until May 2016 when DETI became  
21 the Department for the Economy, and you continued as the permanent secretary there.

22 When you joined DETI in 2014, that was following a lengthy career in the Northern Ireland  
23 Civil Service. You provided some details of that in your statements, but, immediately before  
24 moving to DETI, you'd spent a period of some nine years as permanent secretary in the  
25 Department of Health. And then, in February 2018, you transferred from your post as



1 permanent secretary of the Department for the Economy to become the director general for  
2 international relations at the Executive Office. And you've explained in your evidence that,  
3 notwithstanding that move, you still retain some personal responsibility in relation to the  
4 RHI in a number of ways: firstly, as part of the core DFE team in relation to this Inquiry and  
5 also as chair of the RHI oversight board and a member of the RHI project board. Is that all  
6 correct?

7 **Dr McCormick:** Yes, it's all correct.

8 **Mr Scofield QC:** Now, in terms of the topics that I want to cover with you in your  
9 evidence — and some of these that I mention, obviously, we'll cover in more detail than  
10 others. But I want to begin, Chair, today, with what we've called phase 2 of our work. So,  
11 you've made clear in your evidence, Dr McCormick, that you don't believe there was any  
12 discussion of the RHI scheme with you until the 27<sup>th</sup> of May 2015, at which point it was  
13 escalated to you in light of a forthcoming meeting that you were having with DECC.

14 **Dr McCormick:** Yes.

15 **Mr Scofield QC:** And we'll talk about that in due course. But the tenor of your evidence is  
16 that it wasn't brought to your attention between joining the Department in June 2014 and  
17 that particular incident in late May 2015. Now, nonetheless, I want to ask you about that  
18 period, and that's probably what we'll spend most of our time on this afternoon. So, dealing  
19 with that, and what we call phase 2 of the Inquiry's work, some of the topics that I want to  
20 cover with you include your role during that period; handover arrangements within the  
21 Department; the prioritisation of the introduction of the domestic RHI scheme over other  
22 aspects of phase 2 of the RHI initiative which related to the non-domestic scheme; the  
23 failure to review the scheme and the failure to seek DFP reapproval of the scheme; the issue  
24 of resources within the Department; monitoring the scheme; and then any observations that  
25 you have about what was happening from March 2015 to May 2015 when the issue of

1 possible overspend and budget uncertainty arose.

2 And then after that I'd like to talk to you about the escalation of the RHI issue to you,  
3 which, as I've mentioned, happened in late May 2015, and look at some of the detail of the  
4 various interactions that you had with your team then at that point and throughout June  
5 2015. So, as I've said, I anticipate, Chair, that that will be the areas that we'll cover or try to  
6 cover this afternoon.

7 **2:15 pm**

8 Turning, then, to phase 3, which, I hope, we'll spend most of tomorrow on, in that phase  
9 what I want to cover with you is the 8<sup>th</sup> of July submission to the Minister and then, in some  
10 detail, what was happening within DETI over the summer of 2015 before that submission  
11 came to be approved. I want to talk to you about the issues meeting of the 24<sup>th</sup> of August  
12 and then the further slippage in the timescale for the implementation of tiering in the  
13 scheme from October to November 2015 and then we'll also talk about the DETI business  
14 case in relation to the 2015 regulations, probably briefly. So there's a lot of territory to cover  
15 there. A lot of this is dealt within in some detail in your written evidence, and I hope that  
16 that will help us to move through things quickly, but, if we can get well into your phase 3  
17 evidence by the end of tomorrow, we should be fairly well on track, I hope.

18 As you know, Chair, and as I've mentioned, Dr McCormick is due to give his evidence in  
19 two tranches, so he's here this afternoon and tomorrow and then, due partly to witness  
20 timetabling requirements and partly to Dr McCormick's own leave and work commitments,  
21 he's due back to give oral evidence on the 10<sup>th</sup> and 11<sup>th</sup> of October. So, I think it'll be at that  
22 stage that we'll finish off anything that we haven't managed to cover in phase 3 and  
23 probably deal with the majority of your evidence in relation to phase 4.

24 **The Chairman:** Well, it's important that the arrangements are as convenient to the  
25 witness as possible.

1       **Mr Scofield QC:** Yes, Chair.

2       So, phase 4 then. The topics that I'm likely to cover with you then, Dr McCormick, are,  
3 firstly, when the decision was taken that the scheme needed to close; whether that decision  
4 was taken quickly enough; and whether, once the decision had been taken, the scheme was  
5 closed quickly enough. And that will include the detail of what was happening in January and  
6 February 2016, and we'll explore in the course of that where the responsibility lay for the  
7 decision-making at various stages of that process. We'll talk about industry knowledge at  
8 that stage and the cause of the spike. That's a similar topic to something we'll cover in  
9 relation to phase 3 and then also the issue of the amendment of the 4<sup>th</sup> of February  
10 submission to the Minister, which you know is an issue of some controversy.

11       And then, finally, towards the end of your evidence, we'll probably cover some of your  
12 interactions after what we call "phase 4", so your role in the PAC investigation, your role in  
13 December '16 and January 2017 in dealing with the media interest in the RHI scheme after  
14 the 'Spotlight' programme and the Stephen Nolan interviews. And then, to bring us  
15 reasonably well up to date with where we are with the scheme now, the process leading to  
16 the 2017 regulations. And it might be that at that stage, as well, we'll cover some of the  
17 observations you've made in relation to Ofgem in your third witness statement, which are  
18 really focused on mid-2016, and we can perhaps deal with that as a miscellaneous topic. So,  
19 subject to the Chair and the panel, if there's anything that I've missed, those are, broadly  
20 speaking, the topics that we're likely to cover.

21       **Dr McCormick:** *[Nods.]*

22       **Mr Scofield QC:** So, having set out set out that route map, maybe we can just start,  
23 before we dip into phase 2, with just establishing what I might call a "baseline" for your  
24 evidence, so what the panel have in writing already, which you can be taken to have agreed  
25 to already. Now, obviously, we've dealt with your written witness statements. As I've said,

1 they are lengthy, and the panel will have had the opportunity to look at those. Just on that,  
2 you mentioned in your evidence that, because of your position within the Civil Service and  
3 outside the confines of the evidence that you were giving to the PAC, there were some  
4 significant constraints on what you could say publicly about the RHI scheme. And, am I right  
5 in thinking that that's one of the reasons why your written evidence is perhaps so  
6 voluminous: because you had an awful lot of material that you hadn't been able to get off  
7 your chest, as it were, up until now?

8 **Dr McCormick:** Well, maybe it's just a natural tendency to prolixity. Apologies for the  
9 length of it, but, yes, there certainly was quite a lot that needed to be said.

10 **Mr Scofield QC:** The panel obviously has the benefit of all of that, and, as I've said, I'm  
11 hoping that that will reduce rather than lengthen the amount of time that we need to spend  
12 with you orally. So we have all of that.

13 The next thing I just wanted to check with you, Dr McCormick, is, we also obviously have a  
14 considerable amount of information from the Department for the Economy corporately in a  
15 number of corporate statements. In particular, there's a very detailed first corporate  
16 statement and then a range of supplementary corporate statements, some of which you've  
17 referred to in your evidence. So I wanted to ask you, just, firstly, can you outline what  
18 involvement, if any, you had in the preparation of those statements, and, secondly, can the  
19 panel take it that you agree with the contents of each of the DFE corporate statements?

20 **Dr McCormick:** Yes, I do agree with the content. That's clear in relation to all 10 of the  
21 corporate statements. I had a major role in drafting, especially the first few of those. There  
22 are a couple that were dealing with relatively narrow technical issues where I wasn't  
23 personally involved with those but looked at those. Those are sound and correct. You  
24 mentioned in passing the one that I'd signed personally, and that was because the issue  
25 around that — this was to do with the treatment of Janette O'Hagan's emails — that was

1 personally sensitive to the alternative deponent, as in Brendan McCann. I felt it was my  
2 personal responsibility to sign that one in those circumstances.

3 So the way it worked: as a core team within the Department, we've worked together  
4 checking facts, examining evidence, examining our records. In some cases, it's involved  
5 discussion with others within the Department. In at least one case, there was substantive  
6 discussion with Fiona Hepper and her colleagues, who are colloquially called "Team 1", and  
7 we had at least one meeting with them to discuss what was going into that — that corporate  
8 witness statement — all in order to ensure that we were both being fair and objective in  
9 presenting a corporate view of those aspects, but, so it was a major part of what I did while I  
10 was still in DFE through last year, and I've continued to have some involvement with the  
11 more recent ones.

12 **Mr Scofield QC:** Has that involvement decreased as you've —?

13 **Dr McCormick:** A little bit just by practicality, yes, but, in terms of responsibility, no; I still  
14 have a full responsibility as a member of the core team to comment, to provide whatever  
15 insight I can into the facts that are there and ensure that we present as fair and  
16 straightforward a representation of that information to the Inquiry. That's our purpose and  
17 intent.

18 **Mr Scofield QC:** So, just going back to the first aspect of that question, the panel can take  
19 it that anything which is in the DFE corporate statement is something with which you don't  
20 take issue.

21 **Dr McCormick:** Yes. That's correct.

22 **Mr Scofield QC:** And maybe you could just describe, then — you've given us a number of  
23 personal witness statements as well — how the differentiation is to be made between your  
24 personal views in those statements and what ended up in the DFE corporate statements.

25 **Dr McCormick:** So, the personal statements, by definition, deal with where the

1 engagement — the issues of fact and evidence that I'm dealing with are known to me but  
2 would not have been necessarily something that had been considered by a wider team, so I  
3 think that's the simplest way I can put the distinction between those two. The responsibility  
4 of the Department as a core participant has been to fulfil — both respond to particular  
5 questions that were put initially in the relevant section 21 notice and then to fulfil the  
6 invitation that came late — in the middle of last year to add further supplementary  
7 statements. So we've sought to do that conscientiously, but, where the information is such  
8 that the wider team wouldn't have been involved — for example, maybe in personal  
9 interaction with the Minister or the spad where that wasn't tested in a corporate way —  
10 that's where it's more appropriate to put in, um, put that into personal statements.

11 **Mr Scofield QC:** OK. So, in addition to your personal statements and the corporate  
12 statements, there were three other areas where I just wanted to seek your view as to  
13 whether the panel can take it that you agree with what has previously been said. The first of  
14 those relates to the Comptroller and Auditor General's report, which was published in July  
15 2016, in relation to the DETI '15-16 resource accounts, and that focused on the RHI issue.  
16 Now, you were the permanent secretary at that time, and DETI agreed the contents of that  
17 report. So, again, can we take it that you don't take —

18 **Dr McCormick:** Yes.

19 **Mr Scofield QC:** — any issue with the conclusions of the Comptroller and Auditor  
20 General's report?

21 **Dr McCormick:** Yes, indeed.

22 **Mr Scofield QC:** Now, I then wanted to ask you about some of the evidence that the  
23 Inquiry has already received, both in writing and orally, from Mr Chris Stewart. Now, he was  
24 your second in command, as it were, on the policy side of DETI — the grade 3 head of policy  
25 — and he's provided a number of witness statements and given oral evidence to the Inquiry.

1 Have you had an opportunity to familiarise yourself with that evidence?

2 **Dr McCormick:** I've recently been through it very carefully — the transcripts of his two  
3 days' evidence in June. I've less immediate recollection of the — a thorough review of his  
4 witness statements, but I have looked very carefully at the transcripts in the last couple of  
5 days.

6 **Mr Scofield QC:** And, in terms of the panel just establishing a basic understanding of  
7 where you're coming from and to maybe assist with moving through some of these topics in  
8 an expeditious way, can you indicate is there anything of any significance in respect of which  
9 you disagree with Mr Stewart's evidence?

10 **Dr McCormick:** I'm not sure these are disagreements; maybe they're points that I would  
11 regard as supplementary or additional. There's maybe one disagreement. So, three points to  
12 make about what Chris said in the oral evidence sessions. There's a focus on resources, and,  
13 you know, "Was RHI a project too far?". I think that there's undoubtedly — it's undoubtedly  
14 the case that better resourcing would've reduced risk, but I think there's also a nuance I'd  
15 like to bring out in relation to the interpretation of that point. There's also a point in relation  
16 to Chris's understanding of the Jon Parker email, which I know is very familiar, and I didn't  
17 quite follow what he was saying in relation to his understanding about that in May of 2015.  
18 The third point concerns a slight disagreement he and I had in relation to John Mills'  
19 appraisal.

20 **The Chairman:** I didn't get the last bit.

21 **Dr Keith MacLean (Technical Assessor to the Inquiry):** John Mills' appraisal.

22 **Dr McCormick:** John Mills' appraisal.

23 **The Chairman:** Of?

24 **Dr McCormick:** Apologies.

25 **The Chairman:** John Mills' appraisal of what? Who?

1       **Dr McCormick:** Sorry, his personal — the appraisal of John Mills, which Chris talked  
2 about, I think in, um, on the second day.

3       **Mr Scofield QC:** That’s his annual performance appraisal.

4       **Dr McCormick:** His annual report, yes.

5       **Mr Scofield QC:** I imagine —.

6       **Dr MacLean:** Mr Scofield, how are we going to cover these points? Are you going to go  
7 through them as and when they arise?

8       **Mr Scofield QC:** I was just about to say to the witness I’m happy for him to give some  
9 further detail about them now, but I rather suspect that each of those points will probably  
10 come up in some of the topics that we’re due to discuss this afternoon in any event. So, if  
11 you’re content, Dr McCormick, it might be better simply to try and address them as we go in  
12 context.

13       **Dr MacLean:** Thank you.

14       **Mr Scofield QC:** So, bar those three issues, the panel again can take it that —

15       **Dr McCormick:** Yes.

16       **Mr Scofield QC:** — there’s no difference between your approach and that of Mr Stewart.

17       **Dr McCormick:** *[Nods.]*

18       **Mr Scofield QC:** And then, finally, I just wanted to ask you, before we move on to the  
19 substance of your engagement with the scheme, about your appearances before the Public  
20 Accounts Committee. So, you appeared on a number of occasions before the PAC, I think  
21 from September 2016 through to January 2017, during the course of its investigation into  
22 the RHI scheme. Now, one of the things that you’ve made clear in your witness evidence to  
23 the Inquiry is that, in the course of that process, between September ’17 and the later  
24 points, your understanding of what had occurred in relation to the RHI scheme was  
25 developing, but I just wanted to ask whether the panel can take it that you stand over what



1 you said to the PAC on each of those occasions or if there's any area where you would now  
2 want to retract or disagree with something that you said or if there's anything that the panel  
3 should treat with a health warning.

