



## Memorandum

Horizon Programme

To: Michael Trotter From: Eszter Meszaros  
Cc: Colin Oudot  
John Meagher Date: 7 May 1998  
Subject: Release 2 Baseline related correspondence

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*Mike,*

Further to our conversation this morning see the enclosed correspondence concerning the Release 2 Baseline.

As you know John Meagher has been out of the office all day, therefore I referred your request to his Direct Report. Colin Oudot (Head of Product Management) was responsible to broker and agreement with all involved parties on the Release Contents Description for Pathway Release 2 (NR2), advised me to forward you the following papers:

- Attachment A: Pathway R2CD - Audit Trail which summarises the RCD Quality Review process - dated 5 May 1998
- Attachment B: John Meagher's memo to Pat Kelsey handing over the sign-off of RCD to the Contracts team - dated 15 April 1998
- Attachment C: John H. Bennett letter to Peter Crahan 20 March 1998
- Attachment D: Colin Oudot's memo to Martyn Hughes of 13 March 1998.

If you require any further assistance with this matter, please do not hesitate to contact me.

**GRO**

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ATTACHMENT A

## Pathway Release 2 Contents Description - Audit Trail

| DOCUMENT                                                                                     | ISSUED                  | COMMENTS<br>RETURNED                                                               |
|----------------------------------------------------------------------------------------------|-------------------------|------------------------------------------------------------------------------------|
| Release 2.0 Contents Description V0.1                                                        | 20/12/96 - PDA Only     | 08/01/97 at meeting                                                                |
| Release 2.0 Contents Description V0.2                                                        | 03/03/97 - PDA Only     | 03/03/97 at meeting                                                                |
| Release 2.0 Contents Description V0.3 (1st version to be inclusive)                          | 27/03/97 - PDA Only     | 10/04/98                                                                           |
| Release 2.0 Contents Description V0.4                                                        | 09/04/97 - PDA Only     | N/K                                                                                |
| Release 2.0 Contents Description V0.5                                                        | 22/04/97                | )                                                                                  |
| Release 2.0 Contents Description V0.6                                                        | 01/05/97                | ) 14/05/97                                                                         |
| Release 2.0 Contents Description V0.7                                                        | 16/05/97                | )                                                                                  |
| Release 2.0 Contents Description V0.8                                                        | 20/05/97                | ) Superseded by advent of New R2                                                   |
| New Release 2 Contents Description V0.4 ( versions 0.1, 0.2 & 0.3 were internal to Pathway.) | 07/08/97                | 20/08/97                                                                           |
| New Release 2 Contents Description V1.0                                                      | 26/09/97 - Pathway only | N/A                                                                                |
| New Release 2 Contents Description V1.1                                                      | 30/10/97 - Pathway only | N/A                                                                                |
| New Release 2 Contents Description V1.2                                                      | 16/11/97                | 21/11/97 - IRO 17<br>"gating items"<br>05/12/97 - full list of<br>sponsor comments |
| New Release 2 Contents Description V2.0                                                      | 24/02/97 (Draft)        | Signed Off with several<br>caveats 13/03/98<br>following several<br>iterations.    |
| Response from John Bennet to caveated Sign Off letter                                        | 20/03/98                |                                                                                    |

ATTACHMENT B

● **Memorandum**  
Horizon Programme



To: Pat Kelsey  
c.c. Dave Miller  
John Cook  
John Murray

15 APR 1998  
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From: John Meagher  
Date: 15 April 1998  
File: RCD/Checkpoint

**Subject: Release Contents Definition (RCD) for NR2**

As you know we have been attempting to agree the RCD for New Release 2 for some time now, but to date formal agreement remains to be achieved. Whilst we reached agreement with all parties on the functional content of this release some time ago, we have sought to apply caveats to this agreement in order to protect our wider interests. It is the content of some of these caveats which remains to be agreed.

It is clear that the remaining issues are contractual, as opposed to content, in nature and it is for this reason that I suggested at today's pre-checkpoint meeting that the ongoing resolution of this issue be passed from the checkpoint to the CNT.

John Cook is familiar with the issues and has drafted our most recent response to Pathway. I am happy to provide any support you may require. Please indicate your acceptance of this proposal or concerns you may have.

John Meagher  
Horizon Product Assurance Manager  
GRO

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ATTACHMENT C

20 MAR 1998 1

Mr P. Crahan  
Programme Director  
BA/POCL Programme  
Third Floor  
Terminal House  
52 Grosvenor Gardens  
London  
SW1W 0AB

file RCD.

ICL

20<sup>th</sup> March 1998

Dear Peter.

