

**RHI Inquiry**

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Michael Woods  
Head of Internal Audit  
Department for the Economy  
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BT2 8FD

By post and email: [michael.woods@economy-ni.gov.uk](mailto:michael.woods@economy-ni.gov.uk)

15 November 2018

Dear Sir

**Re: The Independent Public Inquiry into the Non Domestic Renewable Heat  
Incentive (RHI) Scheme**  
**Provision of a Section 21 Notice requiring the production of documents**

I am writing to you in my capacity as Solicitor to the Independent Public Inquiry into the Non Domestic Renewable Heat Incentive (RHI) Scheme (known as 'the RHI Inquiry') which has been set up under the Inquiries Act 2005 ('the Act').

I know that you are very familiar with the work of the Inquiry and its Terms of Reference from your previous engagement with it and the Inquiry remains grateful for the witness statements and oral evidence you have already provided.

However, as you may be aware, the Inquiry continues to seek some further written evidence from witnesses and participants, particularly where issues have arisen in evidence recently provided in respect of which it is necessary, or appropriate, to provide an opportunity for further response. The Inquiry Chairman also retains the right to require witnesses to attend to provide further oral evidence, and consideration will be given to whether that is necessary in light of additional written evidence which is received.

In the circumstances, please find enclosed with this letter a further Section 21 Notice requiring you to provide evidence to the RHI Inquiry Panel in the form of a further written statement addressing the matters identified in the Schedule to the Section 21 Notice.

Where you have been asked about a matter which has been addressed to some degree in your previous written or oral evidence and you are clear that there is no further evidence which you can provide, please simply say so.

In the interests of fairness, you are also encouraged to provide, through the further written statement now being requested of you, any additional information that you can which is relevant to the Inquiry's investigation of the matters falling within its Terms of Reference in relation to any of its phases, in light of any additional matters which have emerged during the course of the Inquiry's evidence-gathering processes, particularly in the period since the completion of your oral evidence on 19 October 2018. In this particular regard, you should note that the Schedule to the Section 21 Notice refers you to two recently received witness statements from Stuart Wightman and John Mills, each of which contains evidence about relevant interactions with you and Internal Audit during 2016. You are expressly invited to address these witness statements in the further evidence you provide to the Inquiry. In addition, it is anticipated that further witness statements from the persons listed below will be provided to the Inquiry and that they too may contain evidence regarding interactions with you and Internal Audit during 2015 and/or 2016:

- David Beck – statement due on 16 November;
- Eugene Rooney - statement due on 16 November;
- Claire Hughes - statement due on 20 November;
- Trevor Cooper - statement due on 23 November;
- Seamus Hughes – statement due on 23 November.

Although you have not been asked any *express* questions about the above anticipated statements in the Section 21 Notice, the Inquiry expects that you may nonetheless wish to address them (for example, in response to question 3 of the Schedule to the Section 21 Notice) and, with this in mind, I can confirm to you (i) that each of the said statements will be forwarded to you upon its receipt by the Inquiry and (ii) that the deadline for provision of your further witness statement has been fixed so as to allow you time to consider and (if appropriate) respond to the said witness statements.

As the text of the Section 21 Notice explains, you are required by law to comply with it.

As before, it is vital that the further witness statement you provide to the Inquiry is your own evidence, absent the influence of others; that it is comprehensive; and that it fully explains your involvement in the matters about which you have been asked.

In the event that you require or desire access to some documentation, not already in your possession, in order to assist you in preparing your statement, the Department for the Economy (DfE) can make arrangements to permit such access, at least in the first instance, and you should contact Terence Coyne at DfE, who is the Department's RHI Task Force Information Manager.

The questions in the attached notice refer to various documents. For the most part, these documents have already been provided to you. Where they have not, a copy of the relevant document is enclosed with the Notice.

I also remind you, as before, of the restriction orders made by the Chairman of the RHI Inquiry, which affect how you may deal with this correspondence and its

enclosures (which are also provided to you under a duty of confidentiality to the RHI Inquiry). You may, of course, share the correspondence and the enclosed Notice and documents with your legal representative(s), under the same conditions as I set out in my previous correspondence.

