

**Pauley, Christine**

**From:** McCormick, Andrew (DFE) [Andrew.McCormick@economy-ni.gsi.gov.uk]  
**Sent:** 08 December 2016 14:18  
**To:** Sterling, David  
**Subject:** Fw: Transcript: Nolan Show - Renewable Heat Incentive Scheme - 8.12.16 – 9.05

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**From:** Morton, David <David.Morton@economy-ni.gov.uk>  
**Sent:** Thursday, 8 December 2016 14:52  
**To:** DfE SpAd; DfE SpAd; Tweedie, Siobhan; McCormick, Andrew (DFE); Baker, Derek; Coyne, Terence; Stewart, Chris (DFE); Rooney, Eugene; Cousins, Heather; Wightman, Stuart; Marten, Lucy  
**Cc:** All DFE Branches Press Office  
**Subject:** Transcript: Nolan Show - Renewable Heat Incentive Scheme - 8.12.16 – 9.05

All,  
Please see below the transcript from this morning's Nolan Show.  
Regards,  
David

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|------------------------|---|
| <b>Programme</b>       | <b>Nolan Show</b>                         |
| <b>Date &amp; Time</b> | <b>8.12.16 – 9.05</b>                     |
| <b>Subject</b>         | <b>Renewable Heat Incentive Scheme</b>    |
| <b>Prepared By</b>     | <b>Typist: Debbie Arthurs<br/>MMU: PC</b> |

STEPHEN NOLAN

The First Minister, Arlene Foster, has hit back at her opponents in opposition and said she will not be resigning over the Renewable Heating controversy. It's been described as one of the biggest financial scandals Northern Ireland has ever seen, yesterday every single line into this building was jammed for 90 minutes, full on, as you were reacting to the systemic failures that led to your money going up in smoke. We heard from people yesterday who couldn't afford to heat their own homes. We heard from a particular lady yesterday who was begging for a shed like people in these schemes had so that she could maybe get some heat because she spoke to us from her bed with a blanket over her and she can't afford to turn her heating on. She, by the way, had worked all her life, she can't afford to turn her heating on and meanwhile she's listening to a government scheme where they put heaters in sheds, they opened the doors, they opened the windows and they blew as much heat up into the sky as they possibly could because that's what made them money and a whistle blower had told them all about it. A whistle blower had gone to Arlene Foster, a whistle blower had then met with her officials and yet this was all allowed to

continue. Why? And don't get distracted by all of the noise around this story, there's some questions before I let you hear the rest of the show this morning that I want you to keep in your mind. Remember that even after they identified that this scheme was flawed they left it open for another ten weeks and every time you think about this story I want you to do this. Why did they leave it open? And who got in while they left it open? Today you're going to hear from one of the whistle blowers, the lady, this is the lady who went first to Arlene Foster and then went back three times to DETI officials with the same concerns, has been speaking to the Nolan Show.

**WHISTLE BLOWER**

We are a home grown company that's developed a solution for saving on heating costs using technology and whenever I was, I found just this pattern emerging that whenever I was going out to big hotels and care homes and places like that, that if they were getting Bio-mass in they weren't interested at all in energy savings. So I went and looked at the tariffs, I just went online and looked at DETI's website, looked at the tariffs and it took, I swear Stephen, it took five minutes for me to realise that it was set up wrong and when I compared it with the UK one, so all these people saying that they didn't know that it was set up wrong beforehand, it took five minutes of just a normal person looking online to realise that it wasn't right and there was opportunities for fraud there. So then what I did...

**STEPHEN NOLAN**

At the beginning they wanted to incentivise people to come into the scheme because there was an underspend?

**WHISTLE BLOWER**

Yes and I know one of the main reason for having this unit, such an attractive policy was the fact that they needed to get the numbers of renewables up and things like they had targets to reach but it was madness to assume that people wouldn't be taking advantage of this and to be fair you can't really blame those people whenever its set, it's made attractive to them that way.

**STEPHEN NOLAN**

So you spotted that there was something seriously wrong after five minutes on the...

