

To: Edmund Ward[Edmund.Ward@ofgem.gov.uk]
From: Marcus Porter
Sent: 2016-11-01T18:40:44Z
Importance: Normal
Subject: FW: NIRHI Performance Indicators [OFFICIAL Internal Only]
Received: 2016-11-01T18:40:46Z

From: Marcus Porter
Sent: 17 October 2012 17:11
To: Keith Avis
Cc: Mary Smith; Ruth Lancaster
Subject: RE: NIRHI Performance Indicators

Keith

When we spoke earlier you mentioned that the DETI eye had alighted on the fact that the KPIs we aim to comply with are detailed in our corporate plan and that this is published on our website. They had expressed the view that this ran contrary to what we had been saying as to KPIs.

I pointed out that that was incorrect as the KPI's that are published on the website amount to no more than a statement to anyone in the world who has access to a computer, and sufficient interest in the matter to read it, that these are the KPI's which we aspire to comply with.

As such the statement is entirely consistent with the legal advice we have repeatedly given to date to the effect that there is no objection to our establishing our own KPIs for purely internal purposes but that what we cannot lawfully do is enter into any kind of commitment with another government department to comply with the same in our dealings with them: You will appreciate that there is a considerable difference between the two propositions:

We speculated when we spoke that the publication of these details on our website might fortuitously prove to be helpful in that we could invite DETI to conclude from their presence there that we do take our responsibilities generally seriously and that, given the public nature of this information, they need not fret about the fact that we are not willing to go the step further that they have been demanding.

If DETI could be content with that then fine as it would entail no additional commitment by us to them, but I have seen no evidence that they could be.

It has to be asked "what form would the reference to the CP take and what would be the purpose of including it"? Plainly we couldn't just include an *abstract* reference to it without explaining its presence and purpose in the arrangements and it seems from the below that that is indeed not the intention. Rather, the proposal amounts in substance to a commitment on our part to comply, in relation to NI RHI, with whatever KPIs are listed in the CP. That is legally objectionable for reasons of which you are aware and dressing it up (forgive me but that does seem to be what it would amount to) by stating that we would "set" the KPIs would make no difference in that regard as that would not, in reality, take anything away from the commitment to DETI.

I can't see what other form any reference to KPIs in the arrangements could meaningfully take (and which would be acceptable to DETI) if it did not likewise commit us, through one or another form of words, to complying with KPIs in relation to the NI Scheme - but DETI are of course free to make further suggestions if they wish.

In light of the above it can be seen that Joanne's remark about "saving time" is misconceived. Highlighting the CP to them sooner would have made no difference, given what they continue to demand of us.

Marcus

From: Keith Avis
Sent: 17 October 2012 16:20
To: Marcus Porter
Cc: Mary Smith
Subject: NIRHI Performance Indicators

Marcus cc: Mary

To see the up to date Email trail from DETI on performance targets. Clearly we cannot include performance targets in the AA, and I have made that point to DETI. However, from a policy perspective if we could make reference to the Corporate Plan as the vehicle for Ofgem's performance indicators that would be a big step forward to resolve this. We could say something along the line that Performance Indicators will be set by Ofgem and included in our Corporate Plan. Informally I would suggest that we would wish to flag these indicators to DETI before we include them - I am sure that this must be the case for the other schemes that we administer.

Grateful for your view. I should say that this does seem like a neat solution to a very difficult problem that we faced a few hours ago, so I do hope that this option has some legs. Happy to come around and discuss if it helps.

Keith

From: Keith Avis
Sent: 17 October 2012 16:07
To: 'McCutcheon, Joanne'
Cc: Hutchinson, Peter; Hepper, Fiona; Mary Smith

Received from OFGEM on 16/10/2017

Annotated by RHI Inquiry

Subject: RE: Performance Indicators

Joanne

Our view remains that we would not be content for these targets to be included as part of the Admin Arrangements – which has been the key focus for our discussions to date. On your second point on whether the arrangement can make reference to the Corporate Plan, can you leave that with me. I will discuss with legal colleagues and come back to you with a view tomorrow.

