

**To:** Keith Avis[Keith.Avis@ofgem.gov.uk]  
**Cc:** Hutchinson, Peter[Peter.Hutchinson@detini.gov.uk]; Mary Smith[Mary.Smith@ofgem.gov.uk]  
**From:** McCutcheon, Joanne  
**Sent:** 2012-11-20T09:13:42Z  
**Importance:** Normal  
**Subject:** RE: Audit  
**Received:** 2012-11-20T09:14:44Z

Thanks Keith – I will go back to audit on that basis. I don't think there is any point in having another teleconference at this stage - we would just be going over the same issues. I will send you our response to the list of admin agreement queries shortly and then once I have heard back from audit and legal we can arrange the teleconference.

Regards  
Joanne

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**From:** Keith Avis [mailto:Keith.Avis@ofgem.gov.uk]  
**Sent:** 19 November 2012 15:36  
**To:** McCutcheon, Joanne  
**Cc:** Hutchinson, Peter; Mary Smith  
**Subject:** RE: Audit

Joanne  
Initial feedback from my Finance team is that providing bank statements to support monthly reconciliations should not be a problem for us. With regards to how we move on from here, would it help to have a teleconference between ourselves, Mary and Peter tomorrow (say 10:30) to cover remaining issues – although I think we are pretty much there on most. I appreciate that data ownership remains the sticking point for you. If there are things that we can discuss to move us forward on this point then happy to cover this.

Rgds  
Keith

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**From:** Keith Avis  
**Sent:** 19 November 2012 10:52  
**To:** 'McCutcheon, Joanne'  
**Cc:** Hutchinson, Peter; Mary Smith  
**Subject:** RE: Audit

Joanne  
Thanks. Our legal team have a broad view on the issue which is that we can provide you with all the data that you need within the boundaries of what we are legally able to let you have. I appreciate your point about who is responsible for supplying data to third parties, although the admin arrangements provide for information sharing between the two of us on this point. The question of definitive ownership of all areas of data is a sizeable task as it covers contract law, IP law, data protection and the like. To ask our legal team to look at this now would be a heavy commitment on resource and costs which could take a number of weeks, so I'd much prefer to let them understand the view from your legal representative before we consider and agree how to move forward on this point.

Keith

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**From:** McCutcheon, Joanne [mailto:Joanne.McCutcheon@detini.gov.uk]  
**Sent:** 19 November 2012 10:25  
**To:** Keith Avis  
**Cc:** Hutchinson, Peter; Mary Smith  
**Subject:** RE: Audit

Totally agree, we want this signed off asap. As I see it, the main outstanding point is the ownership of the data – as this impacts on a number of points in the Admin agreement – I don't see how we can sign off before it's sorted. I will be pressing for a legal view at our end – when do you expect to hear from your legal team?

Joanne

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**From:** Keith Avis [mailto:Keith.Avis@ofgem.gov.uk]  
**Sent:** 19 November 2012 10:18  
**To:** McCutcheon, Joanne  
**Cc:** Hutchinson, Peter; Mary Smith  
**Subject:** RE: Audit

Joanne  
I will have a word with the Finance team this morning. More generally, you will see that I have responded to your comments on the Admin Arrangements/Baseline Scope/covering letter. It goes without saying that from both our perspectives we need to have this signed off as quickly as is possible. Last week you mentioned about your legal representatives looking through this. Is this likely to extend the process at your end or is this something that can take place after sign-off? If you feel it necessary for your legal team to review this before signing do you have an idea of the likely timescales for this. Of course, I stand ready to pick up on any further points that you

have and/or work to resolve any issues that we have remaining as a priority.

Keith

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**From:** McCutcheon, Joanne [<mailto:Joanne.McCutcheon@detini.gov.uk>]

**Sent:** 19 November 2012 10:01

**To:** Keith Avis

**Cc:** Hutchinson, Peter

**Subject:** RE: Audit

Keith

The specific thing the auditors asked for was bank statements or some other proof of payment/transfer of funds to installers. The monthly read out doesn't sound like it is what is required. Grateful if you could ask the Finance team if DETI can have sight of bank statements or similar.

Thanks

Joanne

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**From:** Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]

**Sent:** 19 November 2012 09:56

**To:** McCutcheon, Joanne

**Cc:** Hutchinson, Peter

**Subject:** RE: Audit

Hi Joanne

Our Finance team haven't provided bank statements for the other schemes which they are dealing with. Those concerned have been happy to receive a monthly read-out of the funding received by us and the money paid out against these figures. So we would propose to provide you with something similar, but of course will discuss the format with you so that it meets your needs. However, if you have something specific in mind, do let me have details so that I can speak to my Finance team and we can agree this quickly.

Rgds

Keith

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**From:** McCutcheon, Joanne [<mailto:Joanne.McCutcheon@detini.gov.uk>]

**Sent:** 19 November 2012 09:30

**To:** Keith Avis

**Cc:** Hutchinson, Peter

**Subject:** RE: Audit

The main question was – How will you show us proof of payment? will you provide bank statements showing the payments being made? Not sure that this has been answered?

Thanks

Joanne

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**From:** Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]

**Sent:** 16 November 2012 09:53

**To:** McCutcheon, Joanne

**Cc:** Hutchinson, Peter; Hepper, Fiona; Matthew Harnack; Mary Smith

**Subject:** RE: Audit

Joanne

Thanks for the feedback from your Auditors. In providing you with information remotely the process will be that following discussion we will send you the information you require on scheme numbers and the underlying operation of the scheme. You will then be able to consider this at your or your auditors offices. As regards exactly what would be provided, our view, expressed in the draft letter, is that, within the boundaries of what is legally acceptable and within data protection rules, we can let you have what you need. So I would ask that you let me know what you would want to see so that we can move forward. For other schemes, we provide monthly reports that reflect the funding we have requested from the Departmental lead, the sums that have been paid out during a specified period and the subsequent remaining total.

On the spreadsheet that you have, happy to let you have cost breakdowns as you need them. For instance, recruitment costs are £2k per new person and overheads are set at 24% of overall costs.

Of course, very happy to talk this through further with you or Peter.

Keith

**Keith Avis**

Senior Manager

New Scheme Development

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Received from OFGEM on 11.05.2017

Annotated by RHI Inquiry

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**From:** McCutcheon, Joanne [<mailto:Joanne.McCutcheon@detini.gov.uk>]

**Sent:** 14 November 2012 16:06

**To:** Keith Avis

**Cc:** Hutchinson, Peter; Hepper, Fiona

**Subject:** Audit

Keith

I met with our Auditors this afternoon. They expressed some concern over the para in the letter which says that you will provide information 'to consider remotely'.

Can you advise how you see this working in practice i.e. what exactly would you provide? How would you provide proof of payment?

Would you send bank statements? Etc.

Also, as regards the spreadsheet you sent outlining the development costs up to end of Sept – can you provide supporting info if required eg breakdown of employment costs, It etc.

Thanks

Joanne

**Joanne McCutcheon**

Renewable Heat

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*The new website for the European Sustainable Competitiveness Programme for NI is now available - visit [www.eucompni.gov.uk](http://www.eucompni.gov.uk)*



[www.ni2012.com](http://www.ni2012.com)

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