WHISTLE BLOWER

On line, yes, I just looked up the policies, looked to see what they Renewable Heat Incentive was set up as in England and I remember just being so frustrated and thinking, why can they not just do it right. So the next thing I got on my soapbox and I think emailed DETI and that email, and to be fair that initial email didn't set out in detail what I thought the major concerns were, I just questioned how they were trying to ensure that the Renewable Heat Incentive and energy efficiencies were aligned. It wasn't till I met the people in charge of the energy team later that we really got into the nitty gritty of it.

STEPHEN NOLAN

So are you the person who went to Arlene Foster?

WHISTLE BLOWER

Yes.

STEPHEN NOLAN

When I say went to, you approached her or sent her an email?

WHISTLE BLOWER

No I emailed DETI, it went to Arlene Foster and then I got a letter back from Arlene, which to be honest I didn't think I would get but I did get one back and it said basically, I understand we need to find out a bit more about this, so I'd like for you to go and meet my energy team and then after that there was a bit of, just liaising with the PA to the person in charge at the time and we set up a meeting around October 2013.

STEPHEN NOLAN

So you flagged it up to Arlene Foster, just to step through this, did she personally respond to you?

WHISTLE BLOWER

She did, well it was, I think it had her signature at the bottom but it wasn't, as I said, it was just initial flagging.

STEPHEN NOLAN

What did she say?

WHISTLE BLOWER

It just said come and talk to my energy team about it.

STEPHEN NOLAN

Okay, and what were her team like when you met them?

WHISTLE BLOWER

There were three people, one of the people was talked about on the Spotlight programme last night, there were three people there and whenever I sat down in front of them and told them what my concerns were, that basically people were being motivated and incentivised to heat and have their heat on and kept on and they just, there total answer to me and their leaving comment was, 'we don't think people will do that', and I said well they will and they are because that's what we were finding on the ground.

STEPHEN NOLAN

So you told them it was happening?

WHISTLE BLOWER

Yes.

STEPHEN NOLAN

And they ignored you essentially?

WHISTLE BLOWER

Yes. And then that was that, Stephen, effectively and then the more I went out...

STEPHEN NOLAN

When was that?

WHISTLE BLOWER

That was in October 2013, so after feeling frustrated and then things just kind of went back to normal. I went back about my job in the hope that somebody somewhere would realise that it was an issue but I was still seeing it on the ground and going out to, now I wasn't the whistle blower that, there was another whistle blower, I think, that made people aware of the farmers, I don't ever go out to farm buildings or anything like that, so they're separate, I think there may have been two of us to be honest...

STEPHEN NOLAN

But what did you see on the ground, can you give us examples?

WHISTLE BLOWER

I can, basically you would go in, because of the way we get a couple of good weeks in the year of good weather, you go into hotels, maybe care homes, when we've got 24° outside and the heat is still on and the windows are open.

STEPHEN NOLAN

Say that again?

WHISTLE BLOWER

You would go in to places and they'd have the heat fully on and the windows would be open too. They'd be heating just because the more they heated the more money they made.

STEPHEN NOLAN

What type of businesses, care homes you say?

WHISTLE BLOWER

Hotels, I wasn't dealing with the likes of farms, I'm not aware of what went on there.

STEPHEN NOLAN

So give me examples of the type of businesses you saw this happen in?

WHISTLE BLOWER

Hotels, care homes, offices. I went into an office one time, not that long ago, and they were, they were tenants in the office and they were really warm and had the windows open and it was basically the landlord was just heating all the time.

STEPHEN NOLAN

And did you talk to them about it ever?

WHISTLE-BLOWER

I sent, as I would see these things happening I would get frustrated again and again, so that, after the initial meeting in 2013 I emailed again in 2014. Now the person in charge had moved on, so it's not really even fair to say that it was the same person in charge all the time because there was two separate people in charge during the course of my communications. So I emailed again in 2014 and they said, oh look it's on our radar. And then again I was seeing it on the ground, nothing was happening, so I emailed again in 2015 and they said, this is in March 2015, and they said that the tiering and the capping wasn't really planned, they weren't really planning to do anything on that and maybe they would do it later. So even as late as March 2015 they seemed to be ignoring that it was an issue.

STEPHEN NOLAN

So that's after how many warnings to them now?

WHISTLE-BLOWER

So I had emailed and met with them in 2013, then a follow up email in 2014 to a couple of individuals than a follow up one again in 2015.

