

From: [Rooney, Eugene](#)
To: [Cooper, Trevor](#)
Subject: FW: RHI
Date: 27 January 2016 09:01:17

From: McCormick, Andrew (DETI)
Sent: 26 January 2016 20:16
To: Mills, John (DETI); Stewart, Chris (DETI)
Cc: McIlwrath, Linda; Hill, Janice; HOCS; Sterling, David; Brennan, Mike; Rooney, Eugene
Subject: Re: RHI

Just had clear message from Tim and the Minister. The RHI issue is now a matter for the FM and HOCS. My impression that the focus is on seeking a better outcome from HMT. Their information is that there will not be a decision until next Tuesday.

I said that immediate action on closure was important in the context of engagement with HMT (as all other contexts).

I also said delay risked not completing closure before dissolution. But I really really need an authoritative and considered time line on this point, including any variants that are not self-evidently indefensible (ie including a variant without consultation/notice).

We also need best available projections of the unfunded costs, net of the slowly rising AME budget that HMT will provide, on all relevant scenarios.

If that information suggests that a delay in taking the decision until Tuesday has unacceptable consequences I would need a fresh draft submission, as clearly FM would need to know that no decision is a decision. But only if that really stands up.

Need firm stress tested perspective for 6am tomorrow Pacific time (we have a 7.25 flight to New York).

Many thanks.

Sent from my BlackBerry 10 smartphone.

From: Mills, John (DETI)
Sent: Tuesday, 26 January 2016 17:54
To: McCormick, Andrew (DETI); Stewart, Chris (DETI)
Cc: McIlwrath, Linda; McIlwrath, Linda
Subject: RE: NIRO

Andrew,

Omitted to come back on RHI.

Nothing on RHI. Working on implications which, as you would expect, are depressing. So 1) hard to see how legislation can get through if no decision this week. If not, would there be legislation by summer recess? Maybe not. So October might be more realistic? Then there's factoring in the level of applications which could spike or not. There's also issues around actual usage.

However, early indications of bottom line – if it's only possible to close in October 2016 and there's a "normal/raised" level of applications (50 non-domestic a month) and actual usage is up on forecasts, we might face average shortfalls over the next 5 years of £20m+ per annum rather than the £15m p.a. we already face. In year one (16/17) shortfall would go up from c£23m to c. £33m.

There are worse scenarios in terms of levels of application going up.

Stuart gave Trevor some of these figures and he's talking to DFP today. But would have thought, need to get DFP to weigh in and need to get Direction if this isn't going to be closed.

From: McCormick, Andrew (DETI)

Sent: 26 January 2016 15:33

To: Stewart, Chris (DETI)

Cc: Mills, John (DETI); McIlwrath, Linda; McIlwrath, Linda

Subject: Re: NIRO

Tim doubts Committee would pass single ordwr.

Any word on RHI?

Many thanks.

Sent from my BlackBerry 10 smartphone.

From: Stewart, Chris (DETI)

Sent: Tuesday, 26 January 2016 15:25

To: McCormick, Andrew (DETI)

Cc: Mills, John (DETI); McIlwrath, Linda; McIlwrath, Linda

Subject: RE: NIRO

Andrew

No, not a more generous outcome. He was suggesting that the likelihood of successful challenge of a single order may be lower than we think, as there is discontent within some parts of UFU on the wisdom of mounting such a challenge.

C

From: McCormick, Andrew (DETI)

Sent: 26 January 2016 14:03

To: Stewart, Chris (DETI); McCormick, Andrew (DETI)

Cc: Mills, John (DETI); McIlwrath, Linda

Subject: Re: NIRO

Pretty frustrating - do we have legal advice re the potential challenge to a single closure order? I take it Andrew is not hinting at a more generous pitcome?

Many thanks.

Sent from my BlackBerry 10 smartphone.

From: Stewart, Chris (DETI)

Sent: Tuesday, 26 January 2016 09:50

To: McCormick, Andrew (DETI)

Cc: Mills, John (DETI); McIlwrath, Linda

Subject: NIRO

Andrew

I spoke to Andrew Crawford yesterday to ascertain the likelihood of the NIRO decision being cleared for announcement.

He was aware of the issues, and probed them in conversation. I was left with the

impression that he, personally, was not convinced that we have the right answer (he favours a single closure order). Andrew did offer to speak to relevant party colleagues in an effort to expedite matters, but was not hopeful.

That being the case, John and I are preparing for Committee today (if it happens) and NIRIG tomorrow (apologies, earlier emails suggested it was today also) on the basis that we cannot pre-empt the Minister's announcement, but that he is very carefully considering the issues raised in consultation etc.

C