

As regards to the payment of the Development costs to Ofgem, you have indicated that we need to vouch payments and Ofgem has indicated that it is more than willing to provide further information. As per my e-mail yesterday, grateful for advice on what evidence we should seek. Ofgem are seeking payment of the invoice asap so once again your help would be appreciated.

Thanks
Joanne

From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]
Sent: 19 November 2012 15:36
To: McCutcheon, Joanne
Cc: Hutchinson, Peter; Mary Smith
Subject: RE: Audit

Joanne

Initial feedback from my Finance team is that providing bank statements to support monthly reconciliations should not be a problem for us. With regards to how we move on from here, would it help to have a teleconference between ourselves, Mary and Peter tomorrow (say 10:30) to cover remaining issues – although I think we are pretty much there on most. I appreciate that data ownership remains the sticking point for you. If there are things that we can discuss to move us forward on this point then happy to cover this.

Rgds

Keith

From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]
Sent: 19 November 2012 10:18
To: McCutcheon, Joanne
Cc: Hutchinson, Peter; Mary Smith
Subject: RE: Audit

Joanne

I will have a word with the Finance team this morning. More generally, you will see that I have responded to your comments on the Admin Arrangements/Baseline Scope/covering letter. It goes without saying that from both our perspectives we need to have this signed off as quickly as is possible. Last week you mentioned about your legal representatives looking through this. Is this likely to extend the process at your end or is this something that can take place after sign-off? If you feel it necessary for your legal team to review this before signing do you have an idea of the likely timescales for this. Of course, I stand ready to pick up on any further points that you have and/or work to resolve any issues that we have remaining as a priority.

Keith

From: McCutcheon, Joanne [<mailto:Joanne.McCutcheon@detini.gov.uk>]
Sent: 19 November 2012 10:01

To: Keith Avis
Cc: Hutchinson, Peter
Subject: RE: Audit

Keith

The specific thing the auditors asked for was bank statements or some other proof of payment/transfer of funds to installers. The monthly read out doesn't sound like it is what is required. Grateful if you could ask the Finance team if DETI can have sight of bank statements or similar.

Thanks
Joanne

From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]
Sent: 19 November 2012 09:56
To: McCutcheon, Joanne
Cc: Hutchinson, Peter
Subject: RE: Audit

Hi Joanne

Our Finance team haven't provided bank statements for the other schemes which they are dealing with. Those concerned have been happy to receive a monthly read-out of the funding received by us and the money paid out against these figures. So we would propose to provide you with something similar, but of course will discuss the format with you so that it meets your needs. However, if you have something specific in mind, do let me have details so that I can speak to my Finance team and we can agree this quickly.

Rgds

Keith

From: McCutcheon, Joanne [<mailto:Joanne.McCutcheon@detini.gov.uk>]
Sent: 19 November 2012 09:30
To: Keith Avis
Cc: Hutchinson, Peter
Subject: RE: Audit

The main question was – How will you show us proof of payment? will you provide bank statements showing the payments being made? Not sure that this has been answered?

Thanks
Joanne

From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]
Sent: 16 November 2012 09:53
To: McCutcheon, Joanne
Cc: Hutchinson, Peter; Hepper, Fiona; Matthew Harnack; Mary Smith
Subject: RE: Audit

Joanne

Thanks for the feedback from your Auditors. In providing you with information remotely the process will be that following discussion we will send you the information you require on scheme numbers and the underlying operation of the scheme. You will then be able to consider this at your or your auditors offices. As regards exactly what would be provided, our view, expressed in the draft letter, is that, within the boundaries of what is legally acceptable and within data protection rules, we can let you have what you need. So I would ask that you let me know what you would want to see so that we can move forward. For other schemes, we provide monthly reports that reflect the funding we have requested from the Departmental lead, the sums that have been paid out during a specified period and the subsequent remaining total.

On the spreadsheet that you have, happy to let you have cost breakdowns as you need them. For instance, recruitment costs are £2k per new person and overheads are set at 24% of overall costs.

Of course, very happy to talk this through further with you or Peter.

Keith

Keith Avis

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From: McCutcheon, Joanne [<mailto:Joanne.McCutcheon@detini.gov.uk>]
Sent: 14 November 2012 16:06
To: Keith Avis
Cc: Hutchinson, Peter; Hepper, Fiona
Subject: Audit

Keith

I met with our Auditors this afternoon. They expressed some concern over the para in the letter which says that you will provide information 'to consider remotely'.

Can you advise how you see this working in practice i.e. what exactly would you provide? How would you provide proof of payment? Would you send bank statements? Etc.

Also, as regards the spreadsheet you sent outlining the development costs up to end of Sept – can you provide supporting info if required eg breakdown of employment costs, It etc.