STEPHEN NOLAN

So three separate occasions on top of contacting Arlene Foster?

WHISTLE-BLOWER

Yeah. I know, I know.

STEPHEN NOLAN

£400million over 20 years, that's what your emails were worth.

WHISTLE-BLOWER

Yeah, yeah, and when that was on Spotlight last night it really annoyed me to be quite honest with you, because I just thought God I should have, I just assumed that I was going the right route and I just wish I had have went more public...

STEPHEN NOLAN

I just wish you had have come to me.

WHISTLE-BLOWER

So do I, so do I, Stephen, and I'm really, whenever he talked about the hospitals and the roads and whenever that lady was on this morning, it's heart breaking, Stephen, I naively thought I was taking the right route and naively thought if a keep pushing somebody somewhere will listen, but they didn't listen, and I should have went public an I'm sorry that I didn't.

STEPHEN NOLAN

And do you know by the way what government sometimes tell their staff when they come to the Nolan Show; they sometimes say, why did you go to journalists, why did you go to the media? You should come to us and we've a whistle-blowing policy and we deal with these things. Here's an example of why you come to this show, here's one of the most brutal examples in this country. If you've got a story in Northern Ireland you bring it to the Nolan Show. And you could have gone on, had you ulterior motives by the way, it just strikes me this is how good a citizen you are, without embarrassing you, you could have gone on trying to make more money for yourself by selling more of these boilers, that was your business, right.

WHISTLE-BLOWER

Yeah, well we, I mean we work with energy efficiencies, but these Biomass boilers are not a bad thing, they are good thing, a renewable source of energy, but they're not a good thing if they're wasting. And the other side of things, Stephen, that we haven't really talked about is the environmental impact of people just wasting and wasting fuel, because although you can grow more trees you're still pumping out carbon emissions into the atmosphere and that's, it's not just the money, it's going to affect our kids and our grandkids, it's the environment as well.

STEPHEN NOLAN

On that final occasion, when you'd gone back to them for whatever it was, the fourth occasion, how did they reply to that, that brings up the, it's 2015 then, isn't it.

WHISTLE-BLOWER

Yeah they just, I have it here in front of me, Stephen.

STEPHEN NOLAN

Would you read it out.

WHISTLE-BLOWER



Yeah, yeah. So the response to my email said, that in terms of the non-domestic RHI which, it's a non-domestic RHI that this, that the whole issue's with. The phase 2 review is now underway, but the final policy has yet to be determined. Phase 2 review will see the extension of the RHI to new technologies and tariffs and they should be in place by late 2015. With regard to tiered funding, whilst this is not being proposed as a specific issue under the review it may be introduced at a later date as a budgetary control measure.

STEPHEN NOLAN

A budgetary control measure.

WHISTLE-BLOWER

That was in March 2015, that was very close to the time where they were pulling the plug. Even in March, Stephen, they were blatantly unaware, or choosing to ignore the fact that they're tiered, because the reason why it worked in GB was the tiered funding, so it incentivised people to be more efficient.

STEPHEN NOLAN

So in other words you got a big payment at the start, that helped to pay back the cost of the equipment you'd bought, but then the payment the government made to you dramatically dropped so essentially it was fair to everybody. In Northern Ireland we kept the payments sky high.

WHISTLE-BLOWER

Yeah, I had, one place I went to and I was talking to him about our product and he said, look, if I wasn't on the RHI I would definitely be looking at something like what you do to save energy, but they make money out of it Stephen.

STEPHEN NOLAN

So it didn't make sense for them to give it up because they were profiting from it.

WHISTLE-BLOWER

No, and the words that he said to me, I think which probably made me send that final email, the words that the business owner said to me was, whenever the guy came to tell me about the RHI deal I didn't believe him and I told him it was too good to be true and he told me, well it is true. So the businesses, they knew and I just don't understand how the people who were setting the policy didn't see that.

STEPHEN NOLAN

Let me get your take on the story then, the political story. Arlene Foster is defending herself by saying, do you know what, she passed your information on to her officials to deal with. Have you any sympathy for that? The opposition parties are calling for her to resign. Where do you stand?

