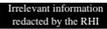


From: [Hutchinson, Peter](#)
To: [Patel Akhil \(Finance\)](#); [Hutchinson, Peter](#)
Cc:  [\(Finance\)](#)
Subject: RE: TRIM: RE: Northern Ireland RHI - Funding arrangements
Date: 04 November 2011 16:49:55

Akhil,

Many thanks for your response and your information. We are likely to be in a similar position as we are still in the policy development stage and still to pass legislation, however there might be scope to utilise some funding for *Premium Payments*, though this might be a very small amount.

We will therefore be having similar discussions with our Finance Department though it may well be ultimately HMT's decision on whether money could be rolled over to next year. I would be grateful if you could keep me informed of your progress with this. Our budget for yr 1 is comparatively small at £2m but it would be more useful if it could be used in yr 2 rather than lost completely.

Thanks again,

Peter

Peter Hutchinson

Sustainable Energy
Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9532 (ext: 29532)
Textphone: 028 9052 9304
Web: www.detini.gov.uk

Please consider the environment - do you really need to print this e-mail?

From: Patel Akhil (Finance) [mailto:akhil.patel@decc.gsi.gov.uk]
Sent: 03 November 2011 09:21
To: Hutchinson, Peter
Cc:  (Finance)
Subject: RE: TRIM: RE: Northern Ireland RHI - Funding arrangements

Peter,

On the RHI, unless our modelling is completely off, we are assuming there will be an underspend this year. At the moment the team is thinking about whether we can make use of it somehow – there are two proposals we're working through. One is HMT giving us some inter-year flexibility so we carry it forward; the other is devising some other component within the scheme that might absorb the slow start we've now got on the RHI. Needless to say that neither option will be particularly popular with HMT but we're going to put the case to them quite strongly.

On the RHPP, I think we're anticipating using up all or most of the money. Around £5m has been allocated to date as of the end of Sept. But the forecast spend

does include an additional package that will use up some of what would have been an underspend through new measures (e.g. additional work with social landlords). I am not sure how public this is as yet.

The main message is that moving across years will be very difficult but we don't feel it's reasonable to have AME spend where we're capped to the upside but not allowed to manage any downsides and we'll be making this case. But reasonableness is not often the uppermost consideration!

I hope that this helps. If you want to discuss further, please call this afternoon or tomorrow.

Akhil.

Akhil Patel | Levies Framework Manager
Department of Energy and Climate Change
Area 2B | 3 Whitehall Place | SW1A 2HD
0300 068 5359 | akhil.patel@decc.gsi.gov.uk

From: Hutchinson, Peter [mailto:Peter.Hutchinson@detini.gsi.gov.uk]
Sent: 02 November 2011 17:09
To: Patel Akhil (Finance)
Cc: Irrelevant information
redacted by the RHI (Finance)
Subject: RE: TRIM: RE: Northern Ireland RHI - Funding arrangements

Akhil,

Grateful if you could advise on a couple of issues, happy to discuss if needed.

Given the recent delay in implementing the GB RHI what has the impact been on funding, i.e. I am assuming there will now be an unintended underspend? Would you be able to advise what is happening to this underspend – is it being returned to HMT or have there been any discussions about moving money to future years?

Also, in terms of Premium Payments, can you advise how much DECC has spent to date on this scheme and if there is likely to be an underspend what will happen?

We are currently discussing similar issues with our finance colleagues in regards the NI RHI and spend for yr 1 (small compared to GB budget) and whether there is any scope to move money forward.

Any advice or information would be gratefully received.

Thanks,

Peter

Peter Hutchinson
Sustainable Energy