

**To:** Edmund Ward[Edmund.Ward@ofgem.gov.uk]  
**From:** Samantha Turnbull  
**Sent:** 2016-12-09T16:30:33Z  
**Importance:** Normal  
**Subject:** RE: URGENT: Suspected Fraud Case - [REDACTED] [OFFICIAL Internal Only]  
**Received:** 2016-12-09T16:30:35Z

Hi Edmund,

Good to chat. Thanks again for the below. I'm happy with the removal of those lines as the details are covered in your summary.

Just in case you need anything over the weekend, my mobile number is [REDACTED].

Thank you, Sam

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**From:** Edmund Ward  
**Sent:** 09 December 2016 16:21  
**To:** Samantha Turnbull  
**Subject:** RE: URGENT: Suspected Fraud Case - [REDACTED] [OFFICIAL Internal Only]

Hi Sam

Please see below my proposed summary; I've suggested removing a couple of lines from your summary (as per strike-through); are you happy with the below?

Thanks

Edmund

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Ofgem has conducted non-compliance and possible suspected fraud investigations in respect of [REDACTED]. This has been in line with our standard approach, involving separate workstreams being conducted in relation to non-compliance and possible suspected fraud. More details are available as per separate workstream summaries below/attached, but key milestones are as follows, in black (possible suspected fraud investigation) and blue (audit and non-compliance actions):

10 May 2016

Ofgem received an anonymous external allegation in the form of a letter with no contact details. The notifier claimed that the party in question has a wood pellet boiler registered for NDRHI which is installed in his shed at the rear of his house. The notifier alleged that the reason the party in question is able to gain NDRHI is that they're falsely claiming that the installation is heating an agricultural shed but that it is a domestic property.

The notifier claims that the shed is not agricultural and that he is using the pellet boiler to heat his 'mansion home at taxpayers' expense'. The notifier also stated that the party in question has a flock number but has no sheep which correspond to that flock number. He also claims that the party in question has no land to farm.

A Counter Fraud case was opened and an audit was requested.

30 June 2016

A pre-announced site audit is conducted by Ricardo Energy & Environment in accordance with Ofgem's normal audit programme.

2 non-compliances were identified at audit:

No evidence was found of the building described as agricultural workshop/storage being used as a workshop or for animal pens as described in the non-domestic questionnaire. This is in breach of Regulation 15(1)(a).

Participant not able/aware to provide documentation confirming quantity and type of fuel material used in installation. This is in breach of Regulation 33(a).

In addition there were 4 observations recorded to be flagged to the participant, but which were not assessed as being non-compliant with scheme regulations.

8 August 2016

Following review of draft report, on receipt of a final audit report from Ricardo E&E, Ofgem sent a letter to the participant confirming the audit outcome and informing that there would be separate correspondence from the Compliance team on next steps to address the non-compliances identified.

9 August 2016

An Info Request Letter was sent by the Compliance team, the participant was asked to:

Please provide evidence to show that your installation has a workshop/storage being used for agricultural purposes.

Please provide a fuel log of the type and quantity of fuel used for each individual installation on your site, as well as all invoices for fuel purchased. This log should cover the period beginning 28/08/2015 (your effective date) to date.

10 August 2016

Participant sends an email providing fuel records, and photos to show the agricultural workshop/shed being used for non-domestic purposes.

22 September 2016

Following internal review to consider this case in line with regulations, including considering attention to any precedents and for consistency with other cases, and escalating for awareness, the Head of Technical and Compliance confirms support for closing the non-