Given the tight time-frame within which the RHI Inquiry must operate, the Chairman of the Inquiry would be grateful if you would comply with the requirements of the Section 21 Notice as soon as possible and, in any event, by the date set out for compliance in the Notice itself.

A copy of this correspondence has also been provided to your legal representative, Jonathan Killen of the Departmental Solicitor's Office (by email only).

Finally, I would be grateful if you could acknowledge receipt of this correspondence and the enclosed notice by email to [Patrick.Butler@rhiinquiry.org](mailto:Patrick.Butler@rhiinquiry.org).

Please do not hesitate to contact me to discuss any matter arising.

Yours faithfully



**Patrick Butler**

Solicitor to the RHI Inquiry

0289040892

SCHEDULE

[No. 221 of 2018]

*Your awareness, during 2015, of issues with the RHI Scheme*

1. In your oral evidence you indicated, in terms, that during most, if not all, of 2015 you were not aware of certain issues with the RHI Scheme, such as the existence of a perverse incentive to generate unnecessary heat, the potential for Scheme abuse, and the fact that some applicants may be in receipt of significant overcompensation (see, for example, TRA-16031 to 16056). However, the Inquiry has become aware of an email and attachment dated 14 August 2015 (DFE-150178 to 150181) which was copied to you (DFE-150178) and which, in the attachment, has the following paragraph under the heading 'RHI':

*Alan and Shane have been working on numbers in terms of arriving at a positive NPV in terms of April to period when we are seeking approvals to cover. Shane explained approach to DFP in meeting on 12 August. It was agreed at this meeting that when we have a draft business case that covers VFM we should share it with DFP as a draft position for discussion. Main point they raised was that whilst we might be able to demonstrate VFM it may not be "best VFM". I have discussed this with Iain and suggest that we try to cover this point by looking at point in time at which forecasts were showing spend to be outside the potential budget envelope (and the later this is the better) – and look at it in the context of when we commenced action to address the tariff point as we have been taking all steps to ensure fastest possible response – **so the relevant period in which there was overcompensation may be relatively short** (although this does not address whether we could/should have introduced degression when communicated by DECC (possible defence on this point here may be no indication at that time that budget would be an issue as scheme was underspending and indeed budget was reduced in-year). [emphasis added]*

In light of this email and its attachment, please address the following issues:

- a. Confirm whether you received the said email and attachment and, if you did, whether (and, if so, when) you read it;
- b. Clarify whether you consider that the attachment to the email, and in particular that portion of it quoted above, did in fact alert you to the fact that the RHI Scheme may have been overcompensating applicants and, if it did so alert you, (i) provide details of any actions you took or caused to be taken as a result or (ii) if you neither took nor caused to be taken any actions as a result, please provide an explanation for this;
- c. Confirm that you have undertaken a search for any other communications that might have alerted you to any of the RHI Scheme issues mentioned in the first paragraph of this question and:
  - i. If you have done so, provide details of the steps you have taken including details of where and how you have searched as well as details of the outcome of the search;
  - ii. If you have not done so, please provide an explanation for this and clarify whether and, if so, when you intend undertaking such a search;
- d. Clarify whether you wish to add to or amend the evidence provided by you to date in light of the aforementioned email and attachment and/or any further relevant communications of which you are aware.

*Further witness statements from Stuart Wightman and John Mills*

2. You are also referred to the recently provided witness statements from each of Stuart Wightman (**WIT-17778 to 17836**) and John Mills (**WIT-26062 to 26106**), dated 13 and 14 November 2018, respectively, the contents of each of which relate, in part, to your oral evidence to the Inquiry and to the dealings Messrs Wightman and Mills had with you and Internal Audit during 2016.

Please set out any response you wish to make to the matters addressed in those witness statements to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence and (b) that the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

*General*

3. To the extent that you consider the evidence of any other witness or participant contradicts your evidence on a significant issue, or is materially incomplete in respect of any significant issue, you should take this opportunity to address those issues by way of further written evidence, but only to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence and (b) that the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.
4. Please set out any further significant evidence you have or of which you are aware, having regard to the Inquiry's Terms of Reference, which has not been adequately addressed in your previous written or oral evidence.

