


From: **Edgar, Leona** Leona.Edgar@executiveoffice-ni.gov.uk 
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 To: Timothy Johnston timothyjohnston@dup.org.uk, Johnston, Timothy timothy.johnston@executiveoffice-ni.gov.uk,
 Richard Bullick Personal information redacted by the RHI Inquiry Bullick, Richard richard.bullick@executiveoffice-ni.gov.uk, Weir, Philip, TEO SpAd
 Philip.Weir@executiveoffice-ni.gov.uk, Clive McFarland clivemcfarland@dup.org.uk, Deborah Armstrong
 deboraharmstrong@dup.org.uk
 Cc: Gardner, Jeremy Jeremy.Gardner@executiveoffice-ni.gov.uk, Parkhill, Laura Laura.Parkhill@executiveoffice-ni.gov.uk

Leona Edgar
Senior Information Officer
The Executive Office
Stormont Castle
Stormont Estate
Belfast BT4 3TT
Email: leona.edgar@executiveoffice-ni.gov.uk
Tel: 028 9037 8119
Mobile: Personal information redacted by the RHI Inquiry

From: EIS Typists [mailto:EISTypists@justice-ni.x.gsi.gov.uk]
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Programme	Talkback – Arlene Foster
Date & Time	12.12.16 (12.09)
Subject	RHI scheme
Prepared By	Typist: Jennifer Higgins MMU: KC

WILLIAM CRAWLEY

It is the biggest financial scandal to hit the Assembly in a very long time, perhaps ever. The Renewable Heat Incentive scheme was supposed to encourage users to switch to biomass heating systems but because of flaws in the construction of the scheme, it enabled users to actually make money, in some cases a lot of money, by simply leaving the heat on and when the flaws were pointed out to the Minister in charge at the time, Arlene Foster, by a member of the public, that whistle-blower says her concerns were brushed aside and Arlene Foster is now leading the government. It could all sound like an episode of Yes Prime Minister, but this is far from funny. The disastrous scheme could cost taxpayers up to £400million over the next 20 years and in the wake of those revelations in last week's BBC Spotlight investigation, there have been calls for a public inquiry and for heads to roll at Stormont. There are questions about who benefitted from this flawed scheme and whether any of them have close links to the DUP, and some very pressing questions for the First Minister herself. Our political editor Mark

Devenport has this morning been speaking to the First Minister, Arlene Foster, he began by asking her how she felt personally about the loss of £400million associated with this scheme.

ARLENE FOSTER

Well of course it's a potential loss of that nature, but we're taking action to make sure that it won't be of that nature, that it will be significantly less and actually there's a lot of very good work going on in the Department of the Economy with my ministerial colleague, Simon, at the moment to make sure that that is the case and we hope to bring proposals to the Assembly in early New Year and then allow it to go out for public consultation and I do hope that the other parties in the Assembly will support that consultation, will support proposals that we bring forward unlike when we tried to close the scheme and did close the scheme earlier this year.

MARK DEVENPORT

Well how much of that £400million do you hope to be able to claw back?

ARLENE FOSTER

Well we will significantly, well it's not a case of clawing back, of course, because it hasn't been spent as yet, it's the potential of that nature over the next 20 years, so it's a question of making sure that we consult with everyone and significantly reduce the burden that has been talked about so openly over this past week.

MARK DEVENPORT

Nevertheless, obviously there was a fatal flaw in this scheme, is the public owed an apology?

ARLENE FOSTER

Well certainly I think it was right to have a policy in relation to renewable heat, it was important that we did that because we had a target to move people away from fossil fuels and into renewable heat of 10% by 2020 so it was important we had a policy to do that. I would have been rightly criticised if we didn't have a policy to switch people away from fossil fuels but, of course, the implementation

policy to switch people away from fossil fuels but, of course, the implementation of the scheme is something I do regret, it was flawed, we brought in energy consultants who have admitted, at the PAC, that they got it wrong and, of course, therefore we have to take action to make sure that we right that wrong as it were, to make sure that we don't spend that amount of money that has been talked about.

MARK DEVENPORT

Obviously though we're still talking about massive amounts of money, even if you are able to claw some of this back. Do you owe the whistle-blower an apology, you could have stopped this if officials had listened and you had followed through on her original complaints or warnings?

