

GRO

Tony Oppenheim,
Finance and Commercial Director,
ICL Pathway Ltd.,
Forest Road,
Feltham,
Middlesex,
TW13 7EJ

[TIME \@ "d MMMM, yyyy"]

Dear Tony,

POCL/ICL Pathway Joint Meetings

As I previously mentioned, I have been reviewing with colleagues the joint, senior management level, meetings that currently take place between POCL and ICL Pathway. This review has now been completed, and I am writing to you with our proposals for changes to the current arrangements in order to initiate a discussion, before we propose changes more formally.

The main reasons for the review were the new basis of the contractual relationship introduced by the Codified Agreement, the move into the full national roll-out phase of the programme, and changes to the Post Office's organisation and management processes. In addition, I have tried to address some apparent gaps and overlaps in the previous arrangements, and to bring into the contract those meetings that had grown up through a recognised need, but never been added to the contract.

We have considered the points you raised about the level of representation at the New Requirements Board, and have decided that, at least until we have a track record of the process in action, Dave Smith should lead the POCL attendance at the meeting. I expect that you may want to include either Mike Stares and/or Mike Coombs in the ICL Pathway team, and have included appropriate text in brackets in the attached table.

As in the Codified Agreement, the reference to meetings as "Boards" is not meant to infer any particular mode of operation or attendance - it is simply the term used for joint POCL/ICL Pathway meetings.

Current Meetings

The Codified Agreement recognises the following meetings between POCL and ICL Pathway:

- Contract Steering Group
- Change Control Board
- Contract Administration Board
- Service Review Board
- New Business Board
- Release Authorisation Board

In addition two further senior-management level meetings have been established, but are not in the contract:

- Delivery Meeting
- New Developments Meeting

Proposals

The following are the main changes proposed:

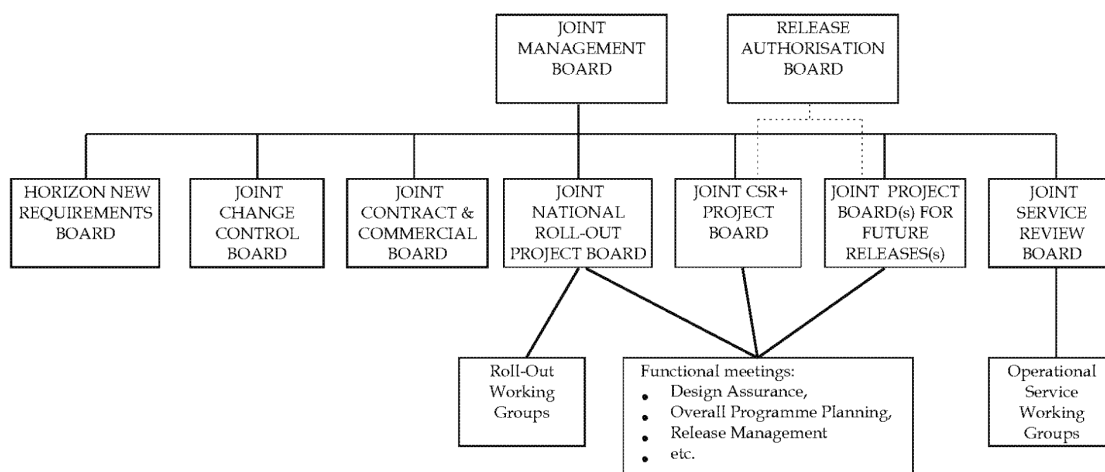
1. Establish a new Joint Management Board for escalation of issues not resolvable in other forums, and for occasional review of the overall Horizon programme (approximately half-yearly, but linked to key Horizon programme phases, such as CSR+ go-live; completion of main roll-out; etc.). This meeting will subsume the escalation roles of the current Delivery Meeting and Contract Steering Group meeting.
2. Cease the Delivery Meeting - its functions other than escalation of unresolved issues should be covered in Roll-Out and CSR+ specific meetings.
3. Cease the Contract Steering Meeting - its functions other than escalation of unresolved issues should be covered in a Contacts and Commercial meeting.
4. Re-focus the New Business Board into a New Requirements Board, recognising the different contractual arrangements now in place, and taking over those aspects of the New Developments Meeting that relate to functionality not included in the contracted (CSR and CSR+) releases.
5. Extend the Contract Admin. Board to cover commercial issues, transferred from the Contract Steering Group.
6. Form a new Joint Roll-Out Project Board, taking over all issues relating to the roll-out and delivery of CSR functionality from the Delivery Meeting.
7. Re-focus the New Developments Meeting into a Joint CSR+ Project Board, dealing with all issues relating to the development and delivery of CSR+ functionality.
8. Requirements for future releases will initially be managed by the New Requirements Board. When a set of requirements are sufficiently defined to be taken forwards as a planned release, (and a POCL project manager appointed for the release) responsibility will transfer to a joint project board for that release, similar to that for CSR+.
9. The project boards for CSR+ and any subsequent releases will monitor progress towards the release authorisation decision for that release. This will replace the previous arrangements of holding separate meetings to prepare for the Release Authorisation Board.
10. In addition to the meetings which will be defined in the contract, a number of working meetings will continue to be required to deal with specific specialist areas. These are expected to fall into three groups:
 - Meetings dealing with specific aspects of roll-out (training, individual roll-out programmes, etc.)

- Meetings dealing with support functions to the overall programme (e.g. Design Assurance, Integrated planning etc.)
- Meetings dealing with specific aspects of operational management (e.g. help desks, problem management, interface operations, etc.)

