

Department of Enterprise, Trade and Investment

ASSEMBLY QUESTIONS WRITTEN (AQW)

AQW No: 53982/11-16

Background

1. Uptake of the RHI over the past 12 to 18 months has been significant, particularly between July 2014 and October 2015 which has increased forecast expenditure from £11m to £30m for 2015/16.
2. Prospective scheme approval has been obtained from October 2015 through to March 2016. However, scheme approval ended in March 2015 and we are currently working with DFP to secure retrospective approval for this period.
3. Forecast expenditure has now increased with an unprecedented number of applications received, (around 900), during the 6 week period prior to the introduction of tariff changes and cost controls on 18 November 2015. The forecast expenditure for 2015/16 is now likely to be at least £33m. Even if no more new commitments are entered into, (i.e. both schemes closed), annual expenditure of some £45m will be required from 2016/17 and onwards for 20 years.
4. The Chancellors Autumn Statement included what appears to be a positive outlook around RHI, namely government expenditure to increase to £1.15billion by 2020/21. However, with the Barnett principle applied, this translates to a 30% reduction and a capped AME funding profile of £18.3M in 2016-17, £22.3M in 2017-18, £25.7M in 2018-19 and £28.9M in 2019-20. Any difference between actual spend in any of these years and the capped AME amount would fall to NI Block Resource DEL.