**NOTE:**

It is important for the efficiency of the RHI Inquiry that the issues identified above are addressed as fully as possible and by reference, where available, to the dates and locations of specific incidents to which reference is made. The statement should be broken down into paragraphs, which should be numbered sequentially from '1' to the end. The use of appropriate section headings or sub-headings is also encouraged. A template witness statement is provided with this Notice for your assistance and should be used as the format for your response.



**INQUIRY INTO THE RENEWABLE HEAT INCENTIVE SCHEME**

**RHI REF: Notice 221 of 2018**

**DATE:**

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**Witness Statement of:**

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I, Michael Woods , will say as follows: -

*Your awareness, during 2015, of issues with the RHI Scheme*

1. In your oral evidence you indicated, in terms, that during most, if not all, of 2015 you were not aware of certain issues with the RHI Scheme, such as the existence of a perverse incentive to generate unnecessary heat, the potential for Scheme abuse, and the fact that some applicants may be in receipt of significant overcompensation (see, for example, **TRA-16031 to 16056**). However, the Inquiry has become aware of an email and attachment dated 14 August 2015 (**DFE-150178 to 150181**) which was copied to you (**DFE-150178**) and which, in the attachment, has the following paragraph under the heading 'RHI':

*Alan and Shane have been working on numbers in terms of arriving at a positive NPV in terms of April to period when we are seeking approvals to cover. Shane explained approach to DFP in meeting on 12 August. It was agreed at this meeting that when we have a draft business case that covers VFM we should share it with DFP as a draft position for discussion. Main point they raised was that whilst we might be able to demonstrate VFM it may not be "best VFM". I have discussed this with Iain and suggest that we try to cover this point by looking at point in time at which forecasts were showing spend to be outside the potential budget envelope (and the later this is the better) –*

*context of when we commenced action to address the tariff point as we have been taking all steps to ensure fastest possible response – so the relevant period in which there was overcompensation may be relatively short (although this does not address whether we could/should have introduced depression when communicated by DECC (possible defence on this point here may be no indication at that time that budget would be an issue as scheme was underspending and indeed budget was reduced in-year). [emphasis added]*

In light of this email and its attachment, please address the following issues:

- a. Confirm whether you received the said email and attachment and, if you did, whether (and, if so, when) you read it;
  1. I do not recall having received this email. I note that the original email was sent by Trevor Cooper to Eugene Rooney on 14 August 2015 and that myself, together with Bernie Brankin and Iain McFarlane were copied into the email. I do not dispute that I was copied into the email, but I do not recall having read the attachment.
  
- b. Clarify whether you consider that the attachment to the email, and in particular that portion of it quoted above, did in fact alert you to the fact that the RHI Scheme may have been overcompensating applicants and, if it did so alert you, (i) provide details of any actions you took or caused to be taken as a result or (ii) if you neither took nor caused to be taken any actions as a result, please provide an explanation for this;
  2. I do not believe that this email did in fact alert me to the issue of



overcompensation as a significant control issue, or as a matter of concern.

i)

3. As stated above I do not recall having been copied into this email and I took no actions as a result of the email.

ii)

4. I do not recall having seen this email. The email is a regular monthly update from Trevor Cooper to his line manager, Eugene Rooney, on the work of his Division. The subject of the email of 14 August 2015 is "FW: Update on Issues". I was routinely copied into these monthly updates, I do not believe I was expected to be across all of the issues Trevor Cooper would highlight to his line manager in such an update. I also do not consider that the update does highlight a significant concern in relation to overcompensation. I note that the email contains an attachment "update to E Rooney on Issues.doc" and the email states

"Eugene

Attached update on issues. One I did not mention is PMS where Iain will engage supervisors over next couple of weeks on what they will publish accompanying their accounts.

Trevor"

The attachment contains brief paragraphs on 11 issues currently being dealt with by Trevor Cooper's Division one of which was in relation to RHI.

