

To: 'tafong@deloitte.co.uk'[tafong@deloitte.co.uk]
From: Edmund Ward
Sent: 2016-06-13T12:45:27Z
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Subject: FW: FY17-04 - Non-Domestic NIRHI (Phase 2) - Draft Scope [OFFICIAL]
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FY17-04 - Non-Domestic NIRHI (Phase 2) - Draft Scope - 01.06.2016.pdf

Hi Tahlee

To update, discussions are ongoing with DFE and I wonder if we could discuss whether the following proposals would be feasible/not feasible in order to progress; alternatively, I wonder whether you would be prepared to have a short call with the internal auditor from DFE to reach an understanding on what will/won't be possible from the review so that we can sign off on the phase 1 report and agree to proceed on phase 2?

Many thanks
 Edmund

Summary of areas where further input/change to draft phase 2 scope is requested:

- An expanded scope for the final Deloitte report to include:
 - (i) a view on whether the site inspection sample was sufficient to draw conclusions regarding allegations of fraud and/or gaming,
 - (ii) inclusion of any further desk-based review of Ofgem data that could inform the same,
 - (iii) a view on whether there are appropriate controls in place to address allegations, and any recommendations that might be considered

To illustrate what is envisaged by DFE, see below indicative changes to the phase 2 draft report:

DfE requested changes to scope versus phase 2 draft:

- (1): *from* out of scope:
 "define or assess the scope, approach, site selections and timings for the phase 2 site inspections;"

To: in scope:

Provide a view on the appropriateness of the scope and site selections for the phase 2 site inspections in the context of the overall project scope

- (2): Include
 Conduct a desk-based assessment on data held by Ofgem regarding participation in the NI scheme (focusing on observed patterns of heat generation and usage), in order to support the overall findings of the project
- (3): Include
 Provide a view on the veracity of the allegations made, and identify where these would be expected to be addressed via either policy or implementation changes

[For reference

An expanded scope for the final Deloitte report to include (i) a view on whether the site inspection sample was sufficient to draw conclusions regarding allegations of fraud and/or gaming, (ii) inclusion of any further desk-based review of Ofgem data that could inform the same, (iii) a view on whether there are appropriate controls in place to address allegations, and any recommendations that might be considered

From: Fong, Tahlee (UK - London) [mailto:tafong@deloitte.co.uk]

Sent: 01 June 2016 11:47

To: Edmund Ward

Cc: Gareth John

Subject: FY17-04 - Non-Domestic NIRHI (Phase 2) - Draft Scope

Hi Edmund

I hope you are well. Please find attached the draft scope for the Non-Domestic NIRHI Phase 2 review. You'll note that we will be preparing the overall report based on a 'Summary Report' provided by Ricardo E&E, which summarises all of the findings from the site inspections. This would be in addition to the individual reports produced for each site. Could you please confirm you have agreed with Ricardo that they will provide such a report?

Kind Regards

Tahlee Fong

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Annotated by RHI Inquiry