

To: Mary Smith[Mary.Smith@ofgem.gov.uk]; Matthew Harnack[Matthew.Harnack@ofgem.gov.uk]
From: Keith Avis
Sent: 2012-12-06T15:14:31Z
Importance: Normal
Subject: FW: Administrative Arrangements and Associated documents - conversation with Fiona
Received: 2012-12-06T15:14:33Z

Mary, Matthew

I spoke to Peter with regards the email below. In short I flagged that:

On the point about an allegation of fraud against an Ofgem member of staff or the integrity of documentation being provided remotely, we would be equally concerned should such an instance arise and would very much be using our internal processes to investigate. I mentioned that should such an instance occur we would want to discuss any such circumstance with DETI.

As regards information within the Deloitte internal audit reports to corroborate information provided by Ofgem, I mentioned that the Deloitte reports do provide assurance on the efficiency and robustness of our own internal procedures and processes for individual schemes. The Terms of Reference of each report is agreed before work starts, and is targeted to ensure that we will be in the best position to operate and deliver against our objectives. I mentioned that through our ongoing contact we would be aware of any issues that DETI had at the time of drafting any ToR (I was careful to stop short of saying that DETI would have an active input into any ToR).

More generally, I pushed Peter on how close he felt DETI was on being able to provide his Audit Committee with comfort, emphasising our need to have the AA signed as asap. He said he felt we were now close but the decision would rest with Fiona as she would be the one answerable to the NI Audit Office further down the line. I explained the importance of the teleconference between her and Matthew taking place tomorrow and said that now that we were over one month into the scheme, we simply could not have an ongoing email trail between ourselves over the next couple of weeks picking up on a stream of Audit questions, pending the signing of the Arrangements. He recognised that and agreed that we do need to find a way forward tomorrow so that the Admin Arrangements can be signed (at worst as a fallback I guess we could agree to sign the Arrangements with DETI being able to come back to Bob's letter saying that while they are signed there are a few issues on Audit that they wish to further clarify with us).

Regards

Keith

From: Hutchinson, Peter [mailto:Peter.Hutchinson@detini.gov.uk]

Sent: 05 December 2012 16:39

To: Mary Smith

Cc: McCutcheon, Joanne; Keith Avis

Subject: RE: Administrative Arrangements and Associated documents - conversation with Fiona

Mary,

Thanks for this.

I'll check with Fiona's secretary re potential availability for a conversation with Matthew on Friday to discuss outstanding issues before he goes on leave – will let you know if there is a suitable time.

In regards to the Audit position, as advised this is currently being considered by our Head of Finance and Head of Internal Audit – they need to be satisfied that DETI will be in a position to vouch/account/monitor all funds transferred to Ofgem for either payments to accredited installers or for the actual running of the scheme. I have spoken with our Heat of Internal Audit and they are currently considering all the relevant papers and will hopefully respond shortly. As discussed, one issue they are considering in particular is how the Northern Ireland Audit Office will view accepting audit reports from the National Audit Office and your own internal audit team (via Deloitte) rather than from the DETI audit team – given the lack of access rights. This issue will be discussed further tomorrow between our Internal Audit and NIAO.

As you will know the issue of access rights has been one of concern. One issue our Audit team have just raised is what might happen in the scenario where there is an allegation of fraud against an Ofgem member of staff or if DETI had concerns in relation to the integrity of the documentation being provided remotely. In order to minimise risk in this area we may need to consider some agreement in the scenario where you (Ofgem) request your internal auditor (in the event of this allegation) to undertake a specific investigation – that DETI could input into and agree the scope of the investigation and that the report would be shared with DETI.

Furthermore, to enhance assurance in relation to the documentation being provided remotely by yourselves for our desk vouching purposes, it would be useful if the Deloitte internal audit reports included the necessary detail so that this could be then used as corroborating evidence, i.e. we (and our Internal Audit) will be vouching documentation provided by yourselves to make necessary payments, the independent Deloitte reports should provide sufficient detail so it can corroborate information provided by yourselves.

I hope these points are clear. Happy to discuss as required.

I will be in touch re Fiona's availability on Friday for a call with Matthew and I am happy to speak again tomorrow to keep you updated on progress from our perspective. If you are able to consider the issues raised above that would be helpful also.

Thanks,

Peter

Peter Hutchinson

Renewable Heat

Received from OFGEM on 22.05.2017

Annotated by RHI Inquiry

Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9532 (ext: 29532)
Textphone: 028 9052 9304
Web: www.detini.gov.uk

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: Mary Smith [<mailto:Mary.Smith@ofgem.gov.uk>]
Sent: 05 December 2012 14:49
To: Hutchinson, Peter
Subject: Administrative Arrangements and Associated documents - conversation with Fiona

Hi Peter,

Further to our conversation – in case there’s no update from your Audit/ Finance colleagues in order for us to have a conversation with Fiona later on today, could we arrange a time for a call with Fiona/ Matthew on Friday morning when we can hopefully run through any outstanding points with her then? I can liaise with her PA directly to set this up if that would be easier?

Kind regards

Mary

Mary Smith

Head of Development (RO, FITs, NIRHI)
Offshore
9 Millbank
London
SW1P 3GE
Tel: 020 7901 1837
www.ofgem.gov.uk

This message may be confidential, privileged or otherwise protected from disclosure. It does not represent the views or opinions of Ofgem unless expressly stated otherwise.

If you have received this message by mistake, please contact the sender and immediately delete the message from your system; you should not copy the message or disclose its contents to any other person or organisation.