Rgds

Keith

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

Sent: 17 October 2012 15:56

To: Keith Avis

Cc: Hutchinson, Peter; Hepper, Fiona; Mary Smith

Subject: RE: Performance Indicators

Keith

Sorry Keith but there seems to be some confusion between us. You are asking whether I think the performance targets I found in your Corporate Plan would be sufficient? Following our various discussions, here is what I suggested in my e-mail of 11 October

With regard to the performance targets I was wondering whether something along any of these lines might be possible

- Ofgem will administer up to xx cases per year?
- Ofgem aims to reach a decision on eligibility of installations for the scheme within xx (even for simple cases)?
- Ofgem aims to make payments within xxxx ?
- Ofgem will provide a helpdesk facility to assist applicants from (hours)?
- Ofgem will invoice DETI on the xx of the month iro that months payments?
- Degree of accuracy on payments?
- Time to deal with complaints (this is probably in guidance already)?

Just a few ideas.

Here are the targets I've found in your plan

RHI	90% of all enquiries answered within 10 working days.	Annually
RHI	95% of accreditation, preliminary accreditation and registration decisions within 30 working days of application submission.	Annually
RHI	95% of payments paid within 30 working days of quarterly periodic data submission.	Annually
RHI	The on-line application system will be available for a minimum of 99% of the supported business hours (excluding planned down time). Supported business hours are 08:00-17:30 Monday to Friday excluding bank holidays.	Ongoing

They are obviously very much along the lines of what we have been looking for and it would have potentially saved a lot of time if the detailed nature of these targets could have been highlighted to us. For example, we were told that the Ofgem performance would be assessed against the Regs (which is of course correct) but we then pointed out that the regs didn't cover quality issues eg times for accreditation, helpdesk etc. – however, obviously these targets do – and so hopefully they can be incorporated in some way.

Can you clarify, following the discussion with your legal colleagues whether these targets can be specifically included in the Agreement or not? If not, can you clarify whether the Agreement can refer to the targets in the Corporate plan in some way? Perhaps that you would report progress against these specific targets to us on a quarterly basis? These are definitely the types of target we need so hopefully there is a way to address the concerns of both parties.

Will be in the office again tomorrow morning if you want to discuss

Regards

Joanne

Joanne McCutcheon

Renewable Heat

Received from OFGEM on 18.10.2017

Annotated by RHI Inquiry

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The new website for the European Sustainable Competitiveness Programme for NI is now available - visit www.eucompni.gov.uk



www.ni2012.com

Please consider the environment - do you really need to print this e-mail?

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

Sent: 17 October 2012 15:03

To: McCutcheon, Joanne

Cc: Hutchinson, Peter; Hepper, Fiona; Mary Smith

Subject: RE: Performance Indicators

Joanne

This emphasises the point I was making in as much that we set our own performance targets to ensure that we are focused on delivery. These are not set with any other body and do not form part of any agreement between us or anyone else, which I think is your requirement, but they do show that Ofgem is open and transparent in this regard. Of course, if you think that the performance indicators that we put in our Corporate Plan will be sufficient for your needs then this may be a way forward on this point.

Grateful for your further views here.

Keith

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

Sent: 17 October 2012 14:26

To: Keith Avis

Cc: Hutchinson, Peter; Hepper, Fiona

Subject: Performance Indicators

Keith

Further to our conversation this morning I was somewhat surprised to find the following on your website.

<http://www.ofgem.gov.uk/About%20us/CorpPlan/Documents1/2012-13%20Deliverables%20and%20Performance%20Indicators.pdf>

These appear to be Performance Targets for the current year and very much in line with what DETI has been suggesting?

It would also appear to be contrary to what we have been told. Grateful for your view.

Regards

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



www.ni2012.com

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