4 **Dr McCormick:** The broad thrust of that evidence, to me, stands. It was a very exhaustive  
5 PAC process compared to anything I've done before. I've been in front of the Public Accounts  
6 Committee on many previous occasions. It's the first time I've been recalled so many times.  
7 But the essence of the points — that we have to hold our hands up to many mistakes at  
8 official level in relation to the way the scheme was constructed, all flowing from the  
9 Comptroller and Auditor General's report — that was the main thrust of my evidence.

10 **2:30 pm**

11 The area where, I guess, there's more information now available through the work of the  
12 Inquiry relates to the political domain, but that's not really the terms of reference of the  
13 Public Accounts Committee anyway.

14 **Mr Scofield QC:** So, can I take that as you saying that there's nothing in particular that  
15 you said to the PAC that you are concerned about?

16 **Dr McCormick:** That is correct. No. There is nothing I am concerned about.

17 **Mr Scofield QC:** Thank you.

18 With that background, I want to move on, then, to look at you joining DETI, in the middle  
19 of 2014, and then really just work through chronologically some of the issues that the  
20 panel's been looking at in relation to the scheme from that period onwards.

21 I wonder if we can just pull up your first witness statement, at WIT-10509. I just want to  
22 talk to you firstly about your role as the permanent secretary. And you've described your  
23 role there, at paragraph 1.5. And you make the point that part of your job is:

24 *"seeing the big picture, delivering value for money, and achieving outcomes".*

25 And then you mention a number of specific obligations, and they include to:

1       *“ensure that the people and systems operating within the Department are fit for purpose and provide a*  
2       *sound governance framework to manage risk effectively;”.*

3       And also to:

4       *“ensure that the principles of regularity, propriety and value for money are secured;”.*

5       And then, just for comparison purposes, I wanted to take you to what your predecessor,  
6       Mr Sterling, said about this. And I think we should find that at WIT-04017. And he identified  
7       there that, in his view, there were three main roles. Firstly, he said that the permanent  
8       secretary is the:

9       *“principal adviser to the ... Minister across the full range of departmental functions;”.*

10      Secondly, that the permanent secretary is:

11      *“responsible for ... management of the Department”*

12      including its resources. And then, thirdly:

13      *“As Accounting Officer, ... personally responsible to the ... Assembly ... for the sound management of public*  
14      *funds.”*

15      Do you agree with his summary?

16      **Dr McCormick:** Yes.

17      **Mr Scofield QC:** Do you see any distinction between the two?

18      **Dr McCormick:** Hmm. His first point about principal adviser to the Minister is not explicit  
19      in mine, but it's clearly — absolutely clearly part of the responsibility. I probably focused a  
20      little bit more on unpacking the accounting officer dimension, which is relevant to the  
21      context but not a full and balanced presentation of the permanent secretary role, and  
22      David's is better in that sense.

23      **Mr Scofield QC:** Would you accept, therefore — we'll come on to this perhaps in terms  
24      of some of the detail later on — that it's part of your responsibility to ensure that the advice  
25      which goes to the Minister is fair, accurate and comprehensive?

1 **Dr McCormick:** Yes.

2 **Dr MacLean:** Mr Scoffield, could you go back to the, to Dr McCormick's —?

3 **Mr Scoffield QC:** Yes of course, and that's at WIT-10509. I should say in ease of Dr  
4 McCormick, you don't report that this is a comprehensive discussion of all of the roles and  
5 responsibilities, and I'm fairly sure that you referred within your statement to, for instance,  
6 'Managing Public Money', where further guidance about these issues can be obtained.

7 **Dr MacLean:** It's the second part of the typed paragraph:

8 *"it is not, and never has been, a Permanent Secretary's role to deal with the detailed technical aspects".*

9 I'm just interested with regard to understanding sufficient of the content to be able to  
10 carry out the role as an adviser. And sometimes you do need that detail, a deeper dive,  
11 perhaps —

12 **Dr McCormick:** Yes.

13 **Dr MacLean:** — than just skimming the surface. And I'm just interested, in this regard,  
14 how picking up that first role that Mr Sterling has outlined, contrasts with that, whether —.  
15 That sort of implies never deep diving, never going into it. But I would have thought that was  
16 needed.

17 **Dr McCormick:** Well, that will depend on background and personal experience and the  
18 depth of detail built up over many years in a career. And so, when I moved to the  
19 Department of Health in 2005, I had no expertise whatsoever in the health domain. My  
20 expertise was the generic expertise of a senior civil servant in dealing with Government  
21 business and providing advice to Ministers. But then, of course, as issues arise, the  
22 opportunity came to acquire more detailed understanding. And so, my personal view is that  
23 the Civil Service tends to overemphasise generalism and underestimate the need for  
24 specialist expertise, and it's including, significantly in many circumstances, specialist  
25 expertise at very senior levels. So, again, Health Departments classically do have very senior

1 specialists at the departmental board, exercising full and extensive responsibility, including  
2 advice to Ministers. That's a very significant part of what Chief Medical Officers and their  
3 peers would do.

4 The area of energy is specifically troubling in this context, as I think is very apparent from  
5 all that you have been probing. I know this is a live topic for Noel Lavery as my successor in  
6 DFE. He's thinking about this very point very hard: what's the right way to do this? And,  
7 hem, certainly, it helps when the very senior people have the ability to penetrate the  
8 technicalities and get into that, but it isn't the core of the role. The role is as described and  
9 is, is — necessarily — has to be strategic, and that can create a risk that it's too broad-brush.  
10 I think this is not —. There's not a simple answer to this, but I think —. I've believed for many  
11 years that our balance has been too much in favour of generalism and not enough in terms  
12 of depth of expertise.

13 **The Chairman:** Well, trying to relate what you say there to this particular Inquiry, you do  
14 say:

15 *"the detailed technical aspects of the multiplicity of schemes and projects".*

16 Am I right in thinking that when you arrived in DETI there was no expert?

17 **Dr McCormick:** That's true.

18 **The Chairman:** And am I also right in thinking that when you came into DETI without any  
19 expertise yourself, you might have expected someone to draw to your attention a brand  
20 new novel scheme, whatever else they said about the other remainder of the multiplicity?  
21 That didn't happen, did it?

22 **Dr McCormick:** No, that didn't happen. I think as I was told at that point —.

23 **The Chairman:** What you've just told us is you didn't know about the RHI until a year after  
24 you'd arrived.

25 **Dr McCormick:** Er, just to be precise about that: RHI was on my first-day brief, so it was

1 mentioned —

2 **The Chairman:** Yes.

3 **Dr McCormick:** — and that's in the witness statements. It was also highlighted in the  
4 presentation that John Mills brought to the departmental board in October 2014, so —.

5 **The Chairman:** But there was no discussion of it.

6 **Dr McCormick:** It was —. There's a slide towards the end of his presentation which  
7 mentions RHI. It wasn't discussed —.

8 **The Chairman:** But bear with me: there was no discussion of it. That's what Mr Scoffield  
9 has put to you.

10 **Dr McCormick:** That's right.

11 **The Chairman:** That's what you have agreed with.

12 **Dr McCormick:** That's true, yes.

13 **The Chairman:** Thank you.

14 **Mr Scoffield QC:** I want to go to your first-day brief in a moment or two, just to look at  
15 what you were told about the scheme, and I think it's clear from your evidence that you  
16 were aware, obviously, that the scheme existed but, to use the Civil Service language,  
17 nothing in relation to it was escalated to you —

18 **Dr McCormick:** That's correct.

19 **Mr Scoffield QC:** — until in or about late May 2015. Just picking up on Dr MacLean's  
20 questioning, you've made clear within the paragraph of your witness statement, which is on  
21 screen at the moment, that it's not generally the permanent secretary's role to be across the  
22 detail of the:

23 *"multiplicity of schemes and projects".*

24 So, one of the things I wanted to ask you arising out of that is: how do you determine  
25 when you do need to conduct the deep dive? That's the first question. And the second

1 question is: arising out of what you said about energy being a particularly problematic area,  
2 was that not an area where it was obvious to you that you needed to do a bit more to  
3 become familiar with the schemes that were operating within that division?

4 **Dr McCormick:** So, on the latter point, it was very clear that energy was a complex area  
5 and so, as well as the written first-day brief, I had some significant time with John Mills on  
6 the range of energy issues within my first month in July 2014. So, he gave a much more  
7 detailed presentation on the range of issues he was facing and that were there in front of  
8 the team. Again, RHI did not feature strongly in that, if at all. It wasn't at the high point of his  
9 range of challenging issues.

10 In terms of knowing when to probe, that's a very, very good question and a very difficult  
11 question, which, I have to say, we clearly got wrong in this case, so that reveals my lack of  
12 authority to give a good answer.

13 But, in terms of learning the lessons from what's happened, there are, I think, now some  
14 good warning signals to look out for, and one thing that I did towards the end of my time in  
15 the Department for the Economy was to ask for a systematic register of projects to look at  
16 scale. But it's not just monetary scale — that's one indicator. Something can be relatively  
17 small-scale but high risk. So it was to get a range of criteria. That's something we did through  
18 the past winter within the Department for the Economy.

19 **Dame Una O'Brien (Statutory Inquiry Panel Member):** Sorry, Dr McCormick. Are you  
20 saying that the first time you asked for a register of all the projects was recently?

21 **Dr McCormick:** That's because I —.

22 **Dame Una O'Brien:** I just wanted to be clear that I'd heard that correctly.

23 **Dr McCormick:** So this arose because we — I observed myself something in relation to  
24 the Major Projects Authority, which you will be familiar with from a UK level, and I asked the  
25 question —

1       **Dame Una O'Brien:** But to be clear —

2       **Dr McCormick:** — “Well, where are we in this?”.

3       **Dame Una O'Brien:** — this had not existed before you asked for it?

4       **Dr McCormick:** No. There are clearly risk registers and many aspects of corporate  
5 management that include a degree of recognition of these things, but a systematic, criterion-  
6 based summary of everything that was meeting these criteria — that’s recent, yes. That was  
7 something that I saw hadn’t been done and said, “Let’s do this. We need to do this through  
8 the *[Inaudible.]*”

9       **Dame Una O'Brien:** And did it occur to you to ask for that when you first joined the  
10 Department?

11       **Dr McCormick:** No, it did not occur to me, and, with hindsight, it should have, but I think  
12 this is where there is a degree of confidence in continuity, which we probably rely on too  
13 much. So what we had was — what I got in July of ’14 was a standard first-day brief, based  
14 on a well-established process by which issues are identified. I had then handover time with  
15 David Sterling in relation to a number of issues which he was dealing with personally, and all  
16 of those were matters best talked about, rather than being *[Inaudible]* —

17       **The Chairman:** I don’t want to interrupt you, Dr McCormick, but when you use the  
18 phrase, “confidence in continuity”, continuity is one thing that has never been present, that  
19 from the start of this Inquiry one of the major complaints that the panel has raised from  
20 time to time. And to take up Dame Una’s point, we know that the person really who was  
21 driving this project initially — Miss Hepper — wasn’t interested in projects. “The scheme’s  
22 now running but doesn’t need a project”. That’s what she said. But where you do you get  
23 the confidence in continuity?

24       **Dr McCormick:** So, that’s where there has to be an appropriate governance process. Now,  
25 that increasingly needs to include Gateway reviews, which were conspicuous by their

1 absence in this case. I've had some very recent and very positive experience of the value of  
2 Gateway reviews.

3 **The Chairman:** This is for the future, is it?

4 **Dr McCormick:** Sorry, there were a number of Gateways in my time in various jobs, but —  
5 .

6 **The Chairman:** No, but I'm asking —. Sorry, I'm asking you about this continuity — this  
7 confidence in continuity. Do you agree that, from all of the evidence we have heard so far —  
8 written and oral — the one major missing aspect was continuity here?

9 **Dr McCormick:** Yes. Absolutely.

10 **The Chairman:** So, that's why I ask you: is this for the future?

11 **Dr McCormick:** Well, it's — I think we over-placed it in the past and to rely on it solely for  
12 the future is, to me, not enough.

13 **The Chairman:** I'm not saying, "rely on it solely"; I'm just saying that somebody  
14 somewhere has suggested it might be a good idea.

15 **Dr McCormick:** I think that we need to make sure that there is the proper transmission of  
16 understanding. That's the key thing that, clearly, did not happen in this case and went very,  
17 very badly wrong.

18 **The Chairman:** Despite Mr Hutchinson's efforts?

19 **Dr McCormick:** Yes, he made a valid and genuine effort, and there are other efforts as  
20 well, but the baton was dropped, and that's a matter of great regret from a Civil Service  
21 point of view.

22 **The Chairman:** Thank you.

23 **2:45 pm**

24 **Dr MacLean:** Can I just clarify? When you're receiving your first-day brief from John Mills,  
25 my — just to make sure I'm not missing out a year — am I correct in thinking John Mills



1 himself was probably only about half a year into the role at the time?

2 **Dr McCormick:** That's right.

3 **Dr MacLean:** So, just going back to the beginning of this discussion, which was about  
4 energy being troubling and how to get the detail, and the, um — that you didn't have that at  
5 that time — but you then started describing how you were getting your priorities and  
6 judgements from John Mills. Um, now, I think — even — looking at that time, a confidence  
7 in continuity is hard — a hard conclusion or a very difficult description to apply to energy  
8 division at that time because it was the epitome of a discontinuity and it was also a classic  
9 example of a whole series of new people with no energy experience at all.

10 So, just in that context, I'm surprised that you relate to us that John Mills was sort of  
11 providing you with the confidence that you needed, and that "continuity" is a word that  
12 springs to mind to describe that situation, um, and perhaps I've misunderstood what you're  
13 —

14 **Dr McCormick:** I'm sorry, I think —.

15 **Dr MacLean:** — trying to say to us.

16 **Dr McCormick:** Yes, I think I probably should've started by saying we had a false  
17 confidence and continuity. Is that the way to bring it back to a summary point? And then  
18 John, of course, he was, as you say, not very many months into the role, but he presented  
19 with a confidence. He's a very able individual, he presented confidently. He wasn't ever  
20 saying, "I'm not sure what to do about this". He wasn't indicating a request for assistance  
21 with getting on top of the issues. He was certainly saying they were challenging issues, he  
22 was certainly saying that the division was stretched, but he was not saying, "I need better  
23 expertise or understanding". He wasn't saying that at the time. He was —. So, he gave a  
24 presentation of confidence, in that sense.