WHISTLE-BLOWER

I, politically, I don't really take any view of that, Stephen. That was never, and you're always weary in politics in Northern Ireland that there's a hidden agenda and things like that, but I don't really take any view politically. I mean that's not really where I was coming from and what I want to comment on either, Stephen.

STEPHEN NOLAN

What do you make of the department who dealt with it?

WHISTLE-BLOWER

I think there should be better processes and systems in place for genuine whistle-blowers. Now I know they'll get a lot of whistle-blowers who will just you know, may not be, may not really know the facts, but this looked very simple to me at the outset and it just looked wrong and there should have been probably a better follow up process there; but there wasn't any, there wasn't any.

STEPHEN NOLAN

You heard the lady on our programme yesterday...

WHISTLE-BLOWER

Yeah I did.

STEPHEN NOLAN

...who talked about not being able to heat her own home; she called us from bed, she won't have her home heated to the extent that she can stay out of bed on Christmas day. How does that make you feel?

WHISTLE-BLOWER

I was in tears, Stephen, and to be honest it's what triggered me phoning in. Nobody should have to live like that, they shouldn't. And then it made me feel, I suppose, it made me feel guilty for not maybe, knowing that I should have went public with it, because maybe it could have made a difference to her and other people.

STEPHEN NOLAN

Are you crying?

WHISTLE-BLOWER

Well, it's upsetting, Stephen. I don't want to get emotional but it's upsetting, you feel, whenever she was on you really feel for that lady and there's so many more, there's so many more. It's not just people heating their homes, is it, Stephen, it's the roads, it's the hospitals, it's operations and things that it's going to affect.

STEPHEN NOLAN

I want to let you hear something that you may not be aware of. Whistle-blowers play an important role in Northern Ireland, okay, and be it whistle-blowers who go to their own organisations about concerns, or indeed whistle-blowers who come to programmes like mine and BBC Spotlight etc, it's an important function in our society. I want you to have a listen to this exchange between the DUP MLA Trevor Clark and Andrew McCormick. Andrew is the Permanent Secretary, regarding whistle-blowers. Have a listen to this, you'll also hear Robin Swann from the UUP.

TREVOR CLARK

There's that many cranks out there, I mean our office is inundated with cranks who will jump on the bandwagon about, I mean want to perceive their own version of events. And what I'm worried about is then if you're going to respond to every crank that writes to you at this stage, given that PwC have taken an interest to have and (unclear) the cases. At what stage do you start to dismiss cranks?

**ANDREW MCCORMICK**

I think that you have to look at allegations on their merits. Is there something credible about them, that has to be judged, it's a matter of judgement and....

**ROBIN SWANN**

I think it's unfair to label everybody cranks.

**TREVOR CLARK**

I didn't say everybody was cranks, but PwC have been in, chairman, and investigated whatever they've done. I mean we're inundated with people coming to our office with various things and whether you want to be associated with common cranks or not, I'm happy to do that. The common cranks in some cases, but my issue here is....

**ROBIN SWANN**

Trevor sorry, there's some people that have come to give evidence (unclear), so just

**TREVOR CLARK**

I'm not saying...

**ROBIN SWANN**

I don't want to put people off if they have genuine concerns.

**TREVOR CLARK**

Well they may have concerns, but chairman, this is where I want to go with this, at what stage do you decide that we've investigated it? Do we continue to investigate and investigate and investigate or else the next time we'll be talking about a legacy investigation in terms of the RHI. What I want to be content with chairman, is that PWC, who is an independent body who have been brought in to investigate all of this, people who want to sit at home as fireside solicitors and everything else and draw their own conclusions or make spurious claims about individuals, at what stage do we continue to spend money actually following up those claims, given that PWC, who's an independent organisation have reviewed the scheme and have a very damning report on the scheme.

STEPHEN NOLAN

What do you make of that, him describing some whistle-blowers as cranks, in the context of one of the worst financial scandals to ever have hit Northern Ireland, highlighted by a genuine whistle-blower like yourself, and Trevor Clark using the language that some whistle-blowers, not necessarily you, are cranks.