5. As stated above, I do not recall ever having seen this email. However, having read the email, now, I must state that I do not consider copying me into a general update on the work of his Division was an appropriate method for Trevor Cooper to bring

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significant concerns on overcompensation to my attention, in my role as Head of Internal Audit. I also note that RHI was not highlighted as a key issue in the covering email; rather Trevor Cooper specifically draws the issue of the Presbyterian Mutual Society to Eugene Rooney's attention.

6. As my Line Manager, with whom I had regular contact, I consider that if Trevor Cooper had actually had significant concerns in relation to overcompensation, there were many other and better opportunities to bring this to my attention.
7. As I noted in my Witness Statement Trevor Cooper provided an update to the Departmental Audit Committee on 29 September 2015, **WIT-23036** several weeks after he sent this update to Eugene Rooney. In his update to the Audit Committee, the minutes record Trevor Cooper stated that the issue in relation to RHI "*related to expenditure occurring after 31 March 2015, as DFP approval for the scheme had expired by that date*" and "*Trevor confirmed that the Department had entered into commitments to incur expenditure over a 20 year period. Legislation was being developed which would reduce tariffs payable under the Scheme. He went on to confirm that a business case was being developed for DFP's consideration which would demonstrate value for money over the period 1 April 2015 to December 2015.*" (**WIT 23037**)
8. Having now read the update paper attached by Trevor Cooper to his email of 14 August 2015, I note the reference to overcompensation but I do not consider that at that time Trevor Cooper did highlight or intended to highlight this as a significant control problem, or an issue which resulted from a significant control failure. Rather, my understanding of the update paper is that Trevor Cooper was merely reporting to his line manager on the work that he was doing with Iain McFarlane to address the

- c. Confirm that you have undertaken a search for any other communications that might have alerted you to any of the RHI Scheme issues mentioned in the first paragraph of this question and:
- i. If you have done so, provide details of the steps you have taken including details of where and how you have searched as well as details of the outcome of the search;
9. I have reviewed the records that I have saved to the department's Trim system, and have searched Trim to try to find any other communications that others may have saved, that may have highlighted issues of significant overcompensation or abuse and I have not identified any other communications. I did not save this email the department's file management system myself, as my understanding of the protocol is that it is for the person who either sends or receives an email to save it, not for those who are copied into it: this is avoid multiple version of records.
- ii. If you have not done so, please provide an explanation for this and clarify whether and, if so, when you intend undertaking such a search;
10. I note that neither the subject of the email or the text of the body of the email itself mentions RHI. A search of the department Trim system at the time I wrote my statement in 2017 did not identify this email as relevant. I have now asked the Department's Information Management Unit to recover all emails

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that were in my email account in October 2015. This is the furthest period back that they can restore and I will review all emails from those individuals involved in dealing with RHI during the summer of 2015 in order to determine if there are any further emails, that I do not recall having received or was copied into in relation to overcompensation.

- d. Clarify whether you wish to add to or amend the evidence provided by you to date in light of the aforementioned email and attachment and/or any further relevant communications of which you are aware.
11. I do not wish to amend the evidence I have already given to the Inquiry. I do not recall having read this email at the time and this in all likelihood because I did not read it, as its' principal recipient was clearly Eugene Rooney.
12. Further having now read the email, I do not consider that Trevor Cooper copying me into a general monthly update to his line manager Eugene Rooney was either intended to or an effective means of highlighting significant concerns of overcompensation or systemic control problems with the RHI scheme. The paragraph in the attachment to the email of 14 August 2015 relating to RHI states that the period of "*in which there was overcompensation may be relatively short*". It should be noted that Trevor Cooper does not infer, much less state in this email that he considers this to be a significant issue.
13. As I have stated above at paragraph 5, Trevor Cooper's subsequent update to the Departmental Audit Committee on 29<sup>th</sup> September 2015 made no reference to significant concerns on overcompensation, or indeed on the overall system of control of the RHI scheme.