25 Now, in many respects that was and has remained valid in other parts of the energy

1 portfolio, where the work that he did and his colleagues did has been sustained and has not  
2 come off the rails as this issue has. So, I would be wary of extrapolating from this issue into  
3 the wider wor — wider, even the wider scope of energy division’s work, never mind the  
4 wider Civil Service.

5 **The Chairman:** Well, rest assured, we are concerned solely with the RHI.

6 **Dr McCormick:** Yes.

7 **The Chairman:** We don’t —. We’re not worried about the other —. But when I asked you  
8 originally would you expect a novel, new form of energy renewable scheme to simply have  
9 been drawn to your attention on the basis that you’re coming in with no energy experience  
10 — it’s something that has only just been introduced in Great Britain — you would expect  
11 that to happen. That didn’t happen with John Mills. He, as you say —

12 **Dr McCormick:** Yes.

13 **The Chairman:** — not five minutes ago, he didn’t really mention RHI, and we know that  
14 he didn’t know there was such a thing as tiering until a year later. So, again, why do you  
15 think nobody in this Department thought it worthwhile to tell you, “We’ve a whole lot of  
16 projects here, but, by the way, we’re now doing our own version of this brand new project”?

17 **Dr McCormick:** So, that’s —. I find that very strange —.

18 **The Chairman:** If they’d said that, I take it you would’ve had a look at it.

19 **Dr McCormick:** Yes, we would’ve sat up and taken more notice, absolutely, but I think  
20 that the team—part of what had got lost in the transition was the awareness of the novelty,  
21 scale, sensitivity of the scheme. That’s part of what had dropped, uh, so the message was,  
22 “This is established”.

23 **The Chairman:** The attitude, I take it, was, “It’s running, so we don’t need to tell him too  
24 much about it”.

25 **Dr McCormick:** Exactly — “and, if anything, it’s underperforming”. That was the mindset

1 as I read the papers and as I recall from — well, sorry, because it wasn't raised, there's  
2 nothing to recall, but, uh, in terms of the way it's described and from what — my  
3 understanding of how this had been presented in other evidence.

4 **The Chairman:** Well, that wasn't the — not everybody felt that way because we know  
5 that Peter Hutchinson warned —

6 **Dr McCormick:** Yes, yes.

7 **The Chairman:** — on the basis of what he was being told by Ofgem and on the basis of  
8 what he knew the people in GB had done, so we know that he appreciated it.

9 **Dr McCormick:** Uh-huh.

10 **The Chairman:** But that was self-taught. There was no — nobody drew it to your  
11 attention at all about the potential risks here.

12 **Dr McCormick:** That is the case, unfortunately. Yes.

13 **The Chairman:** Thank you.

14 **Mr Scofield QC:** We're touching on a theme there, which is the theme of continuity, and  
15 I think we've probably touched on a number of issues that I'm going to want to take you  
16 through in due course. So, I think that theme of continuity probably touches on handover  
17 arrangements, which we're talking about now, project management, which we'll come back  
18 to talk about, and staff turnover, which is another issue that I think we'll probably look at in  
19 due course.

20 So, if we can just go back to your handover whenever you arrive in and just take that step  
21 by step. So, you have a first-day brief, which we'll look at in a moment, and you have a  
22 discussion with David Sterling. In your discussion with David Sterling, was RHI highlighted or  
23 mentioned?

24 **Dr McCormick:** No.

25 **Mr Scofield QC:** No. So, what you were told about the RHI at permanent secretary level

1 was in your first-day brief.

2 **Dr McCormick:** Solely, yes.

3 **Mr Scofield QC:** Now, other than that, you had a meeting with — or a presentation given  
4 to you by — John Mills, and you've mentioned that he would've mentioned the RHI as part  
5 of what his division was doing, but he didn't draw any particular features of the scheme to  
6 your attention.

7 **Dr McCormick:** Yes.

8 **Mr Scofield QC:** Other than that — the first-day brief, your meeting with David Sterling  
9 and your interaction with the head of division — did you do anything yourself, other than  
10 those measures, to familiarise yourself with the work of energy division?

11 **Dr McCormick:** Um, I can't remember precisely, but, over the course of the early months  
12 in the Department, I would've had at least some meetings with other stakeholders in the  
13 energy field but nothing to do with RHI. I would've, for example, met Jenny Pyper as the  
14 head of the regulatory organisation. There's been a number of stakeholders but, as I say,  
15 nothing to do with RHI.

16 **Mr Scofield QC:** OK. Would you, for instance, have read through the suite of legislation  
17 that your Department was responsible for?

18 **Dr McCormick:** No.

19 **Mr Scofield QC:** Let's have a look at the first-day brief. We find that at WIT —. First of all,  
20 if we can go to WIT-10511. This is part of your first witness statement, and you've made the  
21 point there that RHI:

22 *"was the seventeenth" —*

23 sorry, this is paragraph 2.2 —

24 *"was the seventeenth of seventeen pages on energy issues alone in Section 3 of the First Day Brief".*

25 Then, you say:

1        *“(the most urgent energy issues were covered in two pages in the Section 2).”*

2        So, the picture that you’re giving there is, “No one is saying this is urgent. No one is saying  
3        anything’s going wrong”.

4        **The Chairman:** Could you just give me again the reference for that document? It’s WIT  
5        what?

6        **Mr Scofield QC:** Sorry, that’s the reference to the witness statement, Chair. The  
7        document itself which we’re about to look at —.

8        **The Chairman:** Oh, sorry. I thought that was going to be the document —.

9        **Mr Scofield QC:** I’m sorry, Chair. That’s at DFE-415472.

10       **The Chairman:** That’s the document, is it?

11       **Mr Scofield QC:** Yes, this is the start of the handover document, which is a fairly chunky  
12       lever arch file, and the — that hopefully should be the first page. And if we go to the section  
13       on RHI, we’ll find that at DFE-415609, and this is, other than what you learned from John  
14       Mills when he provided the presentation about his Department, essentially the sum total of  
15       what you’re told about the RHI scheme when you join the Department. Is that right?

16       **Dr McCormick:** Yes.

17       **Mr Scofield QC:** Now, you’ve commented on this in your evidence to the Public Accounts  
18       Committee because —. There’s some basic facts given about the scheme there, but the one  
19       particular issue to which you drew attention was how the funding for the scheme is  
20       described and you’ll see there, just in the middle of the page, it says that the:

21       *“Funding stream for grant payments is Annually Managed Expenditure (AME) directly from HMT with no  
22       separate bidding process”.*

23       Now, I don’t think we need to turn to this, but for the panel’s note, at PAC-06699, in the  
24       course of your evidence to the PAC, you said that how the funding for the scheme was  
25       described there was:

1        “*disturbing*”

2        given what you now know. Can you just explain why you said that; what you meant by that?

3        **Dr McCormick:** Well, that’s the classic, very short version of the description. It’s, in itself,  
4        not untrue, but it doesn’t bring out the non-standard nature of the AME expenditure, the  
5        fact that it was, to all intents and purposes, a separate, small expenditure limit. It was  
6        certainly a budget that was not to be breached. Again, all the —. I think the false  
7        colloquialism around AME is: that means it’s demand-led; that means if you need more,  
8        you’ll get more, which is where I think a large part of the misunderstanding crept in. It’s  
9        never been technically correct, as you’ve heard many hours of evidence on that subject, but  
10       there was a shorthand interpretation and that is disturbing because it only gives the  
11       shorthand.

12       **Dr MacLean:** Dr McCormick, is it not true to say that that is incorrect or false in describing  
13       them as “grant payments”, which —

14       **Dr McCormick:** Yes, it’s incentive payments. Sorry, yes, yes.

15       **Dr MacLean:** — in my language would tend to mean a one-off advance payment or have  
16       capital rather than revenue characteristics?

17       **Dr McCormick:** Maybe it’s —.

18       **Dr MacLean:** Maybe that’s —.

19       **Dr McCormick:** I think you could probably say that an incentive payment is a recurrent  
20       grant. I wouldn’t argue with you.

21       **Mr Scofield QC:** But just before we move on from this, are you suggesting that this is  
22       symptomatic of what you call a “colloquialism” about the funding stream?

23       **Dr McCormick:** [*Nods.*]

24       **Mr Scofield QC:** But are you also suggesting that you were in any way materially misled  
25       by this reference at any stage? It’s not something that I have the sense that you went back

1 to consult at any stage in the future.

2 **Dr McCormick:** No, I didn't go back to consult it. I think that, because it does not bring out  
3 a very important truth about the way the funding of the scheme was organised, it therefore  
4 doesn't provide any potential for a follow-up question to say, "Well, tell me more detail  
5 about that. You say it's unusual. In what way is it unusual?". There was no thread to pull or  
6 prompt for further questions. It just looks as though it's straightforward and it, as we know,  
7 was far from straightforward.

8 **Mr Scofield QC:** And that's one particular issue that you've drawn attention to previously  
9 in relation to the material which was given to you at handover.

10 I want to take you back to your first witness statement at paragraph 2.3, which we find at  
11 WIT-10511, just to explore another theme in this area. And you say there, when you're  
12 discussing the handover note which was provided by Peter Hutchinson, that:

13 *"it could be argued with hindsight that the issues"*

14 that Mr Hutchinson had identified in his handover note should've been in your first-day brief  
15 and, indeed, in the July 2014 presentation to you of energy issues by Mr Mills. So, I just want  
16 — I want you to be explicit about the particular issues you're referring to there, which you  
17 say it could be argued should've been on your agenda on day 1.

18 **Dr McCormick:** Well, I could go further and say they should not just have been in my brief  
19 but they should have been acted on before I arrived is probably the even harder  
20 interpretation of — or stronger view that I hold on this. My view is that the repeated  
21 highlighting of the issues by Janette O'Hagan, combined with other evidence with which the  
22 Inquiry is increasingly familiar, should have led to action before this point in time. So, then,  
23 at the very least, if action hadn't been completed to solve the problem, it should've been  
24 highlighted as a live problem. The key email that came to attention was not many months  
25 before I arrived and that was the third or fourth attempt by Janette to raise the issue. So,

1 that's the way I see that; that it absolutely should've been raised.

2 **Dame Una O'Brien:** Mr Scoffield, I'm not going to get into the chronology of Mrs  
3 O'Hagan's emails just now but to be quite precise about the date of Peter Hutchinson's  
4 handover note —. And then I noticed from the handover sheet that Dr McCormick was given  
5 that the contact person alongside Mr Mills was Davina McCay. So, I just would like — I think  
6 the panel would like the precise chronology of the handover note and then who actually  
7 wrote that piece for the permanent secretary's ring binder. But I'm working on the basis,  
8 unless you tell us otherwise, that that was all approved by Mr Mills before it was given. Just  
9 trying to sort of piece that little chronological account together.

10 **3:00 pm**

11 **Mr Scoffield QC:** I think that's something that we might need to enquire about in some  
12 further detail. The impression that we have from other evidence which is given is that these  
13 first-day briefs are assembled by a variety of different teams providing a summary sheet in  
14 relation to their particular area and then it's filtered up through, but who precisely will have  
15 seen it and approved it, um —.

16 **Dame Una O'Brien:** Really, by — the timing seemed to be that Joanne McCutcheon,  
17 obviously, we know, had left earlier in the year and that this was around about the time that  
18 Peter Hutchinson left and Davina McCay was holding the fort, but, just for completeness in  
19 phase 2, I would certainly like to know that chronology and who wrote the note.

20 **Mr Scoffield QC:** We'll come back to you on that. From the top of my head, I think it's  
21 clear from other evidence that we've seen that Mr Hutchinson leaves in mid-May and  
22 provides the handover note literally on his last day or shortly before he leaves and that  
23 Davina McKay then stepped in. Now, Dr McCormick joins the Department in June, so, I think,  
24 by that stage, Mr Hutchinson will have left, Davina McCay will be holding the fort in the  
25 renewable heat branch.



1       **Dame Una O'Brien:** Uh-huh. So it's possible she was the author of what we looked at at  
2 DFE-415609, but we can clarify that.

3       **Mr Scofield QC:** It's possible.

4       **Dame Una O'Brien:** Thank you.

5       **Mr Scofield QC:** We'll maybe come back and talk about Joanne O'Hagan — or, sorry,  
6 Janette O'Hagan separately, but, in terms of the issues that, you're suggesting, it could be  
7 argued should've been included in the first-day brief for you, arising out of Mr Hutchinson's  
8 handover note, is that the key factor that you're referring to —

9       **Dr McCormick:** Yes.

10       **Mr Scofield QC:** — the indication from Miss O'Hagan as to how the scheme was playing  
11 out?

12       **Dr McCormick:** So, Peter's note talks about the solution being to introduce tiering. That's  
13 clearly directly prompted by his understanding of what Janette had written, and I think he  
14 had a brief conversation with Edmund Ward on his last day. But the point is put clearly; it's  
15 referred to by him as a matter of urgency in the handover note. This is where, to me, the  
16 biggest single discontinuity arises. Certainly, I read Davina McCay's witness statement with  
17 sympathy, and, indeed, I found that one of the most disturbing pieces of evidence to read:  
18 the sheer undue weight that rested on the transfer of responsibility to her in a very short  
19 time with no DP support. This was, to me, the weakest link in the chain. Not her — she did  
20 her very best — I mean the act of handover. The reliance on that handover was the weakest  
21 link, and that's where all the urgency and clarity that is in what Peter wrote did not come  
22 through —

23       **The Chairman:** Did you say —

24       **Dr McCormick:** — yet he hits the nail right on the head.

25       **The Chairman:** — reliance on the handover was the weakest link?

1       **Dr McCormick:** Sorry, um, no, the absence of a proper process to take delivery of the  
2 handover.

3       **The Chairman:** Well, she passed it on to Hughes, and we know that Mr Wightman got it  
4 but put it away in a cupboard.

5       **Dr McCormick:** So —.

6       **The Chairman:** Why wasn't it kept in, I don't know, on the wall, if you like, in a golden  
7 cage? Why wasn't it given to you?