WHISTLE-BLOWER

Yeah, I mean I can only go on my experience, Stephen. I thought initially, whenever, to be honest I didn't expect to get a response from Minister Foster, I just thought, I was letting off steam and I was frustrated at something and, do you know what, I'm going to write in to her, but to be honest, I wrote into other departments on previous things before and never heard anything, but, not that I'm a serial cranker or anything.

STEPHEN NOLAN

But everybody, the potential damage that Trevor Clark has done, is that other whistle-blowers, maybe like yourself, spotting genuine concerns, won't want to be labelled by people like Mr Clark as cranks.

WHISTLE-BLOWER

Yeah, to be honest, Stephen, I didn't even, I didn't even want to be labelled a whistle-blower because, as I seen it, I was just highlighting wrong and I was just going to talk to people and give them my views that it was set up wrong. Whistle-blowing wasn't ever a term that I associated with

myself, but I can imagine their, once they hear what the person has to say they have to in their minds work out if its proper and relevant and a valid story. So I mean I don't know, I just seen something was wrong and I felt like I had to do something about it and try and raise awareness of it, if they weren't already aware.

**STEPHEN NOLAN**

What do you think should happen now?

**WHISTLE-BLOWER**

I mean it wouldn't, it wouldn't stop me doing it again, but I don't know. I think it should be...

**STEPHEN NOLAN**

What do you say to Trevor Clark about his use of cranks language?

**WHISTLE-BLOWER**

I don't really have anything to say to him, I don't really care what he thinks, I just care that I get my, you know, I tried to help out and tried to make things better and sadly it didn't work.

**STEPHEN NOLAN**

Thank you very, very much indeed for contacting us, we really appreciate it.

**WHISTLE-BLOWER**

Yeah, no problem. I'm so sorry, Stephen, like...

**STEPHEN NOLAN**

Why are you apologising?

**WHISTLE-BLOWER**

I wish that I had have been more public about it; I wish I had have, I just thought I was going through the right processes and procedures and I was busy with my day job and family and things and I just, when I got frustrated I contacted and I tried again and I tried again; I felt like I was hitting a brick wall to be quite honest with you and there's part of me just said, oh that's just the way it is here.

STEPHEN NOLAN

Well listen, here's the very strong message from me this morning. If you have got a concern about anything in Northern Ireland, this programme will never label you as a crank. And maybe you're deciding to go to government or to come to the likes of this programme or other programmes, we will never label you as a crank. Thank you very much indeed for talking to me today, thank you.

STEPHEN NOLAN

The leader of the Ulster Unionist Party, Mike Nesbitt, with us this morning.

You're calling, as we heard on the news there, for Arlene Foster to resign, Mike, why?

MIKE NESBITT

Because she was the Minister, Stephen, because as your whistle blower said when you asked the question, she said better processes would have helped. So there were flaws within the department and anybody who knows politics will tell you the Minister is the department. So it is on that basis. When there was a water crisis at Christmas in 2010 Conor Murphy of Sinn Fein was the Regional Development Minister in charge of the Water Service, the DUP called for Conor Murphy to resign as Minister. Is it do as I say or is it do as I do? Stephen, can I just say I've listened to the whistle blower interview and this is entirely up to her, you know who she is or maybe you don't, actually I don't know if you even know her name, but if she would contact me I would like to put her name forward for a Queen's Honour because I think she deserves it.

STEPHEN NOLAN

There are many questions within this story, are you wondering why the officials left it open?

MIKE NESBITT

I'm very struck by the fact the whistle blower said in five minutes on the internet you could see that there was an issue. I get whistle blowers approaching me all the time, there are about 2,000 members of the Ulster Unionist Party and many of them elected representatives and you get an instinct, Stephen, and I'm sure you get it yourself, when somebody approaches you, is this likely to be true or not. But whether you think it's a bit of a facetious claim or whatever, there's a question that rules how you react and it's a very simple one. What if they're right? What if this is true? So you investigate it, so when Arlene Foster was approached and said to the Permanent Secretary take a look at that, yes she did the right thing, but had it been me I would have said to the Permanent Secretary 'and get back to me', 'whatever the result get back to me on that'. And with the whistle blower saying that the officials said, oh I don't think people would do that, my goodness how weak was that and if I had been Arlene Foster and the officials had come back to me and said, well she's claiming this but we don't think people would react like that...