Release Contents Description - New Release 2

I refer to Colin Oudot's memorandum to Martyn Hughes dated 13<sup>th</sup> March, and write to inform you that we are unable to agree to a number of the conditions - which are primarily contractual rather than technical in nature - set out in that letter. Since the memorandum clearly states at the top and again in paragraph 10 that its contents are subject to contract and without prejudice, we assume that removal of these contractual points should not stand in the way of your agreeing the RCD.

## 1: EVP

Both Drop Down and CCN105 terms clearly provide for a split release delivery, with certain functionality deferred from [Old] Release 1 to [Old] Release 2. At Drop Down, Smart AP was excluded from R1 and at CCN105, both Smart AP and on-line CAPS facilities were excluded from R1e. On both occasions, the documentation was silent as to when Soft EVP would be introduced. Since at Drop Down its specification and associated processes had not yet been agreed (it remained an implied Agreement to Agree), we hold that it was both implicit and reasonable that Soft EVP could not be delivered in [Old] R1. Subsequently, because we understood from the BA that they were much the higher priority, we offered to bring forward (in release terms) the on-line CAPS facilities into the first full contractual release. We made it clear at the time that we could not deal with Soft EVP in the same release, and this was accepted by the PDA and BA. The point is that the BA should have no expectations of Soft EVP at NR2. We have committed, subject only to timely agreement on specification and processes,

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Managing Director

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to show "proof of concept" of Soft EVP during Operational Trial so as to provide confidence that it is in the pipeline for NR2+.

## 2. Roll-Out Limit

Paragraph 4 seeks to impose a new constraint not comprehended in the contract. The contract provides for roll out [only] against the guarantee, and we would not do otherwise. The contract provides for a second Acceptance release (as above) but it does not set a deadline for its introduction. To seek to do so when the detailed end to end processes for Soft EVP have still to be agreed (they will involve process changes within the BA domain and possibly changes to BA and POCL interface specifications) we hold to be inappropriate. The contract does not contemplate an interruption in roll out. Such an interruption would mean that the implementation and training teams would have to be put on standby, equipment would go into stock, and the reputation of and confidence in the programme would be damaged. We can understand why the Authorities might wish to introduce such a condition, but it is not acceptable to ICL Pathway without compensation.

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3. Paragraphs 1 and 3 are acceptable, providing (i) it is acknowledged that matters which are still subject to agreements to agree will not be treated as exclusions if not delivered in full in NR2, (ii) that Known Problem Register entries graded as medium severity incidents (graded by business impact) may add up to a total of 10 at NR2+ (ie. need not be zero as paragraph 1 implies) and (iii) that there is no limit on the number of Known Problem Register entries graded as low severity incidents. ✓

## 4. Mobile Configurations (paragraph 6)

The sole requirement expressed in the contract is contained in Schedule A06 Annex 4. The reference is to "removable counter configurations" (defined as "all counter configurations which are designed to be removed and stored away from the service position"), and the volume limit is set at 250 units. Although there has been discussion as to possible solutions, nothing has yet been agreed and there is no "existing solution" (this remains an Agreement to Agree). We expect the "Pathway Light" work to produce viable solutions both for mobile configurations and for Post Offices where ISDN is not available (not necessarily the same solution), even if the "Light" concept proves infeasible or unacceptable. We plan to show "proof of concept" of a mobile configuration during Operational Trial but, given the volume limit, do not accept that non-availability or the existence of residual faults at the end of Operational Trial could be deemed to constitute high severity Acceptance incidents.

## 5. Carded Casual Agents (paragraph 8)

Carded Casual Agents are a component of the on-line CAPS facilities which ICL Pathway offered to bring forward from the second contractual release. As stated in point 1 above, the inclusion of these facilities in NR2 is not demanded by any

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existing contractual obligation. Paragraph 8 seeks to impose an arbitrary limit on the incidence of Carded Casual Agents fallback before we are obliged to "introduce methods to significantly reduce the related manual activity by POCL staff". The fallback process has been the subject of much discussion between the interested parties and it has not proved possible to agree any better method than that currently planned. It would not make sense for us to commit to introduce something which has yet to be defined. We will of course monitor actual experience and will co-operate with POCL if there is a problem.

6. We accept paragraphs 5, 7 and 9 as they stand.

In summary, we can agree some of the conditions you seek as they stand and some with our own caveats. However, we consider that it would be wholly inappropriate to agree to such terms on an extra-contractual basis. To do so would either involve us in a collateral agreement or alternatively would have no meaning whatever.

We request that you approve the NR2 RCD with all references to post office limits or dates removed so that it can be confirmed by CCN on a "with prejudice" basis. While that leaves open the question of timetable and the wider contractual issues between the parties, in this way we can make progress. I need to alert you to the fact that, if the Authorities do not approve the NR2 RCD promptly on this basis, the resulting uncertainty may delay the programme.