*Further witness statements from Stuart Wightman and John Mills, Seamus Hughes, Claire Hughes, David Deck, Eugene Rooney and Trevor cooper*

2. You are also referred to the recently provided witness statements from each of Stuart Wightman (**WIT-17778 to 17836**) and John Mills (**WIT-26062 to 26106**), dated 13 and 14 November 2018, respectively, the contents of each of which relate, in part, to your oral evidence to the Inquiry and to the dealings Messrs Wightman and Mills had with you and Internal Audit during 2016. Please set out any response you wish to make to the matters addressed in those witness statements to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence and (b) that the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

Stuart Wightman (**WIT-17778 to 17836**)

Please set out any response you wish to make to the matters addressed in those witness statements to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence.

14. Mr Wightman has stated (**WIT 17803**) that I did not raise concerns during the audit in relation to his lack of co-operation. Mr Wightman is correct that during the audit review I did not consider his inability to answer our questions concerning the RHI was deliberate non-cooperation on his part. I was, however, concerned that, as Head of Branch, Mr Wightman did not respond in writing to our written questions on the Scheme. Mr Wightman's explanation is that he had started to reply but this was superseded by the reply from his Grade 5 Mr Mills and the referral of my team to the staff that had been in post before Mr Wightman. I reflected my concerns about the loss of Corporate Knowledge about the RHI scheme in my Internal Audit report (**WIT 23233-23234**) and this lack of knowledge by Stuart Wightman, Seamus Hughes and John Mills about the Scheme and how it was controlled and the fundamental absence of controls: which resulted in the overall "Unacceptable" rating in the



report (**WIT 23215-23216**). This was further highlighted in my audit report and the recommendation on staff handover (**WIT-23233 -23234**). This specific audit finding on Resources and Staff Changes noted “*the loss in late 2013 and early 2014 of key members of the team and their organisational knowledge*”. It was my understanding, when I finalised the audit report, that Stuart Wightman was not sufficiently informed concerning the Scheme to answer my queries, and hence the suggestion from John Mills that I contact the team previously in post.

15. It was only after the audit was completed, and I was made aware of additional factors, that my view changed. These factors were that a whistleblower had approached the Department in March 2015 and that a handover note setting out key issues in the Scheme had been provided to staff in 2014 by Peter Hutchinson before he left the branch, and that I had not been promptly made aware of these issues.

16. Mr Wightman has stated (**WIT 17811**) that he did not have any contact with Ms O’Hagan and that while he received her emails in 2015 he does not recall reading them. I cannot state whether Mr Wightman’s evidence is accurate or not. I can only state that the expectation would be that, as Head of Branch, Mr Wightman has a responsibility to bring such communications to my attention as Head of Internal Audit. If this had been done in 2015 then matters may have turned out differently. Through-out the summer and autumn of 2015 Mr Wightman was involved in the Department’s efforts to find a solution to the problems posed by RHI as they were understood at the time. As I have stated in my witness statement (**WIT 23076**), paragraph 131, Ms O’Hagan’s email from March 2015 raised concerns of over incentivisation but was not acted on. However, shortly afterwards on 26 March 2015, Energy Division contacted Finance Branch colleagues, highlighting the increase in demand for the Scheme and seeking additional budgetary cover. Putting these two pieces of information together in March 2015 would have provided the Department with an understanding of the potential “cause” and “effect” form the increase in costs.

17. In addition, Stuart Wightman was involved in the briefing of Andrew McCormick for his appearance at the Public Accounts Committee and as stated in **(WIT 23068-23070)** I consider that failing to alert Andrew McCormick to the fact that there had been a whistle-blower was a failure to act in line with the Nolan principles.

18. At the time the view I held was that Mr Hughes had a limited knowledge of the scheme and how it worked.

(b) that the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

19. I have no further material to provide to the inquiry.

John Mills

Please set out any response you wish to make to the matters addressed in those witness statements to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence.

20. At **(WIT 26089)** John Mills states in respect of his response to our initial audit queries of February 2016 “ *the impression Mr Woods tries to convey is that this (his response) was a cavalier dismissal of his questions*”. He states at para 20 that “ *I (he) - was merely providing what I considered a helpful suggestion regarding who may be of assistance*”.