STEPHEN NOLAN

The point is they didn't come back to her....

MIKE NESBITT

Exactly.

WHISTLE BLOWER

She claims.

MIKE NESBITT

Well what I think is that the Minister should have said, take a look at that and get back to me. So she did the first half right, take a look at that but what we don't know is how it went wrong after that. She should have said, in my opinion, and get back to me because ultimately where there's a whistle blower, no matter how I assess it, the 'what if' factor makes me say to whoever I say take a look at that for me and get back to me.

STEPHEN NOLAN



Some of your political opponents are pointing the Nolan Show to the fact that there was a debate in February to issue a notice suspending the schemes to new applications and you voted for the scheme to be kept open?

MIKE NESBITT

Yes and do you know why, Stephen, because the Minister, and it was Jonathan Bell by this stage, said the scheme was a great success and you have an investigative team, you say, looking at this. Take a look at the document from the Executive which reviews the delivery of the last Programme for Government and you will see that the Renewable Heat Incentive Scheme was in that Programme for Government and they deem it to have been a success. I swear to you that document says the Renewable Heat Incentive was a successful delivery and the other thing that we didn't like about that debate was that Jonathan Bell cancelled the scheme early with a news release which was issued at 6.02 on a Friday evening. People had been investing in kit, in hardware, in boilers in the expectation they would be able to avail of the Renewable Heat Incentive in good faith and he was cutting them off at the knees. He also made statements in the House during the debate which we are investigating, because we also have an investigative team on this, and there is a suggestion, and I know I'm making a very serious allegation here....

STEPHEN NOLAN

Well let's not.

MIKE NESBITT

...a suggestion that he misled the House...

STEPHEN NOLAN

No, no, no, no, we're not going...

MIKE NESBITT

Oh yes, yes, yes...

STEPHEN NOLAN

Well we're not going to tolerate that on a live radio programme without him here to defend himself and you know rightly that we're not going to tolerate that...

MIKE NESBITT

He made statements...

STEPHEN NOLAN

...we can come back...

MIKE NESBITT

...contrast and conflict with statements being made by Her Majesty's government's representative.

STEPHEN NOLAN

We will be in touch with Mr Bell to see if he wants to respond to that but we're not discussing it on a live radio programme, it would be inappropriate to do so. Why do you think after, because I know you're trying to focus attention on Arlene Foster, you're the opposition that's no surprise?

MIKE NESBITT

I'm trying to focus, Stephen, on values, the sort of dignity that we heard from the whistle blower on the integrity of government. Let's remember our First Minister is representing you and me and all your listeners in China today, do you think for one moment the Chinese don't know about this fiasco or about Dee Stitt or about Social Investment Fund or NAMA or Red Sky, don't you think they're giggling behind their backs and questioning the integrity of our devolved government?

STEPHEN NOLAN

You've no idea, you're speculating, you've absolutely no idea whether they know that or not and any...

MIKE NESBITT

Of course they know it.

STEPHEN NOLAN

...and any country has political scandals and any country has political controversy, you're party has had plenty...

MIKE NESBITT

So it's alright then, you're now defending the scandal of the Renewable Heat Incentive are you?

STEPHEN NOLAN

I'm not defending anything, I'm pointing out that I doubt the Chinese are getting involved in the fine detail of what's happening in Northern Ireland. Let's concentrate on this story here, Mike. Why do you think, if we take this past what Arlene Foster did or didn't know, the civil servants in government realised that there was a problem so they announced that the scheme was going to be closed and then they left it open for 10 weeks. Does that not feel unusual and who got in in the 10 weeks, and why wasn't it suspended immediately?

MIKE NESBITT

Well the difficulty, as I see it, Stephen, is to avail of the Renewable Heat Incentive you had to make an upfront investment, which the government were not in any way subsidising, in the boiler. So if it had been your or me and we knew there was a time limited period in which we could apply for the Renewable Heat Incentive, to be told we've just stopped it was wrong. It was supposed to be, I think, to the end of March, so you plan, we're going to do this, we're going to spend our money, we're going to make our investment before the end of March and then we will apply and we will be successful and we will get this incentive called the Renewable Heat Incentive.

