



Executive Steering Board HNGX Update

1st July 10

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Agreed Baselines



- Schedule
 - V130.A00 draft
 - (The plan that will be reported against from now onwards)
 - V80.A00 check-pointed with the client
- Requirements
 - version 1.42
- Testing Baselines
 - VOL - MR 1.22.01 + BAL/OSR - 01.23.01
 - LST - Data Centre 1.22 + Counters 1.23.01

<div> <div> <div>Red</div> <div>Amber</div> <div>Green</div> </div> <div> <div>Major issue impacting timescales, cost or risk</div> <div>Major issue but with actions agreed to resolve</div> <div>No issues</div> </div> <div> </div> </div>					
RAG	Last Status	Current Status	Description	G2G plan	G2G Target Date
Approved Budget	Green	Amber	Delays to Programme have resulted in contingency being used up. Plan to increase beat rate to 300 branches per night in 2 nd half of rollout.	Review forecast once final rollout schedule agreed with Post Office	09 July 10
Resourcing	Amber	Green			
Schedule	Red	Amber	RAB and AG4 approval given 29/06/10. Rollout migrations scheduled to start 30/06/10.	Confirm VSAT plan.	09 July 10
Requirements	Green	Green			
Architecture	Green	Green			
Apps Development	Red	Amber	Daily prioritisation of new issues from live/test to minimise impact on rollout and deployment of R2. High volume of Hot fixes.	Daily tracking of progress against plan.	31 July 10
Test	Red	Amber	Small window for completing R1 LST testing prior to R2.	LST testing to be prioritised.	31 July 10
Migration	Red	Amber	HNGX Migration rollout starting 30/06/10. Vodafone WWAN rollout in tail management. Need to confirm VSAT test exit from LST.	Revised schedule for rollout to be confirmed. Finalise implementation plan for VSAT.	09 July 10
Infrastructure	Red	Green			
Service Transition	Red	Amber	Ongoing monitoring in place for live issue. Recommendations from internal review implemented.	Continue to review live service stability.	31 July 10
Contract	Green	Amber	Post Office seeking compensation for delays to programme beyond May 2010.	Weekly tracking of migration progress will include reporting on delays/failed migrations caused by POL.	31 July 10
CRs	Green	Green			

Exec Summary



- As at 28th June HNG-X migrations stood at
 - 1,431 Branches (12.5% of the Estate)
 - 6,112 Counters (20.2% of the Estate)
 - High migration success rates seen (average over 90%) over last 3 weeks
- Live service issues:-
 - No Major issues impacting large numbers of branches over last 6 weeks
 - Oracle Resource Manager running Stats job at 3 p.m. 18th June caused Node 1 on Branch database to run slowly. Config change to Stats job implemented 18/06. Not classed as a major incident.
 - Corporate Red Alert downgraded to Amber 21/06/10
 - Service stability monitoring continues.
 - Help Desk has 50% spare capacity during periods of stability
 - Shared Pool memory usage significantly improved.
- Acceptance Gateway 4 and RAB authorisation for rollout to start given by Post Office on 29/06/10
- 11,383 Branch Router installations completed; 99.3%
 - 14 Branches with "Fixed" Counters to be completed
 - 8 Portable Branches; OBC related Luggables to PHU
 - 50 VSAT Branches

Customer Status



- Highly successful 3 weeks of High Volume Pilot has restored POL's confidence in the migration process and the quality of the solution
- Positive feedback from POL senior management on 25/06/10
- AG4 and Release Authorisation Boards held 29/06/10 raised no significant concerns for rollout
- POL will pursue claim for programme delays beyond May 2010

Key Risks & Issues Summary



■ Key Risks

- Key fixes for Business Ref Data distribution do not get through testing in time and compromise our ability to support rollout (in test currently, due for sign-off 02/07/10)
- Rapid pace of introduction and volume of fixes could regress the solution
- Further significant live issues may result in the rollout being delayed again and/or Post Office requesting HNG-X is regressed
- Post Office will not be able to achieve the beat rate of 265 branches per night, leading to delays in the rollout completion (under review – may transfer to issue w/c 05/07/10)

■ Key Issues

- High Volume of Hot fixes in addition to maintenance fixes leading to testing bottleneck & delays in implementation.