21. I consider that the attitude towards the audit and our queries that John Mills presents in his statement is at odds with the attitude which is evident from his minute of 23 March 2016 **(WIT 23275-23281)** that he sent me in response. John Mills had been in post for nearly two years at this point, but his responses were less than satisfactory, and failed to address the questions we raised. Overall, John Mills’ responses created an impression that he did not perceive himself to be responsible for the management of the RHI



Scheme.

22. John Mills suggested that we approach the initial RHI team (who by that stage had long since left the Department) in order to obtain an explanation as to how the Scheme was designed. As I stated in my evidence to the Inquiry, this is the first time in my audit career that I have had to go back to staff who left a branch two years before to obtain an explanation and response to audit queries.

23. At the time I was not happy with John Mills' response, but he is correct in that I did not formally escalate this point, and in hindsight I should have brought my concerns to the Accounting Officer. At the time my focus was on trying to get answers to my queries from whatever source available. I did however, ask John Mills to confirm with his line manager that he was content with John Mills' response, and the suggestion to approach Fiona Hepper. Chris Stewart confirmed in an email me 5<sup>th</sup> April 2016 that he was content for me to approach Fiona Hepper directly.

(b) that the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

24. I have nothing further I wish to add to my statement.

**Seamus Hughes (WIT-14117-14134)**

Please set out any response you wish to make to the matters addressed in those witness statements to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence.

a)

25. Seamus Hughes has stated that I did not raise concerns during the audit in relation to his lack of co-operation. Seamus Hughes is correct that

during the audit review I did not consider that his inability to answer our questions concerning the RHI was evidence of deliberate non-cooperation on his part. At the time, the view I held was that Mr Hughes had a limited knowledge of the Scheme and how it worked. This is supported by the finding in my audit report (**WIT-23233 -23234**) and the specific audit finding on Resources and Staff Changes which noted “*the loss in late 2013 and early 2014 of key members of the team and their organisational knowledge*”.

26. However, as I set out in my original Witness statement (**WIT-23068**) paragraph 115, I subsequently became aware on 28<sup>th</sup> September 2016 after the audit had ended, that Seamus Hughes had in his possession a handover note prepared by Pete Hutchinson in 2014. This handover note, was extensive and included references to a whistle-blower and to “*payments made to installations are higher than would have been expected under CEPA modelling.*” The loss of organisational knowledge was given as a reason for not being able to answer questions or explain how the Scheme operated during the audit assignment. However, I consider that the handover note, which was in Seamus Hughes’ possession, did in fact provide a considerable amount of important knowledge of the Scheme and significant issues, which the previous team had passed on.

27. As I stated in my statement I believe that not making my team aware of the concerns raised by the whistle blower, or of the information contained in the handover note, amounted to a failure to provide adequate cooperation during the audit.

28. In addition, Seamus Hughes was involved in the briefing of Andrew McCormick for his appearance at the Public Accounts Committee and as I stated in (**WIT 23068-23070**) I considered that to fail to bring this information to Andrew McCormick’s attention was a failure to act in line with the Nolan principles.

29. Seamus Hughes has stated at (**WIT-14126**) that he did not recall having the handover note and did not have it as I described “almost at hand”.



My recollection of the events of the 28<sup>th</sup> September 2016 is that there was only a matter of minutes between my asking Lucy Martin to ask Seamus Hughes if he had the handover note, and Lucy returning to Alison Clydesdale's office with said note.

30. Seamus Hughes states (**WIT 14128**) para 24 that I did not ask about Ms O'Hagan's emails as I was not aware of them. It is correct that I was not aware of these, but he should have made me aware of the fact that in March 2015 Ms O'Hagan contacted the Department. If I had been made aware of these emails at that time, not only would it have impacted on how events unfolded in 2015, but also, more importantly I would have been in an informed position when I undertook my audit assignment in 2016.

(b) That the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

31. I have no further material to provide to the inquiry.

Claire Hughes

Please set out any response you wish to make to the matters addressed in those witness statements to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence.

