

To: Andy Luckhurst[Andy.Luckhurst@ofgem.gov.uk]
Cc: Mary Smith[Mary.Smith@ofgem.gov.uk]; Richard Kayan[Richard.Kayan@ofgem.gov.uk]; Johan Brand[Johan.Brand@ofgem.gov.uk]
From: Keith Avis
Sent: 2012-11-16T09:26:39Z
Importance: High
Subject: FW: NI RHI budget, PID etc.
Received: 2012-11-16T09:26:40Z
[Budget Change Control NI RHI_15 Nov 12.docx](#)
[Budget Change Control NI RHI_04 Sept 12.docx](#)

Andy cc: Mary, Richard, Johan

Thanks for sending through the updated Change Control sheet, the updated projections are certainly helpful, allowing us to see that in using the 33% contingency (mainly for the standalone release in January) we are currently projected to deliver within the £190k budgetary line, although I appreciate that this is very tight and leaves no room to use contingency in any other area. As we have always said, there is no room to manoeuvre

beyond the £190k budget, so I am assuming that any sign-off by Mary here would be on this basis.

What would be good for Mary I think would be if you could give a short breakdown of the delivery stage timings and resource allocations, this will allow us to understand the costs for each month. I recognise that this information is included in the draft PID which you sent recently which had the project timeline and the resources, so basically it would be something like, project initiation - timing (July-Aug), resource (); then I am assuming that you would want to include Inception, construction, transition etc. This is just so that Mary can see that rationale for the const fluctuation between months.

We do need to make sure that Johan is content with this as well as the NSD lead on IT liaison. Suffice to say, I appreciate that you require sign-off quickly here.

Rgds
Keith

From: Andy Luckhurst
Sent: 15 November 2012 18:50
To: Keith Avis; Mary Smith
Cc: Richard Kayan
Subject: FW: NI RHI budget, PID etc.
Importance: High

Keith/Mary,

Following my telephone conversation with Keith, I am attaching an updated copy of the budgetary CR with more up to date projections (note that confirmed October numbers were not available when I sent you the last version). Mary – I believe your main concern was that the version I sent you earlier did not give you confidence that there were sufficient funds available to cover the period from December onwards, so I have included my latest forecasts up until the end of the project.

Mary –for information I am also including the original budgetary CR raised in September in which we were seeking funding for the entire project.

As per my previous email, please confirm by tomorrow at 11 AM that you will be able to sign this off.

Given the position we now find ourselves in (i.e. with Bob Hull having confirmed at the board meeting that we should go ahead with a standalone NI release in January), our known contingency calls can be summarised thus:-

Details of additional cost	Cost	Status
Provision for IT unproductive time in May	£2,253	Already incurred
Provision for splitting NI RHI/Phase 2 code and re-merging if required (agreed on 18 October)	£1,000	Approved but not yet needed
Time needed in November for handover from current Business Analysts to other team members (as advised on 31 October)	£2,120	Required this month
Additional cost for NI scheme of stopping Phase 2 work (see Option 2)	£36,159	Will now be required
TOTAL	£41,53	