Risks



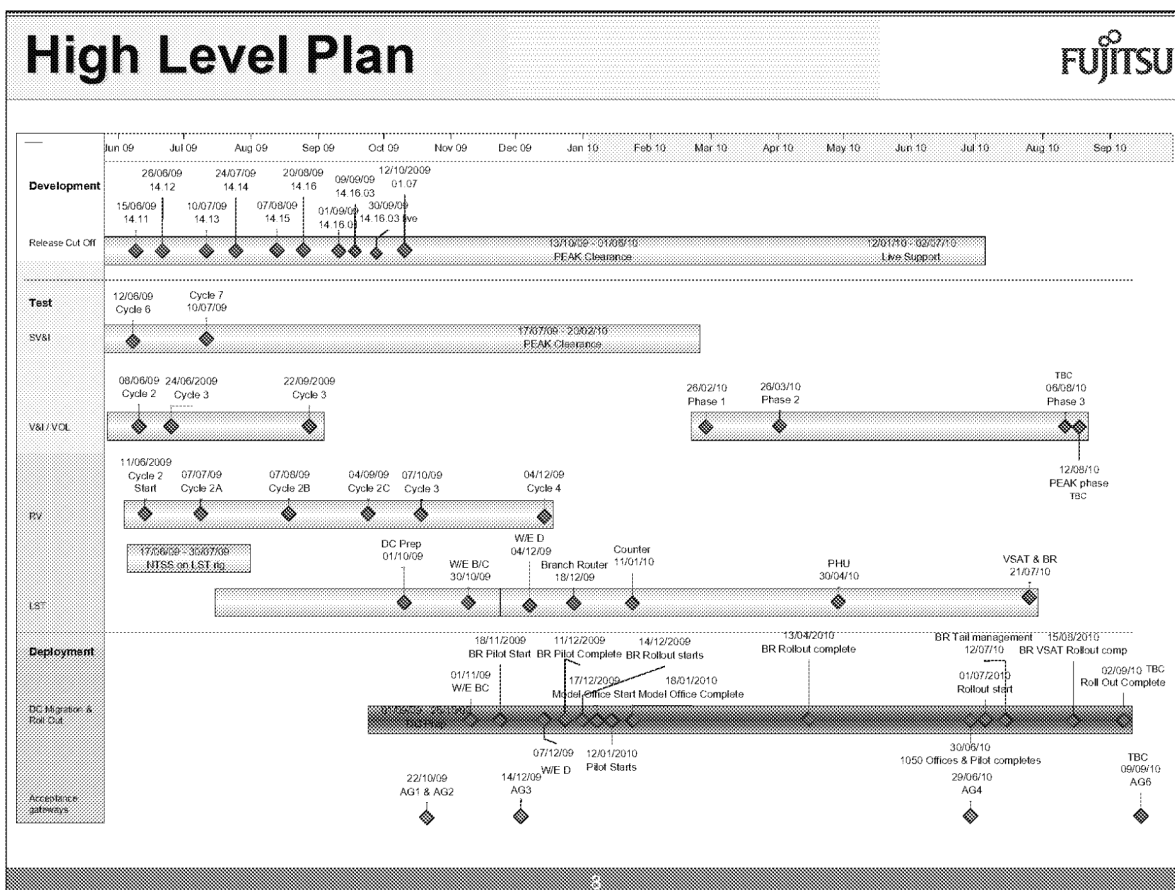
Client Ref	Project	Owner	Description	Probability	Impact	PI
HNG-xR0004	HNG-x R1 Development	Jobson Pete	Unfulfilled System Architecture Requirements delay Acceptance or roll out (for non - CCD Arch Docs) (POL owner IT)	5%	4	0.12
HNG-xR0008	HNG-x R1 Development	Richardson Debbie DB	During Post Live VOL testing, the solution does not operate in accordance with the required performance targets (i.e. Transactions per second BAL/OSR) (POL owner IT)	5%	4	0.12
HNG-xR0018	HNG-x Migration	Butts Geoff	HNG-X Rollout fails in Pilot leading to Pilot/Rollout stop (POL owner WR)	20%	8	0.4
HNG-xR0020	HNG-x Migration	Butts Geoff	Customer will be unable to meet rollout rate (i.e. POL overwhelmed by rate of rollout) (POL owner WR)	5%	4	0.12
HNG-xR0024	HNG-x Migration	Butts Geoff	Contractual acceptance documentation is not formalised leading to late changes and failure to pass the acceptance criteria (POL owner Phil Norton)	5%	4	0.12
HNG-xR0040	HNG-x Migration	Butts Geoff	POL may halt rollout due to unforeseen financial difference in pre- and post- migration reports. (POL owner WR)	10%	4	0.12
HNG-xR0042	HNG-x Migration	Butts Geoff	The volume of support calls cannot be handled by the support teams and infrastructure - Horizon Day1 + ongoing support required during migration (POL owner WR)	20%	8	0.4
