

To: Peter Rice[Peter.Rice@ofgem.gov.uk]
From: Chris Poulton
Sent: 2015-06-03T10:55:48Z
Importance: Normal
Subject: Re: DETI Feasibility study work
Received: 2015-06-03T10:55:49Z

I will speak to Teri today, Gareth is off

Sent from my iPhone

On 3 Jun 2015, at 11:31, "Peter Rice" <Peter.Rice@ofgem.gov.uk> wrote:

Gareth

I have received some feedback that your team is undertaking a feasibility study for some additional work and additional funding as requested by DETI. This is something that I have previously not heard anything about so could you please respond either in writing or by finding time as soon as possible when you return for a chat about what this work involves, and how the finances are going to be sorted out. You will know that you have no budget for additional work so there will have to be consideration of how we might put forward a paper to vire budget to your team for the work. I am concerned that some of the feedback I have heard second hand from Teri suggests that your team are already recording the costs of work in this respect. Since my team have not been involved could you please ensure you update me on how such costs are being determined and what those costs are being reported as in the financial reporting system, particularly given that we are not minded to make retrospective adjustments to allocations.

On a similar issue, some weeks ago at SLT your discussions with DECC relating to changes to funding were mentioned. At the meeting you agreed to provide me with an update on what the discussions were, what progress was being made and what you were hoping would come out of them. I have looked through previous correspondence and I can't see any update, although I am aware that your team have made substantial changes to forecast staff resulting in increased forecasts of over £200k for the year. Could you please provide an update as soon as possible and clarify whether those increases in staff costs are expected to be funded through additional DECC funding or from cuts in other expenditure. If the former then I will want to take a paper to MC/SLT to explain the implications and seek views.

Thanks for your help on resolving these issues and concerns

Regards

P

Peter Rice

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