ARLENE FOSTER

Well there's a couple of things there, Mark, I mean you talk about claw back, you don't claw back money if you haven't spent it. So we haven't spent this money to date and what we're doing is bringing forward proposals to make sure that we don't spend that amount of money in relation to the public purse. As regards the whistle-blower she came forward, I dealt with it as I do in all of these examples, I give it to the officials, ask them to take it forward and investigate and in the normal run of things, and perhaps this is something that needs to be looked at, it only comes back to me if there's an issue that arises out of that and it didn't come back to me because they didn't alert me to an issue and I regret that, I wish that she had have been listened to at that appropriate time. I wasn't given the detail by the whistle-blower, I instructed my officials to engage with her to get the details and unfortunately that wasn't the case and they didn't act on her concerns.

MARK DEVENPORT

Would you apologise to her now?

ARLENE FOSTER

Well I'm saying I acted, I wrote to the whistle-blower and I think she's acknowledged that, and told her that I would pass on her details to officials and she engaged with officials and did that on a number of occasions. but I think the

manner in which that has been taken forward has been flawed and, of course, there is an independent review, an investigation of that going on in the department at the moment, there is a PAC committee hearing at the moment and that's looking for value for money in relation to the scheme and there's another investigation looking into why the whistle-blowers complaint wasn't taken forward in an appropriate fashion by the officials, and then what we're also doing is going to start 100% inspections of renewable heat installations and that is something new, because we believe that we need to look at all the renewable heat installations to make sure that they are doing what they are supposed to be doing.

MARK DEVENPORT

Are you prepared to waive the Stormont convention and go in front of the Public Accounts Committee and explain to them your handling of this matter?

ARLENE FOSTER

Well, of course, I want to be as helpful as I can to all of the institutions here, but I think it's important that we recognise the differences between the different committees and the different mechanisms to hold Ministers to account. The PAC is there to look solely at the value for money piece, and they're doing that at the moment, and of course the accounting officer for the department is the Permanent Secretary and that's why you've seen the two Permanent Secretaries appearing in front of the PAC. The Economy Committee however deals with the policy issues and that, of course, is where Ministers sit, Ministers sit with the policy, whereas the implementation is dealt with by officials and, of course, I am accountable to the Assembly and I'm more than happy to deal with that as well. I want to be as helpful as I can in all of this because, frankly Mark, I have absolutely nothing to hide in any of this. I wanted to implement a policy of renewable heat, unfortunately it was implemented in a way that has caused great difficulty.

MARK DEVENPORT

So even though your partners in government, Sinn Fein, says that you and Jonathan Bell, the two Ministers responsible for this scheme, should go before the Public Accounts Committee, you're not going to go before that committee.

ARLENE FOSTER

No, I didn't say that, I said I want to help in any legitimate way as possible and I will look at all of the requests that come into me in relation to these matters. What I'm saying is I think people don't understand out there, perhaps the differences between the different committees and their remit. So in terms of the PAC, it's value for money; in terms of the Economy Committee it's the responsibility of the Minister and that's why you see Ministers appearing at their departmental committees and giving account of themselves as I do, as I did actually just two weeks ago with the Executive Office in respect of this office. So I've no difficulty in doing that, Mark, I've nothing to fear from any of this because there's nothing there.

MARK DEVENPORT

So just to clarify, how will you make yourself accountable, before which committee do you think it's right and proper for you to appear?

ARLENE FOSTER

Well it's not for me, in terms of the invitation, the invitations haven't come into me from either the PAC, from the Economy Committee, for appearing in the House, I have, of course, answered questions in relation to this under the Executive Office mandate, but I've no difficulty in answering questions to any of those because, as I say I've nothing to hide in relation to this. I brought forward the policy in respect of RHI and unfortunately the implementation of it has gone askew.

MARK DEVENPORT

Over the weekend it was reported that your Special Adviser's brother was one of the claimants, is one of the claimants from the scheme, does that surprise you?

