

**To:** Courtley David[**GRO**]  
**From:** Oppenheim Tony[/O=ICL/OU=UKSOUTH FEL01/CN=RECIPIENTS/CN=OPPENHEIMT]  
**Sent:** Sun 9/2/2001 8:24:12 PM (UTC)  
**Subject:** RE: Reviews of the ICL Large Projects (PFIs)  
[ISC Sept.doc](#)

Hope this is alright - neither too long not too short - and at the right level. Just a few numbers thrown in. Let me know if you want me to tweak it up or down.

Tony.

-----Original Message-----

**From:** Courtley David  
**Sent:** 31 August 2001 18:19  
**To:** Oppenheim Tony  
**Subject:** FW: Reviews of the ICL Large Projects (PFIs)

Tony

As we discussed for HMCE and Libra it would be very helpful if you could flesh this out for me with some more qualitative information on our strategy, approach and progress - repetition of previous information is not a problem!

For the others it would be helpful also to add a bit more - possibly breking 3. into 3.,4., and 5 !

Thanks very much for your help with this.

Regards

David

## 1. Libra

The plan to deal with Libra, as discussed at the most recent ISC meeting in Tokyo, is progressing well so far. Specifically our work with the customer to change the contractual and working arrangements is proceeding in earnest - with a target of end of September for a signed MOU covering the principle issues looking to be achievable. This will be followed by detailed negotiations intended to produce a new contract by the end of ICL's financial year.

So far I am pleased that our Libra team is addressing the issues with urgency and the customer is positive. The assumptions made in putting our plan together remain valid.

I believe we will be able to re-assess the relative impacts of continuing with our plan or otherwise within the required timeframe.

## 2. HMCE

I am in the process of conducting a detailed review of this programme in conjunction with our team, taking a similar approach to that used for our Libra review. The Business Support team is providing excellent help with the programmatic elements.

The HMCE deal is a large programme involving the management of a legacy infrastructure for 24,000 users and the roll-out of significant upgrades to that infrastructure. The contract term is ten years.

Unlike Libra there is no large scale software development involved in this programme, however historically there have been problems due to integration work and roll-outs taking longer and costing more than originally planned. This in turn has been caused by a combination of customer issues, technical problems and some poor management in the past.

A relatively new team has been in place for some months under the leadership of Ray Clarke, and my assessment so far is that since being in place this team has been working on a sensible plan to ensure that HMCE at least returns a profit over its life and as far as possible returns to the levels of profit signed off at the original BAFO.

I must express caution because I am part way through my assessment but their plan does appear believable and indeed contains some similar pragmatic actions to the Libra plan, including:

- \* cost down on items under ICL's control;
- \* producing a better working environment with the customer;
- \* new business

The fact that some new business with very good margin has already been contracted (e.g. Electronic Folders) is a very positive indication.

My analysis is continuing, along with further activity I have asked the team to undertake to firm up their plan. It is important that we complete this review properly and that Peter Earl reviews the project from his prospective before we report formally. I believe we will be in a position to do so in September.

### **3. Pathway, DTI, Home Office**

These programmes appear to be in reasonable shape operationally and although I have not performed detailed reviews of them, we should not expect to uncover major unknown contractual or financial risks.

Specifically with Pathway we appear to have now have a well-managed contract and customer situation, with our major problems behind us and good opportunities to develop the business further.

The DTI deal is an infrastructure management deal with no major development risk and reasonable customer satisfaction.

I have not examined the Home Office deal but will do so during September - again I do not expect to uncover major issues.

A financial analysis of all these deals is being conducted under Peter Earl's oversight and will be complete in September. Once we have finalised this work then, together with my analysis, we will be able to form a management view of all the large projects.