8       **Dr McCormick:** Um, I don't know, and I find this very disturbing. It's delicate territory,  
9 because this is exactly the point that led me to initiate the fact-finding exercise on the 29<sup>th</sup> of  
10 September 2016, immediately after the PAC — that was my attempt to initiate a process to  
11 understand what had happened — and that's not been concluded. And it's widened — the  
12 degree of scrutiny between September '16 and the launch of this Inquiry widened  
13 considerably and went beyond anything that I could —. I was never solely in control of it  
14 personally anyway, but it now has to embrace scrutiny of me and my input and  
15 performance.

16       But I was left, the day of the PAC, asking the question, "How on earth could this have  
17 happened?". And I still don't — I don't have an understanding, because the understanding  
18 depends fully on the full analysis of the evidence as to who knew what and when, and then  
19 there's issues about personal responsibility and issues that point in my direction about  
20 system responsibility and how things are overseen and governed. And all of that is, to me,  
21 right at the heart of your work.

22       **Mr Scofield QC:** Well, it's that last issue, I think, that I want to explore with you in  
23 particular —

24       **Dr McCormick:** Quite so.

25       **Mr Scofield QC:** — Dr McCormick. It's entirely clear from your evidence that you view Mr

1 Hutchinson's handover note as being particularly significant.

2 **Dr McCormick:** Uh-huh.

3 **Mr Scofield QC:** And you've described in your written evidence — this is paragraph 4.4 of  
4 your first witness statement — that, when you were provided with Mr Hutchinson's  
5 handover note for your first PAC evidence session, you say it:

6 *"changed abruptly [your] perception of a number of ... aspects of the case".*

7 It might be that in due course we talk about how the handover note came to be discovered  
8 and some of the circumstances around that. I want to leave that aside for the moment.

9 I don't want to get into too much detail with you about issues of personal responsibility,  
10 because those are issues that the panel obviously is looking at, and team 2 in particular have  
11 a range of points that they make about how clear or how urgent the messages were in the  
12 handover note, and obviously that's —

13 **Dr McCormick:** Yes.

14 **Mr Scofield QC:** — an issue or those are issues on which the panel will have to take a  
15 view.

16 I'm more interested in the issue of possible corporate failing, and one of the things that  
17 Mr Stewart told the Inquiry is that he wasn't aware of any formal system ever having existed  
18 within DETI for ensuring continuity of knowledge in the event of staff turnover, and any  
19 action which seems to have been taken was therefore taken on an ad hoc basis. Now, I think  
20 we can take it that you agree with what he said about that.

21 **Dr McCormick:** Yes.

22 **Mr Scofield QC:** Who's responsible for that?

23 **Dr McCormick:** Um, this is one of these occasions when the phrase that springs to my  
24 mind is "the system". Well, that would be us. We are the system. We can't blame the  
25 system. It's not —. The system is what we, the leadership, make it, so the responsibility for

1 that lies with me personally, in relation to the oversight and leadership of the Department,  
2 and with — if it's a matter of more corporate, Civil Service-wide issues and given that there  
3 are significant transfers between Departments, the management of transfer between  
4 Departments and the continuity of expertise in that context becomes something that's  
5 corporate to the NICS as a whole and therefore to the NICS board.

6 This is a major, major issue that we need to look at as a result of what's happened, and,  
7 indeed, as you're aware, there has been work done on interim lessons learned and, I think,  
8 looking at the way in which governance is applied, including the deployment of expertise,  
9 the alignment of sufficient expertise to particular areas, all — and the way in which —.

10 **The Chairman:** Let's stick —.

11 **Dr McCormick:** — information is transferred.

12 **The Chairman:** Let's stick with staff turnover for the moment.

13 **Dr McCormick:** Yes. OK.

14 **The Chairman:** It can't be the case — or maybe it can, but to me it seems unlikely — that  
15 this was the only example of staff turnover that took place within a very short time of a  
16 number of people throughout the Civil Service. Was there no recognised system for  
17 precautionary ensuring that there was continuity where a number of staff all left within a  
18 relatively short time? There was no system anywhere in the Civil Service.

19 **Dr McCormick:** No, and I think — I'm trying hard to think of —

20 **The Chairman:** Yes.

21 **Dr McCormick:** — another example where at every level there was change within,  
22 actually, less than six months, given that John Mills arrived into January '14. So, within a  
23 period of less than six months, there was transfer literally at every level. I can't think of  
24 another case where that arose. So, the first, if you like, the first fail-safe is at least there's  
25 somebody still around within the chain of command with some degree of memory. I'm not

1 saying that's adequate, I'm not saying that that's robust, but this was, to me, incredibly  
2 vulnerable, looking at it.

3 **The Chairman:** Well, should that have been seen by the previous permanent secretary,  
4 Sterling?

5 **Dr McCormick:** Um, well, I —

6 **The Chairman:** If you say it never happened before.

7 **Dr McCormick:** I don't know if he knew about it. It surely should've been com —  
8 should've been with —. He should've been —. It should've been drawn to his attention that  
9 this was happening before commitments were made. One thing that can happen within the  
10 Civil Service is that arrangements are made to commit people to moves. Agreement is made  
11 at — it's seen as a line management responsibility, so therefore you could have several  
12 levels all agreeing to change at the same time. I've always been of the view that people  
13 should tell their superiors and their superiors — the next up the chain — to be aware of  
14 what's going on. Certainly when I was in — my position as a permanent secretary is to say,  
15 "Any move happening at grade 7 level, I want to know about it before it happens." —

16 **The Chairman:** But why do —?

17 **Dr McCormick:** — "Before a commitment is made for it to happen, I want to know. I'm  
18 not going to interfere, I'm not going micromanage, but, before a grade 7 move happens, I  
19 need to know that it's planned".

20 **The Chairman:** Does that just depend upon your particular approach?

21 **Dr McCormick:** That's my particular approach.

22 **The Chairman:** And yet, in this case, there was a wholesale change of staff —

23 **Dr McCormick:** That's right.

24 **The Chairman:** — which doesn't seem to have been appreciated by the permanent  
25 secretary at all.

1       **Dr McCormick:** Um. I don't, I don't know exactly what David knew at that time, but it  
2 appears close to that, yes.

3       **The Chairman:** Yes.

4       **Mr Scofield QC:** I wonder, again, if we can just take this step by step. So, when there is a  
5 range of staff who are all moving at the same time, I think you've accepted a few moments  
6 ago that there were no systems in place to deal with that. That wasn't satisfactory: would  
7 you agree with that?

8       **Dr McCormick:** Clearly unsatisfactory, yes.

9       **Mr Scofield QC:** And that needs to be dealt with. And, I think, without providing too  
10 many details, you've assured the panel that that's an issue which is being taken forward by  
11 the NICS at board level arising out of this case.

12       **Dr McCormick:** Uh-huh.

13       **Mr Scofield QC:** So, where it happens, there needs to be better processes to deal with  
14 continuity of knowledge.

15       **Dr McCormick:** Yes.

16       **Mr Scofield QC:** I think the logically prior issue which the Chair has just been exploring  
17 with you is "Should it have been allowed to happen?" or "Should it have happened at all?",  
18 and you've indicated that you're not aware of precisely what Mr Sterling knew or didn't  
19 know. Mr Mills was asked some questions about this and gave an explanation in relation to  
20 each of the moves and the constraints that, he felt, there were in saying no to a number of  
21 the people who wanted to move. Is your position that the situation which arose here not  
22 only should not have occurred but could have been stopped?

23       **Dr McCormick:** Well, I don't know enough about the personal circumstances, and I  
24 wouldn't want to second-guess. What I would say is that, if it was genuinely unavoidable —  
25 and there can be situations where two, three, four members of a team or a chain of

1 command move at once — that requires us then to be very sensitive to continuity and to  
2 identify, “Well, where are the risk areas?”, and I think Peter made a genuine attempt to help  
3 that process. That, in itself, doesn’t seem to have been escalated sufficiently.

4 **Mr Scofield QC:** Why do you say that?

5 **Dr McCormick:** Because — well, evidently, a lot of important information did not reach, if  
6 I understand it correctly, didn’t reach John, didn’t reach Chris, when he arrived a month after  
7 me, and therefore the baton was, in fact, dropped. So that says something went wrong  
8 which we need to understand, first of all, and learn the right lessons from that. And the  
9 obvious provisional point, as far as I’m concerned, is to make sure that, if it’s unavoidable  
10 that you’ve got a succession of people moving at the same time, then identify the risks and,  
11 you know, don’t settle for the first assurance probe. That requires an extra degree of  
12 probing to, as Chris has been saying — Chris’s almost a catchphrase now is, “Tell me the  
13 basis of your assurance”, and that’s, I think, a good and important lesson already in place.

14 **Mr Scofield QC:** Just before we move on then from this topic, if I can try to summarise.  
15 Whatever individual criticisms there may be about any decisions to allow this situation to  
16 develop, which is a matter for the panel, and whatever individual criticisms there may or,  
17 indeed, may not be about how individuals dealt with the handover note, either in its  
18 compilation or its transmission or passing on, I think you’re saying fairly clearly that in both  
19 those areas there was a lack of proper process and structure, which is a systems issue —

20 **Dr McCormick:** Yes, in summary, yes.

21 **Mr Scofield QC:** — in respect of which the buck ultimately stops with you.

22 **Dr McCormick:** Yes.

23 **3:15 pm**

24 **Mr Scofield QC:** Now, we’ve been looking at what was drawn to your attention when you  
25 join the Department in the middle of June. So, we’ve seen your first-day brief. We’ve looked

1 at two issues which might've been dealt with better at that stage: how the funding was  
2 described to you and what might've happened with the concerns which were raised in Peter  
3 Hutchinson's handover note. Leaving those two issues aside, I wanted to ask you: is there  
4 anything else that, with the knowledge you now have, you feel should've been made clear to  
5 you on day 1 or ought to have been escalated to you before you became involved in late  
6 May 2015? Perhaps — I know this question's becoming complicated, but can we also leave  
7 out of consideration for the moment the issue about budget uncertainty in March 2015?  
8 We'll come on to that. So, leave that aside.

9 **Dr McCormick:** Yes.

10 **Mr Scofield QC:** Anything else that should've been told to you on day 1 or between then  
11 and March 2015.

12 **Dr McCormick:** So, the things that strike me there would be, you know — in a way,  
13 Peter's point relates to concern about tiering. So, that goes to — you could widen from that  
14 into an escalation of a description of how the scheme was working and what was, if you like,  
15 a comparison between what was a reasonable expectation about the way it was intended to  
16 work and what was actually happening in the real world. Now, some of this is — risks getting  
17 into a counsel of perfection as in something that isn't realistic. But I still think that there's  
18 room for a broader assessment of the nature of the issues, so the follow-up to the 2013  
19 consultation, which was, in fact, delayed on the non-domestic side and, in fact, never really  
20 brought to *[Inaudible]* because it was overtaken by the — what erupted in May/June of '15.  
21 There's plenty there that, in a way, should have been being pursued and considered. The —.  
22 Again, that's been a major topic for consideration around resourcing, around prioritisation  
23 and around decision-making about that, but that clearly has had immense consequences and  
24 —. So, it's obvious in hindsight, but I would argue that there was good reason within the  
25 nature of the work that was being done at the time to say, "Well, let's make sure we're on



1 the right track here”, on the way the scheme was evolving given that conscious decisions  
2 had been taken that said, “Some things will be subject to review. Some things will only come  
3 in through a review, not built in from day 1”. Again, that’s — to me, again, mainly loss of  
4 continuity, and therefore the right corrective mechanism to that is to focus on how these  
5 things are overseen; project management. You know, back in earlier stages, you could  
6 certainly argue for Gateway. You know, we’ve just done even a pre-Gateway process in  
7 relation to programme assurance in another part of work I’m doing at the moment. Getting  
8 external view of assurance that this is a — on the — is being set up in the right way. Those  
9 are good and sound principles which weren’t applied.

10 **The Chairman:** Well, the first point is that it should’ve been reviewed in accordance with  
11 the original presentation. Even in accordance with the handover, a review —. If a review had  
12 happened then, they would’ve cottoned on to the fact that they needed DFP approval. DFP  
13 approval would’ve looked at the funding and —

14 **Dr McCormick:** Yes.

15 **The Chairman:** — all sorts of things. The second point you’re absolutely right about: if  
16 ever there was a classic Gateway moment, it was at the start of May/June 2015.

17 **Dr McCormick:** *[Nods.]*

18 **The Chairman:** I think we’ll probably take a break now, unless — sorry.

19 **Dr MacLean:** Sorry, I —. If we’re moving on to another topic afterwards, I just have one  
20 final question on the handover note and your description of how the discovery of the  
21 handover note at the time of the PAC hearings significantly changed, or abruptly changed  
22 your view of that. I’m just trying to understand, up until that point, was the belief that  
23 ignorance had prevailed and that was bad enough, but discovering the handover note meant  
24 that ignorance had not prevailed; that people had known and had not acted upon it?  
25 Because neither situation is satisfactory, and I’m just trying to understand that your — the

1 worsening of it, or the abrupt change, was on finding out —

2 **Dr McCormick:** Yes.

3 **Dr MacLean:** — that there had been knowledge and that that had not been acted upon,  
4 rather than the previous situation of blissful ignorance was acceptable.

5 **Dr McCormick:** My prepared stance going into that first Public Accounts Committee  
6 hearing was a Swiss cheese systems failure type of theme. That was all rehearsed and  
7 carefully prepared, and at 20 past one, coming up for the session beginning at two o'clock, it  
8 was totally changed, and I wasn't ready to deal with it there and then. The members,  
9 especially Declan Kearney, noticed that I was uneasy. He gave me a hard time later for not  
10 just coming straight out and saying, "Look, look what I found", which I don't think I was  
11 ready to do.

12 **Dr MacLean:** Thank you.

13 **Mr Scofield QC:** Just before we take the break, Dr McCormick, unless there's a question  
14 from anyone else on the panel, you've mentioned, I think, in answer to that last question,  
15 four topics that I want to deal with after the break. One is the prioritisation of the  
16 introduction of the domestic scheme; how the scheme was turning out and whether there  
17 was adequate monitoring of that; the failure to review; and the topic of project  
18 management. But the question I'd asked you was: is there anything that, leaving aside the  
19 benefit of hindsight, you now feel, on the basis of what was known at the time, should've  
20 been sent up the chain to you?