ARLENE FOSTER

Well I wasn't aware of that because, of course, I wasn't privy to who had applied into the scheme and as far as I'm aware, it's perfectly legitimate for people to

apply into the scheme and indeed many businesses have applied into the scheme. But I think what we should do now, and what the Economy department is doing, is going to write to each of the recipients from the scheme and they're going to be asked whether they mind their names being published, because I would be keen for all of the names to be published in respect of the scheme. And why do I say that? I say that because what we're seeing now are names being plucked out of that list and publicly exposed, and I think that's very unhelpful because a lot of these people actually applied for the scheme in a very legitimate way, and there's a very small minority of people who are abusing the scheme. So in order to deal with that, first of all we're going to have 100% inspections of all the RHI installations and secondly we'll be writing to all of those in receipt of RHI money and asking them for their consent to put their name forward. So obviously we have to stay within the law, we can't just put out the list, we have to stay within data protection.

MARK DEVENPORT

While your party has said that none of your Special Advisers, your minister's Special Advisers at the moment, are claimants in relations to the scheme. What about Stephen Brimstone, who was until late last month a Special Adviser here in the Executive Office, he was a claimant wasn't he?

ARLENE FOSTER

Yes, as far as I understand Stephen was a claimant, yes.

MARK DEVENPORT

Was this whole business of the Renewable Heat Incentive scheme a factor in him leaving his job in the Executive Office or not?

ARLENE FOSTER

No absolutely not. Stephen had indicated actually back in May that he may not stay for a long period of time and he decided then to go off and pursue other matters in the private sector, and I do wish him well because Stephen played a very key role in relation to matters here in the Executive Office.

MARK DEVENPORT

MARK DEVENPORT

So you had no concerns about him being a claimant from this scheme?

ARLENE FOSTER

No, well obviously he has decided to move on, and that's a matter for him, and he's now a private citizen.

MARK DEVENPORT

Obviously all the organisations and the individuals who are claiming from the scheme, none of them are doing anything illegal, it was a publicly advertised scheme. Is there a perception out there though that maybe the word went out either from DUP circles or from other associates that here's a scheme that you need to get in on, it's too good to be true, get in there before it closes; are the public wrong to have that conception?

ARLENE FOSTER

Well, Mark, I think you need to look at the time that I was in the department and realise that there was a significant underspend actually in terms of this scheme and officials had indicated to me that there was an underspend, and if you look at the Audit Office report actually during that time there was an underspend. So it's difficult to see how we were doing anything other than putting forward a renewable heat scheme; people applied into that renewable heat scheme because they wanted to move away from fossil fuels and, of course, don't forget as well that there was quite a big capital investment up front in relation to this matter, so they had to pay for the installation and then they got paid back from the Renewable Heat Incentive scheme. Unfortunately the way in which it was designed means that they got too much back in terms of the incentive and that's what we have to deal with now in the future.

MARK DEVENPORT

Given the tightness of the Executive budget and the level of fuel poverty out there, do you think there's a moral onus on claimants, once they've cleared that initial capital outlay, to stop claiming on the scheme?

ARLENE FOSTER

Well we're now constructing a cost control mechanism and, as I've said, that will go out to public consultation and I hope that the other parties will support us in relation to this matter to try and deal with these issues in a proactive way. They didn't do it in January, as I've said, when we brought forward the closure of the scheme, they voted to keep the scheme open even though they were aware that costs were spiralling and that there was the potential of abuse, they decided to keep that scheme open. I think there's a moral imperative on us, as MLAs, to make sure that we bring this scheme under control.

MARK DEVENPORT

And you say that you're going to have 100% inspection of all installations under the scheme. What are you looking for? Are you looking to see essentially if something is going on which is fraudulent?

ARLENE FOSTER

Well looking to see are they keeping within the spirit of the scheme; are there abuses happening. Already abuses have been identified by the initial inspections and I think it's in the region of 10 or 11 have already been closed down in respect of the scheme, so it's important that we know what is the uptake of the scheme, how is it working across Northern Ireland, to give back public confidence frankly as well, and to say to those people who are legitimately using the scheme that we understand that you're doing that in a proper way and that because you've been inspected you can hold your head up high and continue using the scheme under the new cost control mechanisms which will come early in the New Year.

MARK DEVENPORT

What lessons will you learn from this? Will you treat whistle-blowers differently in the future?

ARLENE FOSTER

Oh I think there'll be a number of lessons that will come forward after the PAC

have finished their work; after the investigation has taken place into the whistleblower and how she was treated by the department. I don't want to jump ahead and prejudge what those lessons will be, but I've no doubt there'll be lessons not just for the Economy department but for right across government as to how we deal with these issues.

WILLIAM CRAWLEY

The First Minister, Arlene Foster, speaking just half an hour ago.

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