HNG-xR0050	HNG-x Migration	Butts Geoff	Live Usage will identify volume related performance issues that were not encountered during VOL testing. (POL owner WR)	30%	4	0.28
HNG-xR0051	HNG-x Migration	Butts Geoff	SYSMAN distribution cannot sustain the currently proposed beat rate of 275 branches per night (POL owner WR)	10%	8	0.24
HNG-xR0059	HNG-x Infrastructure	Cochrane Vince	Following migration of Data Centre critical elements of Horizon fail. (POL Owner WR)	15%	16	0.48
HNG-xR0067	HNG-x Migration	Butts Geoff	RDB Hydra Vol Issues are not resolved sufficiently to support the Max rollout beat rate of 275 per night (POL owner IT/WR)	5%	4	0.12
HNG-xR0076	HNG-x Migration	Andrews Mark (GD HQ)	Development of VSAT schedule is delayed and impacts completion of branch migration rollout	5%	4	0.12
HNG-xR0078	HNG-x Migration	Andrews Mark (GD HQ)	Risk of loss of support from Branch Network (NFSP)	25%	8	0.4
HNG-xR0080	HNG-x Migration	Andrews Mark (GD HQ)	PCI Compliance Audit and subsequent contention on Rollout Schedule	20	8	0.4
HNG-xR0081	HNG-x R1 Development	Richardson Debbie DB	Critical Cycle 3 tests may not complete prior to AG4	20	4	0.2
HNG-xR0082	HNG-x R1 Development	Richardson Debbie DB	Still a number of fixes in Development and Test which pose a risk of regression to service	20	8	0.4
HNG-xR0083	HNG-x R1 Development	Richardson Debbie DB	Key fixes for Business Ref Data distribution do not get through testing in time and compromise our ability to support rollout	20	4	0.2