STEPHEN NOLAN

Did the Ulster Unionist Party want the scheme suspended immediately?

MIKE NESBITT

No, we wanted a phased withdrawal, and you'll find that in the Hansard of the debate that you're referring to.

STEPHEN NOLAN

But doesn't a phased withdrawal then, did you not cock up too, doesn't that allow people to fill their boots, to see, my goodness that's too good to be true but is true, we can still get in?

MIKE NESBITT

No, the fault lay with the department and if you look at the questions that my colleague Harold McKee, MLA for South Down, has been asking, everybody who applied, something like 99% of applications were successful. The fault lay with the department not being rigorous enough in assessing the applications.

STEPHEN NOLAN

We are aware of a situation, get this, right, we're aware of a situation where they were drying pellets for these wooden burners, okay. So to dry the pellets for the wooden burners they were getting a profit, because of course that took heat. And what did they do with the pellets of the wooden burners when they were dried? They threw them into the furnace and burnt them and they got paid for that. So therefore there was a double kick in the goolies for the taxpayer of Northern Ireland; while people in this country find it very difficult to put uniforms on their kids backs and they're working all day, or to heat their homes or do whatever they're doing; this scheme allowed people in Northern Ireland, and PWC have identified this as a serious concern, I can reveal this this morning too, that people were actually drying pellets and then throwing the pellets into the furnaces and burning them and that was a circular scheme, the more they burnt the pellets then the more they could buy new pellets to dry; these pellets weren't adding to the economy, they weren't for any purpose, it was just dry them, throw them into the fire, get more taxpayers' money.

MIKE NESBITT

It was a proper scandal, Stephen. Today in our maternity wards, children are being born, some of them will themselves become parents before we have paid off the £400million.

STEPHEN NOLAN

What do you say to Arlene Foster this morning?

MIKE NESBITT

I'm saying that her current position is not tenable, because her current position is that she cannot be across every jit, every jit and toddle whatever it was, that expression that she had. This is much, much more serious than that and she herself was priding herself recently on being across detail, because her background is as a lawyer. But there's a concept called ministerial accountability. The Minister is the department, there were weaknesses in the design of the programme; there were weaknesses in the administration of the programme and there was a failure to react properly when the whistle-blower came forward. Three reasons why I think she should do the dignified thing; she should show integrity and she should fall on her sword. Name me a person with more unbroken experience as a Minister in any other jurisdiction than Arlene Foster. She became a Minister in the Executive when devolution returned in May of 2007, nearly 10 years ago. She's been a Minister every day since then, she has the experience to know how to react to things and she missed it on this occasion and you and I and our children and unborn children are going to be paying for this for the next 20 years.

STEPHEN NOLAN

Isn't she entitled to rely on the judgement of senior officials, just like you do, by the way? There have been cock ups in your party of people that have said some quite extraordinary things and you haven't walked for it, you've said that's their culpability. So is this not the culpability of the officials below Arlene Foster?

MIKE NESBITT

I think I have said on many occasions that anything that happens in the Ulster Unionist Party comes to my desk, that the buck stops with me. But where have we cost the taxpayer money, give me an example, because I certainly accept things have happened in the party that I regret, wish had never happened, but give me an example where it's cost the taxpayer money?

STEPHEN NOLAN

I haven't got those examples.

MIKE NESBITT

No, so that's the difference, Stephen, that's the difference between what's happened to me as leader of the Ulster Unionist Party and Arlene Foster when she was Minister for Enterprise, Trade & Investment.

STEPHEN NOLAN

Mike Nesbitt, thank you very much indeed.

STEPHEN NOLAN

The Alliance deputy leader, Stephen Farry, with us today. You're calling for all correspondence to be release, Stephen, what's this about?

STEPHEN FARRY

In the first instance I think it's fair to say that the jury is certainly out on Arlene Foster's competence and her credibility as a Minister. I'm not going quite as far as Mike in saying that she has to resign at this stage but it may come to that. It's important that she actually comes forward and actually explains herself, not just to fellow Assembly members but to the people of Northern Ireland and its actually quite shocking and arrogant that the DUP aren't putting any spokespersons forward to actually answer questions in this matter given the huge implications of this for future budgets for Northern Ireland and its likely we're going to see a budget just before Christmas which is going to bring some even more challenging news to us all. So just add that to the overall context. I'm speaking, Stephen from experience of being a Minister in terms of how you actually go about conducting your business and Arlene Foster may well have done these things or she may not but we simply don't know because she's not telling us.