21 **Dr McCormick:** Um, it's very hard to extract hindsight from any thought process about  
22 that question. I think it — there's so many aspects that, with just one or two stages of  
23 further thought, would have triggered an escalation because some degree of awareness  
24 would've been more visible and conscious. Somehow, these things were missed, and that's  
25 why my position before the PAC was, "These are omissions and, you know, you can't see

1 what you can't see". It's a different question of whether you should see, but if it's a matter  
2 of fact people hadn't seen, then why would they escalate? That's totally understandable. It  
3 doesn't make it right, it doesn't make our governance or our processes defensible, but if  
4 that's the way things were, then they didn't escalate cos they weren't conscious of  
5 something that was worthy and necessary of escalation.

6 **Mr Scofield QC:** Thank you.

7 **Dr McCormick:** It's not good.

8 **The Chairman:** We'll aim for 20 to.

9 **Mr Scofield QC:** Thank you, Chair.

10 *[The hearing was suspended at 3:23 pm]*

11 *[The hearing resumed at 3:43 pm]*

12 **Mr Scofield QC:** So, Dr McCormick, just before the break I had been asking you if there  
13 were any issues that you felt ought to have been escalated to you. Other than the ones that  
14 we discussed previously, I think the summary of your answer is that there are a variety of  
15 topics or issues which could've been escalated to you if their significance had been realised,  
16 or if something had been flagged as of concern, but a number of issues weren't brought to  
17 the top management team's attention because they were — if I can use the phrase that is  
18 sometimes used — “unknown unknowns” at that time.

19 **Dr McCormick:** Hmm.

20 **Mr Scofield QC:** Just arising out of that, I wanted to ask you — again, just before we  
21 move on from the general theme of what you did when you came into the Department —  
22 what, if anything, you did to ensure that the systems which were in place within the  
23 Department to bring issues to your attention — systems like the assurance statement  
24 system or the operation of the internal audit service — that those systems were working  
25 effectively, doing their job and actually rooting out the issues that you should be dealing

1 with?

2 **Dr McCormick:** So, as I recall, the PAC issue that was on my desk in my first year in DETI  
3 was the Bytel case, which is a telecoms case that had gone wrong quite some years  
4 previously, and that, sort of, gave rise to a lot of consideration within the team as to the  
5 lessons. There was a PAC hearing. I can't remember exactly when that was, but I think it was  
6 within my first year. So I was getting into a context where DETI, and its predecessor  
7 Departments, had quite a hard and difficult track record of accountability issues, some of  
8 which I'd been aware of way back before when I was the Treasury Officer of Accounts in  
9 DFP. I remember my first Westminster PAC in 1998 was on a DED case. So, that —. One thing  
10 that that meant was that the systems of governance, the institution of the casework process  
11 — all those things were, you know, from the school of hard knocks, where lots of things had  
12 given rise to challenge and criticism from the PAC, both the Westminster PAC and the  
13 Northern Ireland PAC when it came into place.

14 So, there was a lot —. I didn't come in and bring quick new thinking, because it was clear  
15 to me on arrival that this was a place where accountability was something on the mind a lot.  
16 David Sterling's predecessor, Stephen Quinn, who I'd worked in — I'd worked with him  
17 previously in DFP, was as focused a permanent secretary in relation to accountability issues  
18 as I remember in my entire career, and he was — he came into that Department and  
19 established a lot of the procedures that still stand.

20 **3:45 pm**

21 Now, I say all that very conscious that things got through and didn't work. And, indeed,  
22 the Bytel case, as Robin Swann very theatrically drew out at one of the PAC hearings, had an  
23 awful lot of similarities to what happened with RHI. So, clearly there were issues underlying  
24 that which we hadn't resolved.

25 **Dame Una O'Brien:** Dr McCormick, I'm sorry to interrupt, but I'm really interested in,

1 quite specifically, if we take your start date in the Department — let's take the first six or  
2 nine months — and maybe, overnight, you can draw our attention to the evidence in your  
3 statement or elsewhere, but what steps precisely were you able to take to challenge the  
4 strength of those internal systems and to satisfy yourself as a newly incoming accounting  
5 officer that they were robust and fit for purpose? Because you've given us the list of the  
6 responsibilities there, at the beginning of your statement, so I think the panel would be  
7 interested to know what you personally did in that period of time to satisfy yourself those  
8 systems, on which you were relying to bring problems to you, were capable. So, whether it's  
9 appraisal or the two that Mr Scoffield has mentioned or any other of those internal check-  
10 and-balance systems that you were relying on, how did you know that they were going to  
11 give you the data and the intel that you needed?

12 **Dr McCormick:** So, as you say, there are things that I can check and review, but the  
13 immediate response from me on that is that the levels of assurance that you depend on  
14 would be the functioning of a departmental board, the functioning of an audit committee,  
15 and I had the benefit of a good, very experienced, non-executive director in the form of  
16 David Beck, who was very thoughtful, never hesitating to challenge and ask good questions.  
17 Then, as you say, there was the assurance statement system in place. There were, on the  
18 face of it, good processes. I've never forgotten what the former C&AG said to me in the  
19 1990s when I was finance director in Education, "It's not about the processes but the  
20 guidance. It's the application of the guidance". And what I don't think I tested sufficiently, or  
21 sufficiently actively, was actually stress-testing. Is this actually working? I can't, hand on  
22 heart, identify major interventions that I undertook to test that effectively. What I was  
23 observing and watching as I went through that first year would've been how the board  
24 worked, the way in which aspects of risk were brought to the board. So, there's the  
25 presentation that John brought in October '14 to the departmental board, which is in one of

1 the annexes to the witness statement. That, I suppose, I was assuming — maybe assuming a  
2 bit much — that these were indeed robust processes based on — sorry, the long earlier  
3 answer — that were based on the hard lessons learned in that sector from previous  
4 occasions. I don't —.

5 **Dame Una O'Brien:** To put it another way, did you —?

6 **Dr McCormick:** I probably didn't do enough, is an honest answer to what you've said.

7 **Dame Una O'Brien:** Sorry. To put it another way, are you saying to the panel — and if I  
8 have read this incorrectly, I am sure you will comment on it — that you took these systems  
9 for granted? That you assumed that they were functioning and that they would highlight  
10 problems to you? You weren't relying simply on the individuals in a given team to escalate  
11 things, but you knew there were systems there and you assumed that they would work.

12 **Dr McCormick:** I would accept —. Placed reliance on them: yes, I did place reliance on  
13 them. Hem, whether that's taking them for granted, that's, that's — that carries a different  
14 connotation —

15 **Dame Una O'Brien:** Uh-huh.

16 **Dr McCormick:** — but I'm not sure I can argue with it. There was a lot of assumption  
17 there because I was aware that there had been difficulties before and, therefore, the  
18 expectation was that lessons had been learned. And there were within the team assisting  
19 me, for example, in the preparation for the Bytel Public Accounts Committee hearing, you  
20 know, the team there — Eugene Rooney, Trevor Cooper, Terry Coyne, Iain McFarlane —  
21 they were experienced practitioners in dealing with this kind of accountability issue. And  
22 even the structure of the Department created naturally an internal tension between the  
23 policy group, which Chris Stewart headed, and the management group, which was  
24 predominantly corporate functions under Eugene. So, there should have been resilience in  
25 there.

1        Then the next level out, of course, is internal audit. And one thing I did in the first year  
2        was get to know Michael Woods. I am always, as an accounting officer, clear that his access  
3        to me is another means of assurance so that the capacity of the internal auditor to come and  
4        say to the accounting officer, “You need to pay attention to this” —. Now, again, in this case,  
5        it didn’t help because there was no transmission of a concern or risk to him, so, therefore, it  
6        wasn’t picked up. It all —. I think a lot of these things come back to the same fundamental  
7        point that — and you used the phrase “unknown unknowns” a short time ago — certainly  
8        partially understood unknowns. Something wasn’t getting through, and I, I think that, er,  
9        yes, there’s a lot more that could have been done. What’s a realistic st—. A good  
10       expectation, I think, is a harder thing to judge.

11       **Dame Una O’Brien:** OK. Thank you.

12       **Mr Scofield QC:** If I can just summarise where you’ve got to in your answer to that  
13       question from Dame Una and my original question. Please let me know if any of this is an  
14       inaccurate summary of what you said. When you came into DETI, you thought that there  
15       were good systems of assurance and internal control. You didn’t do anything either to  
16       introduce any new systems or to improve upon those systems. You accept that you didn’t  
17       stress-test them as much as you should have done.

18       **Dr McCormick:** I think that’s fair, yes.

19       **Mr Scofield QC:** Nonetheless, you relied on them. Now, you mentioned, just before the  
20       short break, a number of topics that we are going to come on to talk about. There were  
21       issues which, with hindsight, should perhaps have come to your attention. So, failure to  
22       review the scheme; the way in which the scheme was turning out as against initial  
23       assumptions; the prioritisation of the domestic scheme over the non-domestic scheme; the  
24       absence of formal project management structures. Those are all issues which, with  
25       hindsight, should perhaps have come to your attention but didn’t. So, I suppose the ultimate

1 question arising out of that is: on the basis of what you know now, why do you think those  
2 systems failed you? Why do you think those issues didn't bubble up to the people who  
3 should be dealing with them?

4 **Dr McCormick:** That's, that's, er, right at the heart of the issue, because it goes to what  
5 degree of understanding there was with anyone in the small team. And the fact that it was a  
6 small team goes to the issue of resources, which I mentioned, a slight nuance in relation to  
7 what Chris Stewart and, indeed, David Sterling have said. Hem, so I think, hem, it's actually  
8 quite hard to understand why these things were missed, hem, given the degree of wider  
9 awareness, the trail that was very conspicuously there in the founding documents for the  
10 scheme, the nature of the conditional approval. All of those things stand as, you know,  
11 saying loudly, "Watch out", but somehow it didn't happen. That's —. I think that's right at  
12 the heart of the issue here.

13 As I said, my intended approach to the Public Accounts Committee was to say, "Lots of  
14 things got omitted at a level of individual omissions, all of which added up to a problem".  
15 But, I suppose, my view of that at the time was probably unfair to really have a lot of blame  
16 as a result of that when, you know, you expect a system to work together. But loss of  
17 continuity was, clearly, very critical and a big, big drawback. But if things aren't drawn to  
18 attention, it's hard to know where to go with and what could have been different.

19 **Mr Scofield QC:** Can I summarise that, and tell me if I'm misunderstanding your answer.  
20 But it seems to me that it's a fairly sophisticated way of saying you think, in this case —  
21 leaving aside the issue of staff turnover — rather than systems failure, it was more an issue  
22 of individual failure. So I want to ask you, firstly, am I misconstruing your answer, and,  
23 secondly, if I'm not, does that not ultimately amount to systems failure, because part of the  
24 reason that we have these systems is that there are checks and balances so things don't fall  
25 through the net?



1       **Dr McCormick:** No. What I've described is precisely my definition of systems failure, not  
2 individual failure. Systems failure is the sum of small failings. I would argue —. I think it's  
3 easier to talk about individual failure where the main cause of a particular catastrophe, or  
4 whatever, is one or maybe two individuals either doing something entirely inappropriate or  
5 failing to do something which is obviously necessary. Systems failure, to me, by definition is  
6 the sum of a lot of small things going wrong. Hence the Swiss cheese metaphor: if each hole  
7 in the cheese is an individual failure. The point that the airline industry makes is you  
8 shouldn't have a catastrophe unless at least 10 things go wrong, because, at some point,  
9 there won't be a continuity of hole within the cheese. Sorry, the metaphor's got strained.  
10 But it shouldn't get through; the problem should not get through. In this case, it did and —.

11       **Mr Scofield QC:** I think you're right, Dr McCormick. The nub of the issue that I'm asking  
12 you about is how did it get through —

13       **Dr McCormick:** Yes.

14       **Mr Scofield QC** — and I'm struggling to get a clear understanding of what your answer is.

15       **Dr McCormick:** Well, at this point, I don't know precisely, but there are enough  
16 indications in what we now know that there should have been action taken on some of the  
17 warnings, and that's a hard thing. And I'm conscious that, having initiated the fact-finding,  
18 which is seen by some as quite a challenging and difficult thing to do, my view around  
19 September was two-fold: one, I had an absolute responsibility to act on what I knew, which  
20 pointed to information very clearly presented that said, "Here's what's wrong with the  
21 scheme and not acted on", in a much more direct, pointed way. Therefore, that was a game-  
22 changer — a total game-changer — in my experience. But also, then, recognising that the  
23 fairest way to proceed with that process was not to see it continue in the Public Accounts  
24 Committee environment but into a fair, detached Civil Service management process.

25       **Mr Scofield QC:** *[Short pause.]* Afraid to say I'm still not sure I understand quite what the

1 answer is.

2 **Dr McCormick:** Sorry. If the fundamental question is, “Why did the scheme go wrong?”, it  
3 goes to the initial failures of design, which are well established, well understood, which look  
4 like human error, and then failure to act on direct warnings that — which pointed out the  
5 absence of tiering as the key problem. And had that been acted on in either autumn of ’13 or  
6 spring of ’14, then I can imagine a parallel universe where an imperfect RHI scheme is ticking  
7 over because it’s quite similar to what’s going on across the water.

8 **4:00 pm**

9 **The Chairman:** Is it not, with all due respect, is it not fairly straightforward that in parts of  
10 the Civil Service, and in parts of energy, you had project management? Project management  
11 was rejected in this case, and if you’d had project management, you would not have had the  
12 difficulties that you did have.

13 What you had was something less than project management, where an individual was  
14 asked to prepare a handover, which he did. That handover then was left to bobble along.  
15 Somebody got it; somebody didn’t.

16 You’d no system. There was no way —. If you’re not going to have project management,  
17 and you are going to have somebody who has a long number of years’ experience of it and  
18 you want him to do a handover, surely you should see that as your best document, and it  
19 should be distributed. It should go round; it should be acted on.

20 It seems to me that, here, there was just total absence of systems, and that should’ve  
21 been picked up.

22 **Dr McCormick:** Right, again, you’ve got a fuller view of the total picture than I have now. I  
23 used to think I knew quite a lot about this. I’m more restrained in what I say now, but I think  
24 that the —. Yes, fundamentally, it’s, um, there are quite a few things which had they just  
25 been done a little bit differently would’ve made all the difference, and I think there are

1 several different project management — you know, there are several different things which  
2 would have prevented the thing going wrong. Project management's one of them. You  
3 know, not having missed the tariff point at the beginning, having had the review. Even in the  
4 absence of project management, if certain corrective actions had happened sooner, we  
5 would've stopped the problem. So I think, fundamentally, yes, there was a failure of the  
6 system, and the deeper question still for me is precisely how did that work out.

