

**From:** [Dolan, Elaine](#)  
**To:** [McCutcheon, Joanne](#)  
**Cc:** [Hutchinson, Peter](#); [Cooper, Trevor](#)  
**Subject:** RE: NIRHI Audit  
**Date:** 18 December 2012 13:12:18  
**Attachments:** [OTOP.png](#)  
[image001.gif](#)  
[RHI - update.msg](#)  
[RE RHI - update.msg](#)

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Joanne

Apologies for not replying sooner. The site inspections are not really the audits we're interested in, although I assume that Deloitte may rely on this work to confirm the accuracy of the meter readings. This is something that I would expect to see built into the Deloitte terms of reference for any relevant reviews they undertake. What we really need to know is whether Ofgem will share the scope of Deloitte reviews with DETI before Deloitte undertake their work and whether DETI will have an opportunity to input into and agree the scope? Furthermore, we need to be satisfied that the internal audit reports will be shared with DETI (where relevant) and that they will contain sufficient detail for you to cross reference information reviewed by Deloitte back to your own desk vouches. Peter's e-mail on 7th December perhaps addressed my latter questions but I'm not sure that my first question in relation to the scope has been addressed?

Furthermore, I raised some queries in relation to fraud in e-mail dated 3rd December. I'm not sure these have been addressed - eg. if there was an allegation, could DETI build in a requirement that Ofgem's internal auditor perform the investigation and that DETI could have input into the scope of the investigation and have sight of the report? Peter's e-mail on 7th December referred to fraud but it didn't address my specific queries.

For the meeting tomorrow, we had also requested more information on the costs. Specifically, I think we need a clear understanding of how the costs are calculated/made up on a line by line basis.

Hope this is helpful. Happy to discuss if you want to give me a call, if not I'll see you at the meeting.

Kind regards  
Elaine

### **Elaine Dolan**

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*The new website for the European Sustainable Competitiveness Programme for NI is now available - visit [www.eucompni.gov.uk](http://www.eucompni.gov.uk)*



[www.ni2012.com](http://www.ni2012.com)

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

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**From:** McCutcheon, Joanne  
**Sent:** 18 December 2012 12:32  
**To:** Dolan, Elaine  
**Cc:** Hutchinson, Peter  
**Subject:** FW: NIRHI Audit

Elaine

Think we are meeting again tomorrow – is there anything else you want me to check with Ofgem on this issue?

Thanks

Joanne

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**From:** McCutcheon, Joanne  
**Sent:** 17 December 2012 13:43  
**To:** Dolan, Elaine  
**Cc:** Hutchinson, Peter  
**Subject:** FW: NIRHI Audit

Elaine

Please see below from Ofgem – anything else you require on this issue

Thanks

joanne

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**From:** Keith Avis [mailto:Keith.Avis@ofgem.gov.uk]  
**Sent:** 14 December 2012 11:09  
**To:** Hutchinson, Peter  
**Cc:** McCutcheon, Joanne; Mary Smith  
**Subject:** NIRHI Audit

Peter cc: Joanne, Mary

As discussed yesterday, I confirm that we are not in a position to pass on the Terms of Reference that we use for the GB RHI audits undertaken by AEA and Deloitte. However, as promised in our telephone conversation this morning, I have attached the template that AEA use for their RHI audits. This should hopefully give your Head of Finance sufficient detail on the specifics of the audits.

There is no standard ToR for Deloitte audits as the specifics of audit coverage are discussed in detail and agreed with Deloitte before work on each audit starts. Of course, Deloitte are subsequently free to question our systems and processes and report independently with their findings. As I have mentioned previously, through our ongoing engagement with you, we will be aware of issues that you have which you consider are important to cover in any of these audits.

I would be grateful if you could confirm that, along with previous information sent on audits, this is sufficient information for your Head of Finance. That being the case, the signing of the Arrangements will be pending the detail of the legislative provisions on audit and your subsequent view on their application.

I will be in the office until 1pm today if you wish to discuss any of this further.

Keith

**Keith Avis**

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