STEPHEN NOLAN

There was a DUP Minister on Good Morning Ulster yesterday by the way.

STEPHEN FARRY

Yes it was a pre recorded interview...

STEPHEN NOLAN

Well whether it was pre recorded or not, there was a DUP Minister on, they may not be putting anyone on to speak to me.

STEPHEN FARRY

Maybe you frighten them but the story has moved on and you see from the volume of calls coming in to your programme the huge public concern around this, so it's important that people respond to those who actually pay the bills and put them into office. Whenever I was Minister if something like that came before me and Arlene Foster's right, you get a lot of correspondence coming in and that includes people with complaints, in effect whistle blowers, but what's important is, as a Minister you have to risk assess those, so you don't sit and sort of say, we'll pass it on to officials, it's out of sight, out of mind, box ticked, job done. You have a duty to follow that up and certainly I would have had a rolling list of important policy issues and important operational issues that I would have regularly sought updates from officials...

STEPHEN NOLAN

You know the other question I haven't heard asked today, it's just struck me, yesterday or today, do you know what's just struck me, so Arlene Foster says that when this whistle blower contacted her she passed it on to officials, okay, that's the last she heard of it really, okay, the senior officials in government in Northern Ireland absolutely knew that there were flaws in this system, why didn't they bring it back to Arlene Foster? Why didn't they tell her? We've been focusing so far on Arlene Foster passes it on and the officials don't hear anything about it, let's park the officials not doing enough about it, why, if this was what we now know a huge cost to the taxpayer with whistle blowers going to these officials and saying, this is how bad it is, why didn't they bring that back to Arlene Foster?

STEPHEN FARRY

Yes and in that respect, Stephen, you're right, this has to be a two way process, you have the Public Accounts Committee, you have the Northern Ireland Audit Office examining how the officials have conducted themselves and that inquiry is still ongoing before the Public Accounts Committee..

STEPHEN NOLAN

I'm sorry to focus on this again but when the whistle blower says this is costing an enormous amount of money and then after that when it's clear it is costing an enormous amount of money, are we to believe that it still wasn't brought back to Arlene Foster?

STEPHEN FARRY

We don't know and that's why you asked the question about the paperwork, I think it's important that we, the department releases and Arlene Foster can ask this to happen, that all of the paperwork, the policy submissions that went before the Minister going back to 2011, all of the correspondence, all of the emails between the Minister's private secretary to officials. Now what would have happened in the private office is Arlene Foster would have got the email from the whistle blower, that would have been passed to her private secretary. Her private secretary would have then passed it on to the relevant division and that would have been logged into the system. There would have been then a requirement upon the officials to report that back to the private office in order for the private secretary to give the response to the Minister, that's how the loop is supposed to work inside the department. Something has broken down in that process.

STEPHEN NOLAN

By the way and I want to make room for callers here because we're getting hundreds of these calls today, there are some questions by the way that DETI, the Department of Enterprise, Trade and Investment has ducked from the Nolan Show, just so that you all know, and remember the public knows the questions that they department completely, deliberately ducked. Here are the three questions we put to them yesterday. We said to them, this lady, the whistle blower, contacted DETI four times with concerns, another whistle blower was referred to in the Northern Ireland Auditor Report and the question as this, how many people in total contacted DETI or the Minister about concerns around how Renewable Heat Incentive was being run? Department refusing to tell us. Question two that they've deliberately ducked, when was the first warning



received? We asked for the date, ducked. Question three, when was the last warning received, Department of Enterprise, Trade and Investment refusing to tell us, ducked. What are they hiding?

**STEPHEN FARRY**

Stephen, I know you've an investigative team on the job but I suspect if you put in a Freedom of Information request on those three points they will be legally obliged to respond to you.

**STEPHEN NOLAN**

But why would we need to, why wouldn't they provide the answer?

**STEPHEN FARRY**

But if people insist on not co-operating you have a legal entitlement to that type of information.

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