7 **The Chairman:** I don't want to take up any extra time, Dr McCormick, but when this  
8 system was adopted into Northern Ireland, there was a clear example of how such a system  
9 might work from GB. Whatever you call it — whether you call it project management or  
10 whether you call it simple organisation —

11 **Dr McCormick:** Uh-huh.

12 **The Chairman:** — all you needed to do was to arrange what had to be done in a  
13 document or on an email —

14 **Dr McCormick:** Yes.

15 **The Chairman:** — not stuffed into TRIM and forgotten about. Now, what happened here  
16 was the absence of any system. In the end, delivery was all. Delivery meant you got the  
17 money in, you got what was happening in, but you didn't have any means of control. And  
18 this was something that —. Even I, as a poorly informed lawyer, see the need for controls  
19 and warnings here, and they were there from the word go.

20 **Dr McCormick:** I agree. I agree. It's all entirely fair.

21 **Dr MacLean:** Just one perhaps slightly more fundamental point than that: could all of  
22 these systems and approaches ever have worked with one and a half people doing the job,  
23 where, in the GB scheme, they had 77, where you now running a scheme that isn't even live  
24 any more have 43?

25 Is that not — is the failure to recognise the quantity and the quality of resource needed to

1 do the job, both at the beginning and an ongoing basis, not a failure to recognise the  
2 impossible task? Or do you think now that, even with perfect hindsight, you could go in and  
3 you could put systems in place that one and a half or two people could have successfully  
4 worked?

5 **Dr McCormick:** I think it's impossible to defend the resourcing levels. My nuance on Chris  
6 Stewart's evidence was just to say that it doesn't take a vast resource to spot the problem.  
7 Had we, had the —. It's Janette O'Hagan's five minutes of research or the industry's quick  
8 recognition of the vulnerability of the scheme. I just, I'm wrestling with this point in my mind  
9 as to whether actually, if that had been different, you know, might we still be trundling along  
10 — with still a very imperfect scheme but maybe with quite a small number of staff —it might  
11 be ticking over? You know, we might not know anything bad about it.

12 **Dr MacLean:** But you've got 43 people ticking it over at the moment.

13 **Dr McCormick:** But they're not running the scheme. They're moving into —. They're  
14 taking on functions that we relied on from Ofgem. So, the insp — as you know, the work  
15 being done that is — would not have been part of the original design or division of labour  
16 between ourselves and Ofgem. So, that's changed radically. There's a couple of — two or  
17 three of those people spend most of their time —

18 **Mr Scofield QC:** Dealing with us.

19 **Dr McCormick:** — working with the Inquiry. So, it's, it's it's still —.

20 **Dr MacLean:** OK, but the orders of magnitude — the order of magnitude is different.

21 **Dr McCormick:** I'm not quarrelling with your main point.

22 **Mr Scofield QC:** We're —. Again, we're, I hope helpfully, jumping between topics that I  
23 was hoping to look at. Let me just try and summarise where we are with project  
24 management. You told the Public Accounts Committee — just for the panel's reference, this  
25 is PAC-06703 — that the risks in the scheme:

1       *“were not ... monitored systematically in a proper project management process”*

2       and that that

3       *“should have happened.”*

4       You’ve also said in your own evidence — this is paragraph 4.24 of Dr McCormick’s first  
5       witness statement — that:

6       *“Much more systematic and rigorous project management would have been appropriate throughout the  
7       project and might have mitigated the problems that arose.”*

8       And the Department’s corporate statement, which deals with a number of the phase 1  
9       witness statements, makes a similar point. That’s at WIT-03281 to 2, paragraphs 35 to 36.  
10      So, I think we can take as read you’re accepting, Dr McCormick, that there should’ve been  
11      formal project management structures.

12      **Dr McCormick:** Yes. A clear position, yes.

13      **Mr Scofield QC:** Now, obviously the panel will have to assess what the team who set the  
14      project up have said. And I know Ms Hepper, for instance, makes the case not simply that  
15      project management was pushed aside completely but rather, she says, the principles were  
16      applied but not the structures, and the panel will have to assess her evidence and that of  
17      others in relation to that issue. But I think your position is clear: formal project management  
18      structures were required.

19      **Dr McCormick:** Uh-huh.

20      **Mr Scofield QC:** The question that arises out of that is, I suppose, twofold. Firstly, is that  
21      not something which ought to have been obvious to the top team — that there wasn’t a  
22      formal project management structure? It doesn’t need great understanding of the detail of  
23      the scheme with the regulations to spot that.

24      **Dr McCormick:** Again, I — it’s hard to put myself in precisely their shoes as of the  
25      initiation of the scheme, but it’s hard to argue with what you’re saying. It looks — it looks a

1 very obvious point in a way.

2 **Mr Scoffield QC:** But is that not something, then, that both Chris Stewart and yourself  
3 ought to have picked up at the time?

4 **Dr McCormick:** So, again, it still would take a trigger, something to lead it to being  
5 escalated, for that to have happened. And if the view at divisional level was, “This is ticking  
6 over. In fact, if anything, our problem is underperformance”, there was no reason for them  
7 to escalate it. And therefore, they didn’t escalate it, and therefore, we didn’t think about it.

8 **Mr Scoffield QC:** But is that not just an issue of good governance — that you don’t need  
9 anything —

10 **Dr McCormick:** So —.

11 **Mr Scoffield QC:** — to be escalated, you just need to say, “What projects do we have, and  
12 how are they being operated?”?

13 **Dr McCormick:** It goes back to what Dame Una was asking me about earlier. You know,  
14 could we have been more active in stress testing, in challenging, “Is this reputationally  
15 robust system actually robust?”. We didn’t. We should have.

16 **Mr Scoffield QC:** Now again, in fairness to those who were operating the scheme without  
17 the formal project management structures, one of the points that they make, which is a  
18 point which was taken up with you by Dr MacLean, is that, given the limited resource within  
19 the team, there wouldn’t’ve been enough people to, and given all of the other things they  
20 had to do, to bring the full panoply of project management structures and processes to bear  
21 on the scheme. And again just for your note, Chair, I think that’s something that the  
22 Department has recognised in one of its corporate statements. That’s WIT-03283, where the  
23 Department has said it:

24 *“recognises that a formal project management structure would have been difficult to administer given*  
25 *the limited staff resources”.*

1       **Dr McCormick:** That's a —. There's a circularity in there. You know, you don't rel — you  
2 do project management because you've got too few staff. You've got too few staff,  
3 therefore you don't realise you need to do it. How we got into that circularity is the real  
4 problem. We shouldn't have. Somehow or other, going into it, there should've been a pre-  
5 programme Gateway to say, "We're about to take this on. What level of resources do we  
6 need to do it well?". That's —.

7       **The Chairman:** And project management doesn't have to be over-bureaucratic. You can  
8 —. It's flexible. You can —

9       **Dr McCormick:** True, yes.

10       **The Chairman:** — take what you need and adapt it to the particular project you're looking  
11 at. And as —. Mr Scoffield has said, that the people originally involved — one of them  
12 claimed that the principles of project management were being observed including, for  
13 example, a project manager. The individual who was supposed to be the project manager  
14 says he didn't recognise that, so —.

15       **Dr McCormick:** Yes, we were in a place we shouldn't've been. That's clear to me, and  
16 therefore some of the obvious things that stand there would be having a risk register that is  
17 kept alive and is observed and checked, and that would've meant reviewing the casework  
18 conditions, the approval conditions, the —. We wouldn't have ended up with the confusion  
19 as to whether or not there was an emergency break in the scheme. You know, lots of clarity  
20 that should have been there would have been there had those fundamentals been put in  
21 place. But these are areas that now look straightforward, but I can't explain why they were  
22 missed. What I have to accept responsibility for was: have we, as a system, learned enough  
23 about that? Are we making sure that this kind of issue is handled differently? And there's  
24 themes there of expertise, of the enforcement and application of systems. It's not enough to  
25 have a system; you have to actually continually apply it. It's the continuous present

1 application of stress-testing.

2 **Dame Una O'Brien:** I'm sorry to press you on that, Dr McCormick, but you've told us that  
3 you'd — went before the PAC on the Bytel project, which is one of those unfair things that  
4 happens that we have to account for the thing that went on before we came. But the point  
5 that I want to really press with you is that there's some very severe criticisms of the  
6 Department in that report in relation to project management, and what you seem to be  
7 saying to us today, in terms — but I'd like you to be clear about it — is that you made some  
8 assumptions that the issues raised had been dealt with and the revised processes had been  
9 put in place within the Department in the course of giving evidence to the PAC and that you  
10 took assurance from the briefing that was being given to you that those things had been  
11 done. Is that correct, and did you take any further steps to say, "Well, hang on a minute,  
12 where is this project management? How has it been improved in the Department?"? Surely  
13 that was your role to ask those questions.

14 **Dr McCormick:** Yes, and I'm just trying to remember the timing. I think there were lessons  
15 from Bytel that emerged —. Obviously, a lot of the thinking would've been in our  
16 preparation for the evidence session on Bytel, but that was well into the year '14-15. So, by  
17 the time the report — by the time we had the received lessons from Bytel, we were already  
18 past the point of no return on the RHI. So it wasn't —.

19 **Dame Una O'Brien:** It might've shown some of the gaps in the Department, even at that  
20 stage, cos that's what we're focused on now: phase 2 and what —.

21 **Dr McCormick:** In an ideal world, the Bytel scrutiny would have led us to ask, "Well,  
22 where else are we doing anything similar?". Now, there are —.

23 **Dame Una O'Brien:** But it didn't happen.

24 **Dr McCormick:** It did—. Just —. No, you're right, it —. I have to —. And that's why I just  
25 have to put my hands up: it didn't happen. Were we not being sufficiently imaginative, not



1 thinking laterally enough? All of those things, I think, are valid criticisms.

2 **Mr Scofield QC:** I want to move on to another topic now, if I can, although we're  
3 reversing back to you joining the Department in June 2014. Now, when that happened — if  
4 we just look at what was happening with the RHI scheme at that stage — the current priority  
5 at that stage was the introduction of the domestic scheme, and that had been, whether one  
6 uses the term “prioritised” or the more neutral term “scheduled”, before the remainder of  
7 the phase 2 work, which included changes to the non-domestic scheme. I wanted to ask you:  
8 what level of awareness would you have had when you came into the Department in those  
9 first few months about that work programme and how it was being scheduled out?

10 **Dr McCormick:** Well, to be honest, not a lot. The issue of, you know, the mutual  
11 scheduling or the prioritisation did not — was not brought to my attention, I didn't ask about  
12 it; I wasn't aware of it. Clearly, with hindsight, I should've been, looking at it now. There isn't  
13 any evidence of ministerial engagement on that, although I thought there was when I was  
14 talking to the PAC. And my line at the PAC was there's nothing unreasonable about a  
15 Minister prioritising that, if that was what she wanted, and there is at least one submission  
16 where there is clearly an indication of wanting it to happen quickly. That's not to say —  
17 there was never any advice that said, “If you prioritise this, then the consequence for the  
18 non-domestic is delay”. That was, as I understand it, never put; it's just not an issue.

19 **4:15 pm**

20 This analysis, again, should have come forward, as far as I can tell, because this was  
21 affecting the deployment of resources within the small team and then left us, you know,  
22 extremely vulnerable. That, as I — all I can perceive is that that was not appreciated and  
23 understood. It's back to not being recognised as an issue, and that's where things get hard to  
24 explain and impossible to defend.

25 **Mr Scofield QC:** So, in terms of what you knew at that time, you were aware that what

1 the renewable heat branch was doing was moving the domestic scheme forward. Were you  
2 aware that it was holding back on work relating to the non-domestic scheme?

3 **Dr McCormick:** No. I wasn't really aware of that. No. No.

4 **Mr Scofield QC:** OK. I want to take you just to one or two documents from around that  
5 time which touch on that and just ask you about that in light of what you said. And I wonder  
6 if we can look, first of all, at DFE-415509. Now, this is another part of your first-day brief. It's  
7 in a separate section, but you were given a range of what are called:

8 *"Headline Points".*

9 So, I think these may have been compiled for the Minister and/or the permanent secretary  
10 on a regular basis just to give a snapshot of what was happening within various parts of the  
11 Department. I want to look at what is said there about what's happening with the renewable  
12 heat incentive, and we see that just on the right-hand side of the page. So, you'll see that  
13 there's a very general description of what's happening, but that includes that:

14 *"A consultation on Phase 2 of scheme concluded in October 2013 ... 50 responses received. It is proposed to*  
15 *include the domestic sector and additional technologies."*

16 So, nothing there to say, "And we're holding back on other work". But, arising out of that, I  
17 wanted to ask: would you at any stage have read the consultation paper in relation to phase  
18 2?

19 **Dr McCormick:** No.

20 **Mr Scofield QC:** That's not something that, as a permanent secretary, you would've  
21 thought of doing.

22 **Dr McCormick:** No. I don't recall when I first became aware of that, but it was well into  
23 the problem time before I became aware of that consultation actively. It's referred to there,  
24 but, actually, the substance of it and, in particular, the fact that there was a cost-control  
25 dimension to that consultation was not in my consciousness in that period.

1       **Mr Scofield QC:** When you say, “the problem period”, are you talking about summer  
2       2015 or —?

3       **Dr McCormick:** Yes. Yes, essentially that period.

4       **Mr Scofield QC:** I wanted to take you, then, to just another document from around that  
5       time, which we’ll find at DFE-232252. Now, this is a submission which goes to the Minister in  
6       October 2014, and it’s providing her with an update to the ETI Committee relating to the  
7       renewable heat incentive scheme. And, if we just go to the second page of that, we’ll see  
8       that you are one of the recipients who’s copied in at the bottom.

9       **Dr McCormick:** Yes.

10       **Mr Scofield QC:** Now, I wanted to ask you, just, a number of general questions about the  
11       amount of attention that you would’ve given to a document of this type. And, just as a  
12       reminder for the panel, one of the things that Mr Sterling said is that there would’ve been a  
13       whole range of submissions crossing his desk into which he was copied. A lot of them he  
14       wouldn’t have had the time or occasion to read in any detail. He did suggest that he would  
15       be more inclined to look at something which was going to the Committee, because of the  
16       obligation the Department had to provide clear and transparent advice. And, just for the  
17       panel’s note, that was at TRA-06134, lines 7 to 15.

