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Energy  
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# Renewable Heat Incentive Current Issues

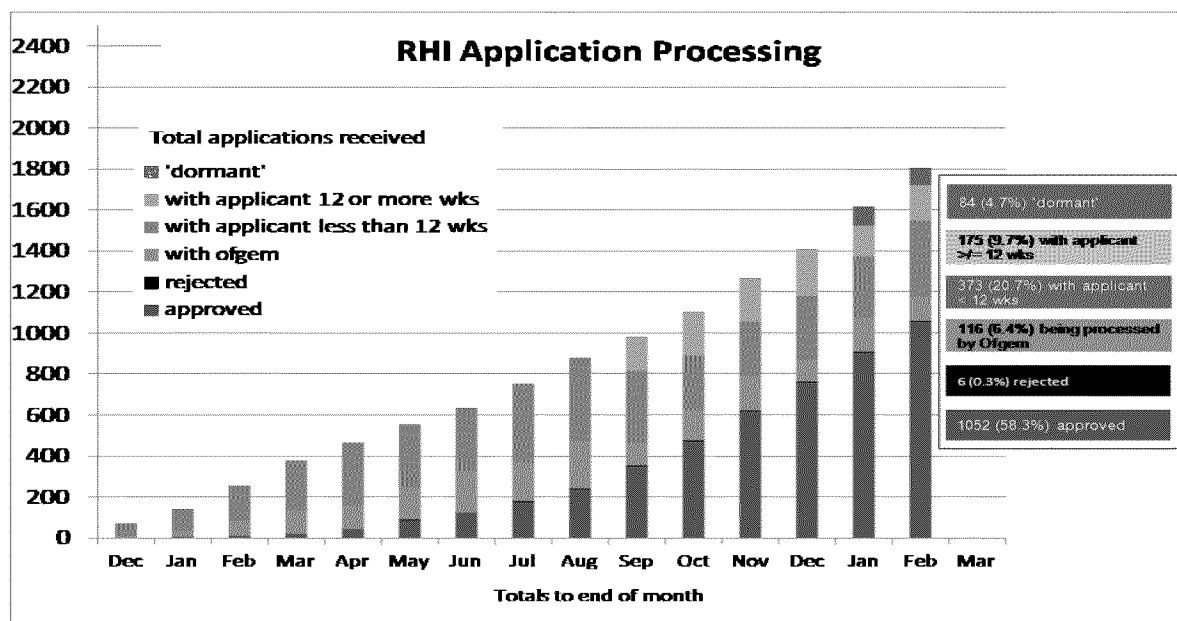
Presentation to Implementation Board – 12  
February 2013

## Accreditation performance

### Good progress is being made on accreditations:

- February was a short month and we had issues with the new system we are using to trial the PIP changes at the start of the month
- Nevertheless, the team managed to accredit 148 (including NI)
- However 195 came in
- At the month end we had 116 applications with us, but 550 back with applicants to provide further information
- Chasing applicants is becoming a major workstream
- Ten per cent of work is now on amendments to installations.
- This work is not included in our stats and is a greater proportion of our work than we had anticipated – even at this early stage of the scheme
- Enquiries are up substantially on the summer

# RHI Accreditation projection to end February



- This graph shows the anticipated number of accreditations and outstanding applications at end Feb.
- As only 116 applications were with Ofgem to process at month end

## Staff churn

- Staff churn in London now stands at 45% in the last 12 months
- The operational team is currently running with vacancies: 1D, 1C, 3Bs and one key member of staff is on leave for the next three weeks
- Loss of staff has a significant impact on productivity
- Staff are moving on within six months of arriving in the RHI and it may be that our induction processes encourage people to think of moving on very quickly

## Accreditation PIP

The accreditation PIP project, the IT workstream is giving cause for concern:

- The project was agreed by the Implementation Board on 11 December, but it is not clear that IT began work before 21st January.
- There have been delays with IT producing the Discovery document due 1<sup>st</sup> February, delivered 27<sup>th</sup> February and Requirements issued 6<sup>th</sup>.
- There does not appear to be time built in to IT's plans for revision of these documents.
- Delivery is scheduled for seven weeks time, but we have not yet received a full Implementation plan or submitted cost for the project. Therefore, understanding of timing for information required by IT is unknown.
- Ensuring that this project delivers is now a red risk for the Operations team as all our resourcing projections are based on a positive outcome.
- 5 items were de-scoped by IT with no communication or engagement with the business, impacting on benefits.
- Budget for this project is available for this financial year, DECC will have to be informed if this project cannot be delivered

## Further IT amendments are needed

### The following aspects of the RHI database need attention:

- Periodic data - because of the amount of data and the restricted ability to sort and filter, the system becomes unviably slow at times
- We have no batch approvals for periodic data, payments or accreditations. This means that each item of periodic data has to be dealt with singly, by at least 4 individuals including the two DAs. At present around 70 items of periodic data are dealt with each week and this number is growing rapidly.
- Functionality for managing and linking sanctions, audits and other F&C activities does not exist within the RHI system and is currently run on spreadsheets. F&C is causing delays to F&C accreditation. Similarly, data pertinent to audits cannot be automatically downloaded from the system and involves heavy manual processing. The same is true for all stages of bank data processing. This is not an ideal solution long term and introduces significant risk of error.
- Further changes (including a facility to deal with change of ownership) and bug fixes are needed to the system
- The total budget available for 2013/14 to deal with all these issues and any further improvements we might want to take in the light of PIP is £100,000

## Staff survey

- The staff survey revealed concerns about:
  - Line management
  - Workloads
  - Opportunities for career development
  - Changing priorities and fire-fighting
- A range of training modules in line management are to be provided for staff
- Work is underway to improve the structure of the team and to address overload in some areas
- The PIP management information module is expected to allow us to be more responsive to requirements for information with less impact on staff productivity and morale.





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Notes Summary:

Slide 3: 'Public consultation on Renewable Heat Incentive (RHI) proposals published February 2010

Change of Government before consultation confirmed

Policy not in Coalition Agreement hence had to go through spending review process before being confirmed

Spending review concluded in October -

Scheme to be taken forward in two phases

Phase One will provide support at the non-domestic sector for a range of technologies

Phase Two will extend the scope to domestic installations and look to widen support for a range of technologies and fuel use

Overview - we will be touching on several of these points in more detail further on.

Powers are provided by the energy act, although further obligations

Notes Summary:

will be detailed in secondary legislation'