These meetings will not be specified in the contract, but where they are needed on a regular basis, it would be good practice for their terms of reference and attendees to be set out in working documents. Issues not resolved in these working level meetings should be escalated in a timely fashion to the relevant contractual meeting.

Summary

The overall meeting structure is shown in the diagram below. Annex 1 is a draft replacement for the table in Schedule A04 of the contract.



I look forward to your response, and to taking this forwards in joint discussions.

Yours sincerely,

KEITH BAINES
Head of Horizon Commercial

ANNEX 1

Board	Joint Horizon Management Board	New Requirements Board	Joint Change Control Board	Joint Contract and Commercial Board
Purpose	To provide a single point for timely escalation of significant issues not resolvable at the other meetings (excluding the Release Authorisation Board) in this management table. To carry out occasional high level reviews of the Services.	To communicate POCL development plans to the Contractor. To review and agree provisional high level planning assumptions for future developments of the Services. To initiate and monitor progress of development of service definitions and terms and conditions for additions to the contracted services. To review progress of paid studies undertaken to investigate potential additions to the contracted services. To approve additions to the contracted services, which will then be formally introduced by CCN. All discussions and agreements at this board are without prejudice and subject to contract until confirmed through the Change Control process.	To agree timescales for processing Change Requests ("CRs") and CCNs. To monitor CRs and CCNs in progress. To review reasons for rejection of CRs and CCNs. To review CCNs. To agree mechanisms to enable new provisions to be drafted and agreed under CCN. To resolve questions of whether particular changes require CRs or can be handled through operational business change.	To act as the first point of escalation for any commercial issues not resolvable in the Change Control Board, or Service Review Board meetings. To act as the point of escalation for any disputes about the amounts or terms of invoices. To consider and resolve or escalate any general commercial issues arising from programme activities. To review and agree changes to the contract to implement signed CCNs. To discuss and resolve questions of interpretation of the contract. To provide expert advice on drafting of CCNs To operate version control of the contract and maintain records of CCDs and CRDs To monitor and facilitate resolution of Agreements to Agree
Frequency	Escalation meetings as required. Review meetings approximately every 6 months.	6 per annum, or more frequently by agreement.	Fortnightly	As needed - most business likely to be handled by phone and correspondence.
POCL Attendees	Automation Director Any of the following, depending on agenda: <ul style="list-style-type: none"> Operations Director National Roll-out Project Manager CSR+ Project Manager Head of Horizon Commercial Head of Service Management Service Development Manager Operating Process Design Manager Meeting secretary	Automation Director Service Development Manager Operating Process Design Manager Head of Horizon Commercial Business Sponsors (as appropriate) Commercial Manager [Business Integrity Manager] Meeting Secretary	Head of Horizon Commercial Operating Process Design Manager Sponsors of Changes (as appropriate) Head of Programme Management Office Contract manager Change control manager (acts as meeting secretary)	Head of Horizon Commercial Commercial Manager Contract manager (Legal advisor at POCL's option - advance notice to be given of attendance) Meeting secretary
Contractor Attendees	Managing Director Deputy Managing Director Any of the following, depending on agenda: <ul style="list-style-type: none"> Commercial and Finance Director Customer Requirements Director Implementation Director Customer Service Director 	[Managing Director] [Deputy Managing Director] New Business Director Commercial and Finance Director Customer Requirements Director Contract Manager Head of Business Development	Commercial and Finance Director Contract manager Sponsors of Changes (as appropriate) Change control manager	Commercial and Finance Director Contract manager (Legal advisor at the Contractor's option - advance notice to be given of attendance)
POCL Approval	Automation Director	Automation Director	Head of Horizon Commercial or, Automation Director or Managing Director subject to authority limits to be decided by POCL	Head of Horizon Commercial
Contractor Approval	Managing Director	New Business Director	Managing Director or Commercial and Finance Director subject to authority limits to be decided by the Contractor	Commercial and Finance Director

Board	Joint National Roll-Out Board	Joint CSR+ Project Board (and similar meetings for any further releases)	Release Authorisation Board	Service Review Board
Purpose	To review progress and performance of the Implementation Programme, including infrastructure, training, outlet migration, etc. To review and resolve or escalate operational issues arising in relation to the roll-out.	To review progress and performance in the development and deployment of CSR+ (including development, testing, training, migration, documentation etc) To review and resolve or escalate issues arising in relation to the Contractor's development of CSR+ and in relation to the wider CSR+ release. To review progress towards the CSR+ release authorisation decision and reports for the Release Authorisation Board.	In relation to any Release, to review readiness reports and decide whether that Release should go into live operation.	To review performance against contracted service levels. To agree remedies payable arising from any failures to meet service levels. To monitor and review operations of operational business change processes. Such other purposes as are set out in the relevant service management schedules.
Frequency	Monthly or more frequently by agreement	Monthly or more frequently by agreement	When CSR+ or any further Release is to be reviewed.	Monthly
POCL Attendees	National Roll-Out Project Manager Head of Horizon Implementation Meeting secretary	CSR+ Project Manager CSR+ Release Manager Training & Implementation Manager Commercial Manager Meeting secretary	Automation Director, who shall be Chairman	Head of Service Management Others at POCL's discretion (Horizon Commercial Manager will attend if remedies on agenda) Meeting secretary
Contractor Attendees	Deputy Managing Director Implementation Director	Deputy Managing Director Development Director Testing Manager Implementation Manager	Managing Director or his authorised deputy.	Customer Service Director Others at the Contractor's discretion (Financial Controller will attend if remedies on agenda)
POCL Approval	National Roll-Out Project Manager	CSR+ Project Manager		Head of Service Management
Contractor Approval	Deputy Managing Director	Deputy Managing Director		Customer Service Director