32. I do not recall Claire Hughes raising the issue of potential abuse of the RHI non-domestic scheme until after the allegations of abuse were received by the Department in January 2016. I did not attend the board meetings of the Department nor did I attend the meeting of 5 June 2015 with Trevor Cooper.

(b) That the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

33. I have further evidence to offer.

David Beck

Please set out any response you wish to make to the matters addressed in those witness statements to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence.

34. I have no material comments to make on Mr Beck's evidence in (**WIT 24580**) other than to agree with his comments at paragraph 10 that it was not until very late in 2015 (namely at the 2 December 2015 audit committee) and following the receipt of allegations in January 2016 that I was aware of allegations that the RHI scheme was subject to abuse.

(b) That the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

35. I have no further evidence to provide.

Eugene Rooney

Please set out any response you wish to make to the matters addressed in those witness statements to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence.

36. I agree with the statement made by Eugene Rooney (**WIT 24481**) paragraph 11, to the effect that he did not discuss with me any information provided by Claire Hughes. I also confirm that the first conversation I had with Eugene Rooney was following the receipt of the allegations of abuse of the RHI scheme in January 2016. I recall we met in February 2016, and following that I sent a paper to Andrew McCormick, which I copied to Eugene Rooney on the option for taking forward the investigation (**WIT 23087-2309**).



(b) That the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

37. I have no further information I wish to provide.

Trevor Cooper

Please set out any response you wish to make to the matters addressed in those witness statements to the extent

(a) that the said issues have not already been addressed in your existing oral and written evidence.

38. As I have stated in paragraph 1-9 above, I do not recall Trevor Cooper copying me into his Divisional update to Eugene Rooney, I do not consider that copying me into a monthly update to his line manager is an appropriate or effective method of raising significant concerns with the Head of Internal Audit. Finally, I do not consider the update paper expresses significant concerns about overcompensation. If Trevor Cooper had such concerns, he did not express these at the audit committee in September 2015 (which followed the submission of this update) nor do these alleged concerns appear to have been addressed by him in his role in the approval of the October 2015 revised business case for RHI.

39. Trevor Cooper stated at **(WIT 19104)** paragraph 15 that *“we subsequently met with Eugene Rooney to agree this with him. It was this action that led to Michael woods recommending that the audit be brought forward at the audit committee meeting held on 2 December.”* I have no recollection of meeting with Eugene Rooney in relation to this issue, prior to the December 2015 Audit Committee, and my recollection is that a combination of the update given on RHI and discussion between audit committee members led to the discussion to bring the Audit forward.



40. Trevor Cooper states that prior to his meeting with Stuart Wightman he agreed a series of questions with me, and again I do not recall this discussion. From my reading of **(WIT 19110-19111)** I assume Trevor Cooper's meeting with Stuart Wightman took place on or around 17 November 2015. Mr Wightman makes no reference to any discussion with me, and indeed in his subsequent email appears to remind Trevor Cooper that there is a forthcoming audit of Non Domestic RHI on the audit plan.

(b) That the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

41. I have no further evidence to provide.

### *General*

3. To the extent that you consider the evidence of any other witness or participant contradicts your evidence on a significant issue, or is materially incomplete in respect of any significant issue, you should take this opportunity to address those issues by way of further written evidence, but only to the extent (a) that the said issues have not already been addressed in your existing oral and written evidence and (b) that the further material you wish to provide constitutes evidence of fact as opposed to mere commentary on the evidence of another witness or participant.

42. Other than the evidence I have given in response to question 2 above I do not consider that the evidence provided by any other witness or participant contradicts my evidence, and I have no further evidence to give.

4. Please set out any further significant evidence you have or of which you are aware, having regard to the Inquiry's Terms of Reference, which has not been adequately addressed in your previous written or oral evidence.

**I have no further significant evidence which I have not already brought**



**to the Inquiry's attention in either my previous oral or written evidence.**

Statement of Truth

I believe that the facts stated in this witness statement are true.

Signed: \_\_\_\_\_ Michael Woods \_\_\_\_\_

Dated: \_\_\_\_\_ 5 December 2018 \_\_\_\_\_