18       **The Chairman:** Sorry, 06—?

19       **Mr Scofield QC:** 134, Chair.

20       **The Chairman:** Thank you.

21       **Mr Scofield QC:** So, I wanted to ask you: would you have taken the same view? An  
22       update to the Committee: is that something that you might’ve been more interested in, or is  
23       this something that you are unlikely to have read?

24       **Dr McCormick:** I don’t recall reading it. I don’t recall it entering as a major point for me.  
25       Yes, there was, like David, a degree of extra sensitivity; I’m not sure that extended to

1 systematically making sure I was over and read thoroughly each and every case like that. I  
2 don't think I did. Certainly, that doesn't ring any bells at all, in terms of awareness.  
3 Systematically, you know, David's sense of extra priority for something is valid and an  
4 appropriate way of doing things: I may have been less conscientious in actually delivering  
5 that.

6 **Mr Scofield QC:** I just wanted to take you to one part of the submission, and then we'll  
7 look in due course at the update itself. But you'll see in paragraph 4 there there's reference  
8 to the consultation on phase 2. We've just lost the document for a moment. So, that was  
9 DFE-232252. So, if we just move on to the next page, we'll see at paragraph 4:

10 *"The other elements of Phase 2, such as new technologies in the non-domestic sector",*

11 and then what's referred to as:

12 *"technical changes to legislation, will be addressed early in 2015."*

13 And, then, if we just move through the following pages to the actual update which goes  
14 to the Committee itself and look at paragraph 12 of that, we'll see something similar there.

15 So:

16 *"In terms of changes to the existing non-domestic scheme the main issues to be addressed",*

17 which will be following later, include the introduction of new tariffs, the introduction of an  
18 uplift and then some technical changes. Now, cost control is not mentioned there, but  
19 obviously it falls within —.

20 **Dr McCormick:** I assume there's no "iv" —

21 **Mr Scofield QC:** — those changes.

22 **Dr McCormick:** — paragraph.

23 **Mr Scofield QC:** We can go over the page just so you can reassure yourself of that, but  
24 there's not. There is a paragraph there that we're about to look at in a moment or two.

25 So, the first question you've maybe already addressed. At the time, you wouldn't have

1 been particularly conscious of what the Committee was being told about the prioritisation:  
2 domestic first, non-domestic later.

3 **Dr McCormick:** Not focused on it, and, again, there's nothing in that — nothing in the  
4 tone of that paper that says, "Here's something of concern or urgency or anxiety". Given  
5 that, a lot of the time, in David's role or my role you're beating off the demands from grade  
6 5s wanting attention on certain issues, if someone's not coming in with an issue, that's a  
7 relief. OK, again, it doesn't take away the responsibility to consider — to sit above that  
8 properly and ask, "Well, they may be thinking this: what do I think?". That's the harder point  
9 for me. There's nothing there that says, "We need to pay attention to this". You know, 2015  
10 appears to be OK as a timescale for that. That wasn't causing anxiety. So, again, this is, I  
11 think, still in the realm of another symptom of the underlying problem, which was lack of  
12 understanding of what was going on.

13 **Mr Scofield QC:** I think what you've said there is entirely consistent with what the team  
14 at the time would say, which was that there was no sense for them that there was any  
15 urgency to the issue of cost control, although an issue that the Inquiry will have to explore is  
16 whether there was a proper understanding about what the cost control was designed to do  
17 and the concerns it was designed to meet.

18 **Dr McCormick:** Yes.

19 **Mr Scofield QC:** I suppose, on that theme —

20 **Dr McCormick:** Tricky.

21 **Mr Scofield QC:** — I wanted to ask you: if it is to be taken that the introduction of the  
22 cost control is included within that phrase "Technical changes", do you think that's a — it's  
23 fair to describe it in that way?

24 **Dr McCormick:** *[Short pause.]* Well, it shows that there was not a penetrating  
25 understanding of the significance of the need for cost control, as had been both identified as

1 an issue back in 2011, when the funding arrangements were understood, nor the warnings  
2 from quite a few different sources in the design in 2012. It appears that quite a lot of those  
3 warnings had been lost and therefore there's no trigger. There's nothing prompting urgency,  
4 and that goes back to, "How did that arise? What was the root cause of that lack of  
5 awareness?". And, you know, nothing I did solved that at all. I didn't ask enough questions to  
6 have penetrated that.

7 **Mr Scofield QC:** One of the other issues that the Inquiry has to grapple with on this topic,  
8 which is the non-introduction of the cost controls, which had been consulted upon in phase  
9 2, is why it may be that those cost controls were not simply introduced along with the  
10 domestic scheme. You'll know from your more recent reading of the consultation document  
11 that the cost control applied to both sides of the scheme, domestic and non-domestic. Is  
12 there any evidence that you can offer as to why you think it wasn't pursued?

13 **Dr McCormick:** No. I can't understand why those things weren't pursued.

14 **The Chairman:** Well, what did you think — who do you think or how was the decision to  
15 prioritise the domestic scheme in this way — who took that decision? Who was advised by  
16 it?

17 **Dr McCormick:** Um, I don't know. It appears to be within energy division —.

18 **The Chairman:** All I can say is, you share a lot of other witnesses. Nobody, nobody to date  
19 has taken responsibility for that.

20 **Dr McCormick:** So, I think there is a rationale for it, in that the domestic market is very  
21 significant in heat, and so getting renewables into the domestic sector is inherently a big  
22 thing to do.

23 **The Chairman:** Oh yes, but it's how you do it.

24 **Dr McCormick:** Yes. No, your point is — your question is entirely valid.

25 **The Chairman:** Mr Mills assumes it was the Minister. There's no indication that the

1 Minister did it or, if the Minister did it, there was any submission. There's no record of why  
2 the cost controls were removed.

3 **Dr McCormick:** Er, I don't know, and I've no additional insight into the documentation  
4 that I've read that resolves that. I think it is, um — I find it frustratingly mysterious.

5 **The Chairman:** We know the Minister said, "This needs to be prioritised".

6 **Dr McCormick:** Yes.

7 **The Chairman:** Is it not unusual to the level of being extraordinary that there is not a  
8 submission and/or a minute to say, "Yes, this is the way it will be prioritised: without cost  
9 controls"?

10 **Dr McCormick:** And, in addition to that, "Here are the consequences of prioritising it".

11 **The Chairman:** Yes, yes. Exactly.

12 **Dr McCormick:** Yes, I agree that that's impossible to explain or defend.

13 **The Chairman:** Yes.

14 **Mr Scofield QC:** I want to then just go on to paragraph 13 of that document, because  
15 you'll see there one of the other key themes within phase 2 of the Inquiry's work is the  
16 failure to review the scheme, and we see that the Committee is told at that stage:

17 *"In addition, it may be appropriate to review existing tariffs based on the experience of the first 24 months*  
18 *of the scheme."*

19 Now, in the previous update to the Committee six months before, something very similar is  
20 said, but instead of 24 months it's 18 months.

21 **Dr McCormick:** Yes, I'm aware of that. Yes, I've seen those submissions before, yes.

22 **Mr Scofield QC:** It just keeps getting pushed back.

23 **Dr McCormick:** Yes.

24 **Mr Scofield QC:** But 24 months from the start was around this time. So, the update is  
25 saying in terms, "It may be appropriate to review existing tariffs now". I imagine your

1 evidence is the same — that that's not something that will've struck you at the time.

2 **Dr McCormick:** No, it didn't. No.

3 **Mr Scofield QC:** What's your view on why the scheme wasn't reviewed?

4 **Dr McCormick:** The commitment to do so seems to have been either forgotten or  
5 postponed, because the start was delayed. I've heard that referenced in some of the  
6 documentation or evidence: that because the commitment to start — to do the review in  
7 the first half of 2014 was scheduled on the assumption that the scheme would start on a  
8 certain date, when the start date slipped, people regarded it as OK for the review to slip as  
9 well. I don't think that is technically consistent with the conditions of approval at casework  
10 or at DFP level. So, to me, that language —

11 *"it may be appropriate"* —

12 is unfortunate. It's turned something that was a firm commitment — an obligation — into an  
13 option, and that's not right. I don't see anything that would've flagged that to me at the  
14 time, but it's another way in which the absence of project management, the, well, under-  
15 resourcing, whatever the range of contributory factors that led to the systems failure, that's  
16 a very evident point in there:

17 *"it may be appropriate"*

18 is just the wrong language.

19 **Mr Scofield QC:** So, certainly at this stage, it's not the case that the team are thinking,  
20 "There is no obligation to review at all". Is the answer really, then, that it's more likely to be  
21 an issue of resources?

22 **4:30 pm**

23 **Dr McCormick:** It's —. To me, it's fundamentally an issue of lack of understanding of what  
24 was going on. Lack of understanding of the basis on which the thing had been set up because  
25 had that understanding been present, then there would have been — someone would've



1 said, “Well, we need to do things, and, in order to do things, we need more people”. So, this  
2 is where it is a bit of a vicious circle because if you only have a small number of people,  
3 maybe they don’t have the capacity to identify that point if they’re too busy doing other  
4 things, but then, you know, this is where getting right down to the root cause of why that  
5 happened is really very hard, I think.

6 **Mr Scoffield QC:** Well, I mean, if you are right that it is simply a failure to understand that  
7 it’s a requirement to do it —

8 **Dr McCormick:** Uh-huh.

9 **Mr Scoffield QC:** — is that not — and I’m picking up on a phrase that you use in a slightly  
10 different context in your written evidence — a fairly basic aspect of Civil Service procedure?

11 **Dr McCormick:** Yes, I’m afraid —. Yes. I think that’s fair.

12 **Mr Scoffield QC:** What did you do, or what have you done, to ensure that this type of  
13 issue doesn’t arise again?

14 **Dr McCormick:** So, this goes to the work that has been done across all Departments on  
15 the early lessons arising in terms of looking at the application of guidance, looking at the way  
16 in which we deploy and use expertise, but there is still something absolutely fundamental  
17 about simply — and I said this in one of my responses to Malcolm McKibbin in  
18 January/February 2016 — you know, a good old-fashioned BF system isn’t a bad thing to  
19 have, but this is one of the mo—. Probably —. It’s got lost in the culture, and that’s, you  
20 know, there’s no good reason for that at all.

21 **Mr Scoffield QC:** When you say, “a good old-fashioned BF system”, that’s a bring-forward  
22 system.

23 **Dr McCormick:** Bring forward, yes. Sorry. Bring forward. Yes.

24 **Mr Scoffield QC:** Is a—?

25 **Dr McCormick:** Civil Service cliché. Forgive me.

1 **Mr Scoffield QC:** Is an even more plain term for that —

2 **Dr McCormick:** Shows how old I am.

3 **Mr Scoffield QC:** — putting it in your diary?

4 **Dr McCormick:** And it's got —. I mean, there are electronic tools that allow this to  
5 happen, which mean we should be able to do this in a proper 21<sup>st</sup> century way, not the way  
6 it was taught to me in the 1980s, you know, but something in the diary, something in the  
7 good old-fashioned file registry so that, you know, you're sitting in your room and the  
8 postman — the messenger — delivers a file because it's got a BF marking and this file's BF'd  
9 to this date and the registry send it to you. Failsafe. Good ol— a very old-fashioned failsafe.

10 **Mr Scoffield QC:** Now, we've been discussing there the failure to review the scheme, and,  
11 as you've indicated, when the scheme was set up, that was designed to happen at the start  
12 of 2014. There has been some discussion in the evidence as to whether it was appropriate  
13 for that to be —

14 **Dr McCormick:** Yes.

15 **Mr Scoffield QC:** — pushed back, and if indeed it was, it would've pushed back the date  
16 for the review into your tenure as permanent secretary, and the panel will have to address  
17 that evidence and assess it.

18 I want to move on to a separate but, I think, related topic, which was the failure to seek  
19 reapproval for the scheme from DFP, which, I think, on any reading, happens, at least, the  
20 ball is —

21 **Dr McCormick:** Yes. Uh-huh.

22 **Mr Scoffield QC:** — dropped on your watch —

23 **Dr McCormick:** My watch. That's right.

24 **Mr Scoffield QC:** — as permanent secretary.

25 **Dr McCormick:** Yes.

1       **Mr Scofield QC:** Can you assist the panel on how you think that came about? Is it the  
2 same issue, essentially?

3       **Dr McCormick:** I think it's broadly the same issue. You know, this is the sort of thing  
4 where those who are responsible for a continuous flow of public expenditure, as this was,  
5 should have a continuous understanding of the authority on which that's happening, and I  
6 think the team present at the time were very conscious of the statutory basis, and indeed  
7 they — their — one of their initial responses to challenge was, "We can't stop. We've got a  
8 legal obligation", and they got legal advice that confirmed that. This is where I just wonder if  
9 the way we manage personnel, there may be a systemic point underlying this, certainly one  
10 thing that has happened in the last 20 — 15, 20 — years is the professionalisation of the  
11 finance function within the Civil Service, with a recognition that the sophistication of finance  
12 requires more qualified professionals. One consequence of that is that fewer generalists —  
13 and I speak — I wear that badge myself — have the opportunity to work in finance.

14       One thing, then — I'm just conscious that the team who are working on the scheme, I'm  
15 not sure any of them had worked in a finance function and were therefore less sensitive to  
16 financial approval. I mean, it was beaten into me in my early days in the Civil Service that the  
17 approval of finance, and that's both administrative approval, which has its top level in the  
18 Treasury in London, and parliamentary or Assembly approval. To have both the — this would  
19 be a dual set of approvals. They're fundamental to my way of thinking cos I worked in that  
20 area for many years, and so aware—. The question that would be close to my mind in a  
21 context like this is: on what basis, what's the budgetary approval, where's the parliamentary  
22 or Assembly approval for this expenditure? And the normal expectation is that people retain  
23 and are aware of the basis so that, if that changes, something happens. And, in this case,  
24 that was lost, whereas the focus was very firmly on the obligation to pay, which flowed from  
25 the regulations.

1       **Mr Scoffield QC:** Can I summarise that that one of the important disciplines within the  
2 Civil Service in your view is to always have in mind a clear understanding of —

3       **Dr McCormick:** Yes.

4       **Mr Scoffield QC:** — the authority to spend?

5       **Dr McCormick:** Yes. Yes, that was something I was taught very firmly in my time in the  
6 Department of Finance in the '80s.

