

From: [McCutcheon, Joanne](#)
To: [Hutchinson, Peter](#)
Cc: [Hepper, Fiona](#)
Subject: FW: ref. eligibility of farm house for NI RHI
Date: 24 January 2013 14:18:18
Attachments: [Fwd RE ref. eligibility of farm house for NI RHI CRM0060200.msg](#)

Peter

For info – on return

Was talking to Michelle. She said this is a very complicated question and they have had a meeting involving a valuation specialist and their legal team. Outcome was they will be asking DECC and DETI what was their intention when drafting regs and will then need further advice and discussion. This might take a few weeks.

I asked her to ensure John Gilliland received a (holding) reply. She said you had been dealing with him but I told her that he had asked the question of Ofgem and as administrators of the scheme Ofgem should reply.

So if John contacts us again can you tell him we are fully aware of the issue but his correspondence needs to be with Ofgem – (unless we get to the stage where he is complaining or questioning the policy!)

Happy to discuss.

Joanne

From: Hutchinson, Peter
Sent: 22 January 2013 09:52
To: Michelle Murdoch
Cc: McCutcheon, Joanne
Subject: FW: ref. eligibility of farm house for NI RHI

Michelle,

Just following on from this, was speaking to John Gilliland yesterday after he received a response from yourselves (attached) however he remains confused. His property is a farmhouse, it is a dwelling but is primarily for his place of business (day-to-day running of his farm) and he has a farm office in the building. Before making a large capital outlay he wants some clarity on how this property is viewed under the RHI.

We had discussed this during the consultation phase and the following comments were made re how it should be dealt with;

“Issue with evidence NOT eligibility. A common sense approach will be used. Certain papers help ie environmental permits, farming paperwork. IF there are to be a lot of agricultural installations - then perhaps we need a more strict explanation? Perhaps something to look at in the future.

If you include a part of the premises which is NON DOMESTIC / NON COMMERCIAL - then u are eligible for NIRHI. Each case assessed on its own merits.

No case at this point to change the guidance.”

I do think this might need further guidance or clarity, John is clear that his farm buildings would be eligible for RHI but is not clear how his farmhouse would be treated as it is also used for

domestic purposes, as well as running his farm. This issue must have been considered in GB, it is likely however these cases might be more prevalent in NI. For info, farmhouses are rated but are classed as "house (agricultural)" so there is a clear distinction on how they are rated.

Grateful if you would consider and advise.

Thanks in advance,

Peter

Peter Hutchinson

Renewable Heat

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

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

From: Hutchinson, Peter

Sent: 21 January 2013 14:22

To: Michelle Murdoch

Subject: FW: ref. eligibility of farm house for NI RHI

Michelle,

Please see email below from John Gilliland to the generic Ofgem RHI mailbox querying the classification of a farmhouse under the RHI.

Grateful if you could consider and ensure someone responds to John, in advance however, would you be able to advise on what the likely response will be. We had discussed this issue during the consultation process and at that time the following comments were made;

"Agricultural Buildings - As agricultural buildings are fully exempt from business rates, councils may not assess them for rates as this would be a waste of time due to the properties' nature dictating that they are exempt. Therefore, if the agricultural building(s) are quite obviously commercial in nature then we will accept the declaration and description of the heat use on the application form as sufficient.

If the nature of the heat use building is a little more ambiguous, for instance in the case of farm 'workshops' or farm 'offices' we need to do more careful investigation. This is because we need to establish that the buildings are serving wholly or mainly commercial purposes. We cannot accept an applicant onto the scheme on the strength of them heating their garden shed or a

home office so in the case of farmers we need to ensure that when they claim for such buildings the buildings are actually non-rateable and not simply included in the farmer's council tax bill as part of his 'domestic' property

Guidelines will be issued next month on what information/evidence would be best to request from agricultural applicants where the nature of their heated buildings is a little more ambiguous.

'Composite' agricultural properties are eligible for the NIRHI. This is where the council has rated a farmhouse/group of farm properties as 'mixed use'. They are therefore a combination of domestic and commercial uses, the element of commercial use is enough to satisfy our requirements."

From my understanding/viewpoint, it is probably a matter of providing sufficient evidence to demonstrate the building is primarily commercial – what that evidence is will be matter for the applicant and Ofgem.

Grateful if you would consider and let me know what the Ofgem response to John is likely to be.

Thanks,

Peter

Peter Hutchinson

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-----Original Message-----

From: "John Gilliland" Personal information redacted by the RHI Inquiry
To: "rhi.enquiry@ofgem.gov.uk" <rhi.enquiry@ofgem.gov.uk>
Date: Fri, 18 Jan 2013 12:59:29 +0000
Subject: ref. eligibility of farm house for NI RHI

Dear OFGEM

I would like to apply for the NI RHI Scheme and install a biomass boiler to heat my farm house. I have read volume one of the NI RHI guidance notes and specifically point 4.45 on page 32.

Please could you clarify that my farm house, which also houses my farm office, is deemed to be commercial and therefore eligible for the NI RHI?

I have a farm business number given to me by the Department of Agriculture and Rural Development for NI which I use to claim my farm supports any my farm house is the recognised

address against the farm business number.

My understanding is that the Inland Revenue do recognise farm houses as commercial, so do the EU Commission for eligibility to draw down Rural Development Grant support.

Please could you come back to me as soon as possible?

Many thanks

John Gilliland

From: [John Gilliland](#)
To: [Hutchinson, Peter](#)
Subject: Fwd: RE: ref. eligibility of farm house for NI RHI CRM:0060200
Date: 21 January 2013 15:50:09

-----Original Message-----

From: RHI Accreditations <RHI.Accreditation@Ofgem.gov.uk>
To: John Gilliland <jgilliland@redacted by the RHI Inquiry>
Date: Mon, 21 Jan 2013 14:35:47 +0000
Subject: RE: ref. eligibility of farm house for NI RHI CRM:0060200

Dear Mr Gilliland,
Thank you for your enquiry. From the NIRHI Guidance note Vol. 1 page 32 , any building such as an agricultural building is exempt from paying business rates under Rates (Northern Ireland) Order 1977 Schedule 11 and therefore eligible for the NIRHI.

Kind regards
NIRHI Team
0845 200 2122.

From: jgilliland@redacted by the RHI Inquiry
Received: 21/01/2013 14:00
To: rhi accreditation; RHI Accreditations
Subject: RE: ref. eligibility of farm house for NI RHI CRM:0060200

Dear NIRHI Team

Thank you for your response.

So sorry for asking for further clarification, but are you saying a biomass boiler heating just a farm house with a farm office inside that farm house is eligible for the NIRHI?

Many thanks

John Gilliland

-----Original Message-----

From: RHI Accreditations <RHI.Accreditation@Ofgem.gov.uk>
To: John Gilliland <jgilliland@redacted by the RHI Inquiry>
Date: Mon, 21 Jan 2013 10:29:41 +0000
Subject: RE: ref. eligibility of farm house for NI RHI CRM:0060200

Dear Mr Gilliland,
Thank you for your enquiry. The Guidance note is quite explanatory, any building classified as an agricultural building is exempt from paying business rates under Rates (Northern Ireland) Order 1977 Schedule 11 and therefore eligible for the NIRHI.

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From: jgilliland@redacted by the RHI Inquiry
Received: 18/01/2013 13:04
To: RHI Enquiries
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