*Yours sincerely*

**GRO**

John Bennett  
Managing Director

cc. David Miller, Mike Coombs, Tony Oppenheim

ATTACHMENT D1

COMMERCIAL IN CONFIDENCE  
SUBJECT TO CONTRACT AND WITHOUT PREJUDICE

# Memorandum



To: Martyn Hughes

From: Colin Oudot

Date: 13/03/98

CC: Colin Galloway  
Paul Wootton  
Bill Kerr  
Pat Kelsey  
Dave Miller

SUBJECT: Release Contents Description V2

1. I can confirm that the Release Contents Description (RCD) for Pathway New Release 2 (NR2) Version 2.0 dated 24 February 1998 has been approved subject to the following conditions:
  - that the approach to Mobile Configurations and "Non ISDN Post Offices" is as described in paragraphs 6 and 7 below;
  - that the approach to fallback transactions for Carded Casual Agents is subject to review as described in paragraph 8 below;
  - that Pathway New Release 2 Plus (NR2+) will deliver the remainder of the contracted functionality as identified as exclusions in the NR2 RCD (including AP Smart), plus any Known Problem Register entries remaining at the point of acceptance of NR2;
  - that, in parallel with the live trial of NR2, Pathway demonstrate, to the satisfaction of the Contracting Authorities, proof of concept of the NR2 exclusions. It is understood that timescales will be such that the proof of concept will include the opportunity to see those exclusions functioning in a test environment;
  - by 31st July 1998 that Pathway will have an agreed and credible timetable for the delivery of NR2+
2. On successful conclusion of the live trial of NR2 (and the points above), Pathway will be given the go ahead to commence national roll-out.
3. In the event that further elements of functionality beyond those already identified in the NR2 RCD are excluded prior to the conclusion of live trial for whatever reason, the Authorities reserve the right to consider the significance of such further exclusions, and may, at their sole discretion, conclude that NR2 is not fit for national roll out.
4. The roll out of NR2 will be limited to a maximum of 4,000 Post Offices and in terms of BA services the rollout of NR2 will be limited to the payment of two benefits only plus a further two on a pilot basis. For the avoidance of doubt, guarantees on volumes will not apply if the 4000 limit is reached before the introduction of NR2+.

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5. If, during the operation of NR2, fraudulent encashments reach a level which cannot be adequately addressed by the use of "hard EVP" within the current contracted volumes then all parties will co-operate fully to overcome the problem.
6. In relation to Mobile Configurations it is recognised that Pathway's current solution to this requirement may be replaced by "Pathway Light", a proposal for which is currently being developed. In this context the Authorities will accept the exclusion of the mobile configuration from NR2 so that Pathway can defer development of their solution until April 1998 when their new proposal is due to be put to the Authorities. However, should "Pathway Light" prove infeasible or unacceptable, the Authorities will still require the existing solution to be subject to the "Proof of Concept" Acceptance in advance of national roll-out, with the possibility of high severity Acceptance Incidents if no mobile configuration is provided or if there are significant faults in this component of the solution.
7. You will be aware that the provision of an agreed solution for Post Offices where ISDN was not available was the subject of a caveat to the sign off of SADD V4. Agreement to commence National Rollout will be dependent on a technical solution having been agreed by the Contracting Authorities for those Post Offices for which ISDN is not available, whether or not this has been affected by the discussions on "Pathway Light".
8. The revised RCD wording on fallback transactions for Carded Casual Agents (paragraph 4.1.6.11.1) is accepted on the basis that volumes are expected to be extremely small. If in live operations, volumes of such fallback transactions exceed 0.1% of all benefit encashment transactions, Pathway will, without additional charge, introduce methods to significantly reduce the related manual activity by POCL staff.
9. In terms of formal contractual acceptance, it is assumed that all parties will agree the position that the current provisions on contractual acceptance (whereby Pathway Release 1 was subject to the full acceptance provisions and Pathway Release 2 was subject to an alternative acceptance threshold appropriate to that release) will be carried forward and translated onto NR2 and NR2+ as currently defined.
10. All the above will be subject to contract as part the negotiation of the next replan and to agreement on Acceptance Conditions. Nothing contained in this letter shall be deemed or construed to affect the existing contractual obligations or create new contractual obligations between BA, SSA NI, POCL and Pathway. In addition nothing contained in this letter shall construe a waiver of any default and the contents of the letter are without prejudice to the rights and remedies of BA, SSA NI, POCL and Pathway, which are hereby expressly reserved.

Colin Oudot  
Head of Product Management  
PDA

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