7       **Mr Scoffield QC:** And you think that there may be less of an awareness of that in present-  
8 day Civil Service practice because of —

9       **Dr McCormick:** Yes.

10       **Mr Scoffield QC:** — the rise of generalists? And sorry —

11       **Dr McCormick:** It's not, it's the — it's the excuse —.

12       **Mr Scoffield QC:** — or rather professionalisation of the —

13       **Dr McCormick:** Yes.

14       **Mr Scoffield QC:** — finance section.

15       **Dr McCormick:** So, it seems to me that we needed to —. A systemic point, then, for NICS  
16 board, for strategic level management, is to be sure that the levels of understanding,  
17 training, induction, corporate awareness in functions is promoted in a way that is robust;  
18 that it gives the right level of awareness. As a generalist, I was given training, you know, the  
19 sort of one-, two-week type of training courses in things like economics and accountancy just  
20 so that, as a generalist, I would have a first order awareness of at least of some of the terms.  
21 That was aligned to the training and development of a generalist, but I also had the benefit  
22 of working in a finance function as part of my early career. And that's —. If we've changed  
23 the way we do things, have we change—? The question I'm asking myself and which needs  
24 looked at is: have we then lost something which makes us more vulnerable in terms of  
25 awareness of our financial control? I suppose I've been, many times, a little bit obsessive

1 about financial control in my previous roles.

2 **The Chairman:** Taking all that into account, you don't have to be an accountant to know  
3 that an approval —

4 **Dr McCormick:** Yes.

5 **The Chairman:** — is conditional.

6 **Dr McCormick:** Uh-huh.

7 **The Chairman:** In this case, this is a continuous flow of public money.

8 **Dr McCormick:** Yes.

9 **The Chairman:** As long as you get accredited, you get your money, and the Department of  
10 Finance imposed a clear condition that the approval would have to be renewed on March  
11 2015. Now, as I understand the evidence, the Department of Finance, who were the body  
12 that imposed that condition, say, "It's not our responsibility to remind energy of the  
13 approval". Why that is, I'm far from persuaded. But finance — Mr Cooper — they were the  
14 ones who had gone through casework, who'd gone through the business case to finance;  
15 they knew that an approval was required after March 2015. Now, without, I hope, being  
16 facile, most children today can put up an important date on a mobile phone. As I understand  
17 it, you have a wonderful system called TRIM. Even if you don't use that wonderful system,  
18 surely it's not beyond the bounds of possibility for someone to mark up a need to renew an  
19 approval.

20 **Dr McCormick:** Yes.

21 **The Chairman:** Without getting involved in a bureaucratic argument about —

22 **Dr McCormick:** I agree.

23 **The Chairman:** — DFP how, "It's not for us it's for you", you don't have to be a specialist  
24 for that.

25 **Dr McCormick:** So, that's partly exactly my point: that, in the 1980s when I was doing this,

1 the generalists who were running the finance function normally got these things right with  
2 very basic systems and an ordinary reminder in an Outlook calendar —

3 **The Chairman:** Yes.

4 **Dr McCormick:** — would do. There's nothing sophisticated about that. The way I would  
5 summarise it is that the primary responsibility for monitoring is those closest to the scheme,  
6 as in energy division. I don't think it's unreasonable to expect also that the finance director  
7 would keep an eye on these things as the corporate finance for the Department. So, again,  
8 that would be consistent with normal practice. Certainly when I was in Department of  
9 Finance, or DFP, I would've taken the line they take, which is, you know, the onus and  
10 responsibility is on the spending Department to retain the memory of the basis of the  
11 spending. We can't — we weren't — didn't feel an obligation to remind them. Maybe that's  
12 a consequence of —

13 **The Chairman:** We talked about systems.

14 **Dr McCormick:** — culture.

15 **The Chairman:** All you have to do is have two aspects —.

16 **Dr McCormick:** No, I agree. It isn't rocket science.

17 **The Chairman:** Yes.

18 **Mr Scofield QC:** Can I ask you just two, hopefully brief, questions just to close off this  
19 topic? Approval was required at the start of April 2015. It didn't happen. You were the  
20 accounting officer who's responsible for regularity of departmental spend, amongst other  
21 things. Was that an issue which, ultimately, is your responsibility?

22 **Dr McCormick:** Yes. It is. I have to sign the accounts and answer at the Public Accounts  
23 Committee, as I did.

24 **Mr Scofield QC:** One of the issues that you've described there is perhaps a loss of  
25 knowledge on the part of generalist civil servants of the importance of bearing in mind the

1 authority for public spending. There may be a range of ways in which that can be countered,  
2 but is one very significant way in which it can be countered not — and this is a theme that  
3 we might now discuss in some further detail tomorrow — an open and corroborative  
4 approach between the policy Department and the finance division?

5 **Dr McCormick:** Yes. That's a good cultural, behavioural point that helps. Absolutely. Yes.

6 **Mr Scofield QC:** We'll touch on this as we look at what happened in March/April/May of  
7 2015 tomorrow, but maybe I can just ask a couple of short points on it now. Do you think  
8 that the energy division and finance division in this period generally and in that period in  
9 particular had the relationship and the cooperation with each other that you would expect?

10 **Dr McCormick:** I've only got limited insight into that cos I didn't observe on a day-to-day  
11 basis them interacting, but I have — the actual evidence I have to consider that question  
12 would be limited to interactions at the collected meetings, mainly the senior management  
13 team meetings, a little bit about when, say, energy division had to come to departmental  
14 board or audit committee. Then, what I've seen in terms of email traffic. Some of the email  
15 traffic was copied to me. There's more that I've seen subsequently, so there's —. I think the  
16 —. Looking back on it in the cold, grey light of dawn, it doesn't look good. It looks as though  
17 there's a degree of tension. It looks as though there's a limited degree of communication.  
18 This is —. People are working not far from each other, and one of the drawbacks of our  
19 culture is sending emails rather than walking down the corridor and having a conversation.  
20 Also, I just don't see mutual understanding of the respective constraints that both were  
21 operating under.

22 So, you know, for example, for me, Bernie Brankin's got a very strong point when she  
23 says, "You've got a problem. You better stop". That's logical, reasonable and should have  
24 been — more attention should've been paid to it. But to actually have a conversation as to,  
25 "Well, why? What's going on here?", that might've got us closer to the truth sooner, so that

1 leaves me thinking, “Well, there’s something not quite right there”. So, hence, you know,  
2 absolutely part of my response to what happened in the meetings, specifically, my purpose  
3 in convening the meeting on the 3<sup>rd</sup> of June 2015 was to say, “Let’s work together to solve  
4 this. You know, you’ve had a bit of a shouting match in front of me at the — for the Friday  
5 meeting. Unsavoury. Let’s close that down. Let’s get together and work it out. You know,  
6 we’ve got a shared collective responsibility to solve this”. I’m not sure — I’m not sure it  
7 worked totally because, again, I see into summer and autumn, the communication is still —  
8 has some flaws. Again, I’m happy to go into that in more detail as you develop that.

9 **4:45 pm**

10 **Mr Scofield QC:** As I’ve said, that’s maybe something that we’ll touch upon tomorrow  
11 when we get to March 2015.

12 We’ve mentioned the issue of resources on a number of occasions this afternoon, and I  
13 don’t want to spend too much time on this if we can move through it quickly, but you said in  
14 your witness evidence — in your first witness statement at paragraph 4.23 that there was:

15 *“real pressure on resources”*

16 in energy division. That’s the type of language that we’ve heard from a number of the  
17 officials who’ve appeared before the Inquiry. In your memorandum to the head of the Civil  
18 Service on the 15<sup>th</sup> of February 2016, when you were asked, in terms, “How did we get into  
19 the problem that we’ve managed to find ourselves in?”, you’d mentioned resources there  
20 and, in particular, that resources were only freed to consider the non-domestic scheme after  
21 the domestic scheme had been introduced. So, I think you were recognising at that early  
22 stage that resources may have played a part in the difficulties which had come about.

23 Mr Stewart, in his evidence, said fairly candidly that he now considers that the resources  
24 in energy division at that time, during what we’re calling phase 2, were inadequate and that  
25 what was done to address that was modest and patently not enough. And, then, you said



1 today — I think I'm quoting you correctly — that it's impossible to defend the level of  
2 resourcing which was made available at the time. That gives the panel, I think, a fairly clear  
3 view of both your and Mr Stewart's view of the adequacy of the resource looking back. So,  
4 the question I want to explore with you just briefly is: if it's so obvious now that there  
5 weren't adequate resources either in energy division generally or, in particular, in renewable  
6 heat, how come no one realised that at the time, or is it a case that it was realised at the  
7 time and it just wasn't possible or wasn't prioritised in such a way that it could be solved?

8 **Dr McCormick:** So, a perception is that it goes to probably the same root cause, which is  
9 inadequate understanding of how the scheme was working or even the novelty and  
10 importance of it — the scale of it. That, therefore, left the team feeling, "We can do this".  
11 Therefore, they were not flagging it up as an unmanageable risk. They —. So, given that,  
12 across the Department, we were actually in the phase of constraint and reduction was what  
13 we were doing, the question was how to prioritise that process and avoid, you know, cutting  
14 off core functions. That was the theme of that period. So, if they weren't sufficiently aware  
15 and understanding the nature of the issues they were dealing with, then they wouldn't've  
16 been, you know, standing up and saying, "Look, we can't do this". That message wasn't  
17 coming through. Again, if we had, by one means or another, be it project management,  
18 Gateway or some other way, realised how seriously this was deteriorating, then there  
19 would've been a basis for intervening, but I just don't think those happened. Therefore, it  
20 wasn't obvious at the time that this was inadequately resourced.

21 **Mr Scofield QC:** If that had happened, could the resources have been found?

22 **Dr McCormick:** Um, yes, because, er, it's always possible to, um, prioritise, and that  
23 would've meant going back round others in the Department saying, "Sorry, I promised you  
24 you'd have the resources to do this. Sorry, you can't", or — and/or going to the Minister and  
25 saying, "We've had to redeploy". Um, that's —. It's always possible to do what is essential.

1 That's the nature of things. I think, again, there's a cultural point which lies in this that one  
2 thing that it's important for a senior manager to develop is an awareness of who to believe  
3 — to put it a bit crudely — because some people knock the door more than others. Some  
4 people, you're thinking, "Well, actually, that's the third time this week they've been saying  
5 that they don't have enough resources". Either it's true or they're over-egging, and you  
6 normally aim off a bit and discount is —. That's, again, a relatively crude thing to do.

7 **The Chairman:** Is that what happened here?

8 **Dr McCormick:** I'm not conscious of the request being put strongly. There was a —.

9 **The Chairman:** But we know several people asked for more resources.

10 **Dr McCormick:** But, certainly, it didn't come to me as a request for renewable heat.  
11 Energy division —.

12 **The Chairman:** Request for?

13 **Dr McCormick:** For resources for renewable heat.

14 **The Chairman:** Well, did somebody cut it off somewhere before it got to you?

15 **Dr McCormick:** Not — hem —. I — hem —. I'm not conscious of getting it to me. When  
16 John came to the departmental board with his overview of energy division, we had, I  
17 remember, a lengthy discussion about the degrees of risk they were carrying, and that we  
18 would need to keep a very close eye on the resourcing, but RHI wasn't in the top anxiety  
19 issues for John in that presentation to the board because there were other things like —.  
20 Again, that —

21 **The Chairman:** That may be why it was —

22 **Dr McCormick:** — reinforces your point *[Inaudible.]*

23 **The Chairman:** — *[Inaudible]* Mr Mills cut it off in that case because we know that a  
24 number —

25 **Dr McCormick:** Yes.

1       **The Chairman:** — of the people who were working on it did, I think, more than once, say,  
2       “Look, we need more resources here. This is —”.

3       **Dr McCormick:** Yes. It didn’t get —.

4       **The Chairman:** It didn’t get beyond Mr Mills.

5       **Dr McCormick:** I don’t recall it as a priority demand coming to central level, and another  
6       level of assurance that I turn to in a situation like this is advice from the personnel side. So  
7       this was before — while we still had a departmental personnel unit. And because they will  
8       have staff at all levels interacting with them on a whole range of things, they usually have a  
9       streetwise view of what’s really going on, and so it’s a natural thing for a leader to turn to  
10      them and say, “Well, what do you think?”. And, again, I don’t recall any signs from the  
11      departmental personnel people saying, “No, those people in renewable heat are really under  
12      the cosh”. That’s not a message I was getting. Maybe I should’ve been, and, you know,  
13      maybe our way of doing this has some deeper flaw, but that’s — that —. It does look  
14      incredibly obvious now, but, again, I don’t think this is different from what Chris said in  
15      terms of the response to demand. We were facing a situation of constraint and reduction in  
16      that period. We were, er —. That was the nature of the issue. You have a generally — I  
17      would describe it — a mainly — a healthy scepticism coming from both ministerial and  
18      Assembly level; you know, “The Civil Service is looking after itself, doing rightly. Where’s the  
19      problem?”. So, lots of prejudice in there; lots of cultural prejudices that affect these things.

20      **Dr MacLean:** You started your answer to Mr Scoffield’s question by saying that there was  
21      a lack of understanding which led the team to think that it could cope. Would you agree that  
22      the — that that’s a resource issue in itself?

23      **Dr McCormick:** Yes.

24      **Dr MacLean:** It’s about the quality of the resource and not just the quantity.

25      **Dr McCormick:** Yes.

1       **Dr MacLean:** And you mentioned earlier on some chickens and eggs. You didn't have the  
2       quality of resource available to understand the problem, to know what quantity and quality  
3       of resource it needed to ask for, so it's not just a numbers thing —.

4       **Dr McCormick:** I agree.

5       **Dr MacLean:** Yes.

6       **Dr McCormick:** I mean, I've said it in other contexts that, you know, one person who  
7       really knows what they're doing is more use than 10 who don't.

8       **Dr MacLean:** Yes.

9       **Dr McCormick:** You know, it is quality and expertise, and this is a really, really deep point  
10      from this work.

11      **Mr Scofield QC:** Chair, I see the time. We've run over slightly, so that might be a  
12      convenient time to stop for today.

13      **The Chairman:** Quarter to 10 tomorrow?

14      **Mr Scofield QC:** Yes. Thank you, Chair.

15      **The Chairman:** Thank you, Mr Scofield.

16      ***[The hearing was adjourned at 4:55 pm]***