Milestones

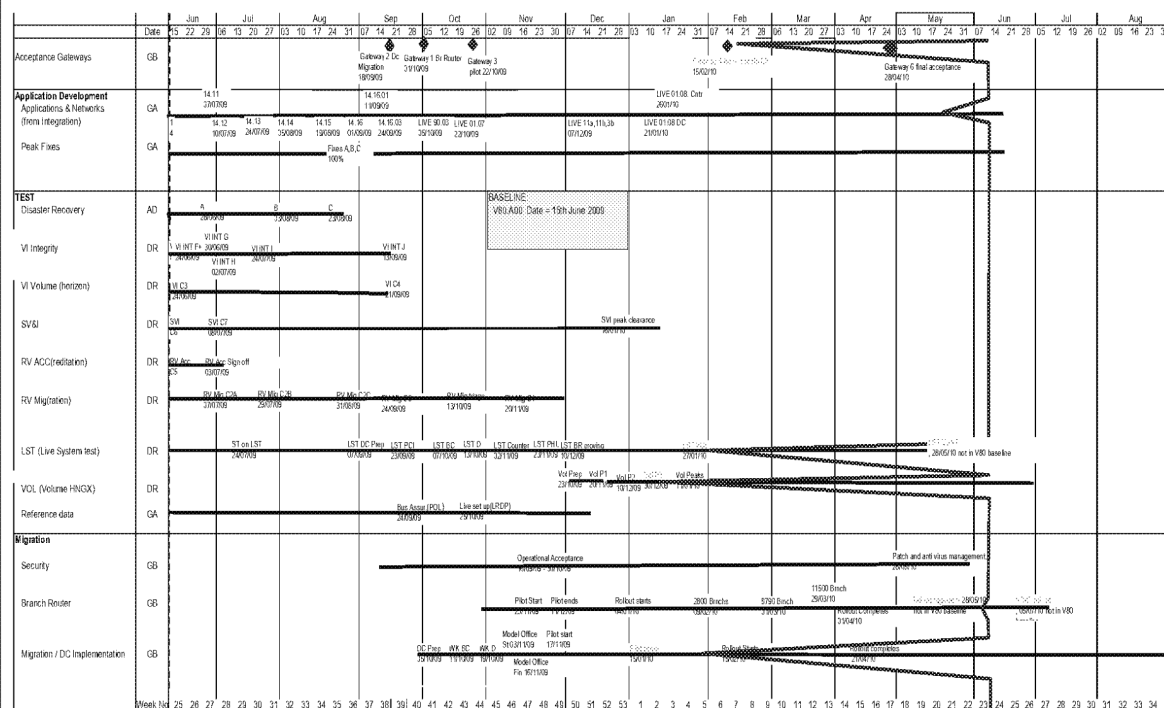


Milestone	Team	Baseline Planned	Forecast	Comment	RAG
Counter Roll Out Commence	Mig	15/02/10	30/06/10	Release Authorisation Board and Acceptance Gateway 4 Review on 29/05/10 confirmed rollout can start.	
Branch Router Roll Out Complete	Mig	01/04/10	12/07/10	99.3% of branches have had Branch router installed. 14 "fixed" branches remaining. 8 luggable branches remaining. All technical issues resolved. A separate milestone for the start of implementation of the satellite comms (VSAT) enabled router is given below.	
VSAT solution in Model Office	Mig	01/04/10	28/07/10	Model office migrated to HNGX	
Counter Roll Out Complete	Mig	21/04/10	Mid- September 2010 TBC	Completion date to be confirmed. Subject to confirmation with Post Office on beat rate. Fujitsu is proposing to increase the beat rate to bring forward the main rollout.	

Milestones Closed since last report



Slip Chart

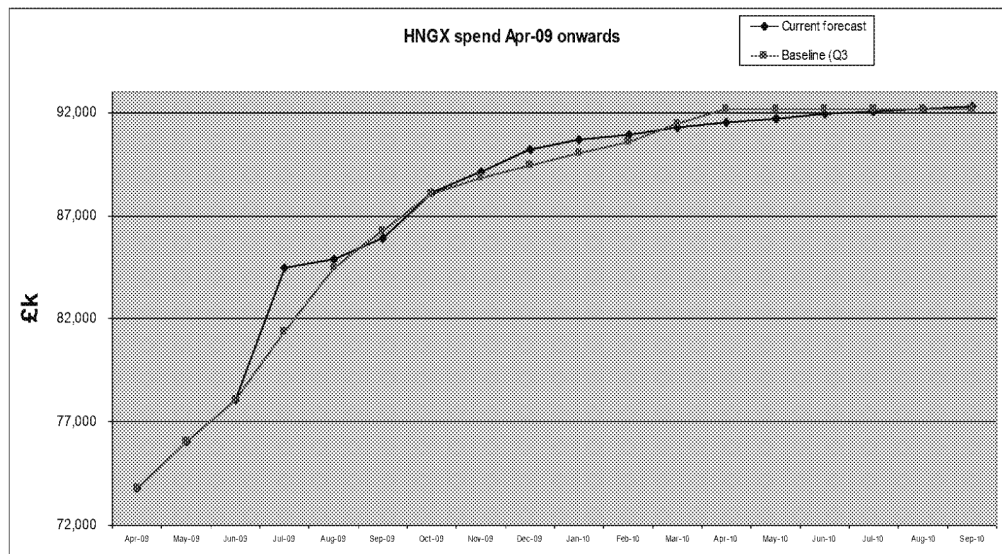


Finance



	Agreed CAC (May-FC) £m	Agreed CAC (Jun-FC) £m	Variance £m	Cumulative Spend to Date (May-10) £m	Remaining Spend £m
Development (incl PM & PMO)	48.7	48.7	(0.0)	48.7	0.0
Test	17.2	17.3	(0.1)	17.1	0.1
Rigs & Networks	4.5	4.5	0.0	4.5	0.0
DC Migration & Rollout	3.8	3.7	0.0	3.4	0.3
Contingency	0.0	0.0	0.0	0.0	0.0
Sub-Total	74.1	74.2	(0.1)	73.8	0.4
Others (BOM, Expenses, Depreciation)	18.2	18.1	0	17.9	0.2
TOTAL	92.3	92.3	(0.0)	91.7	0.6

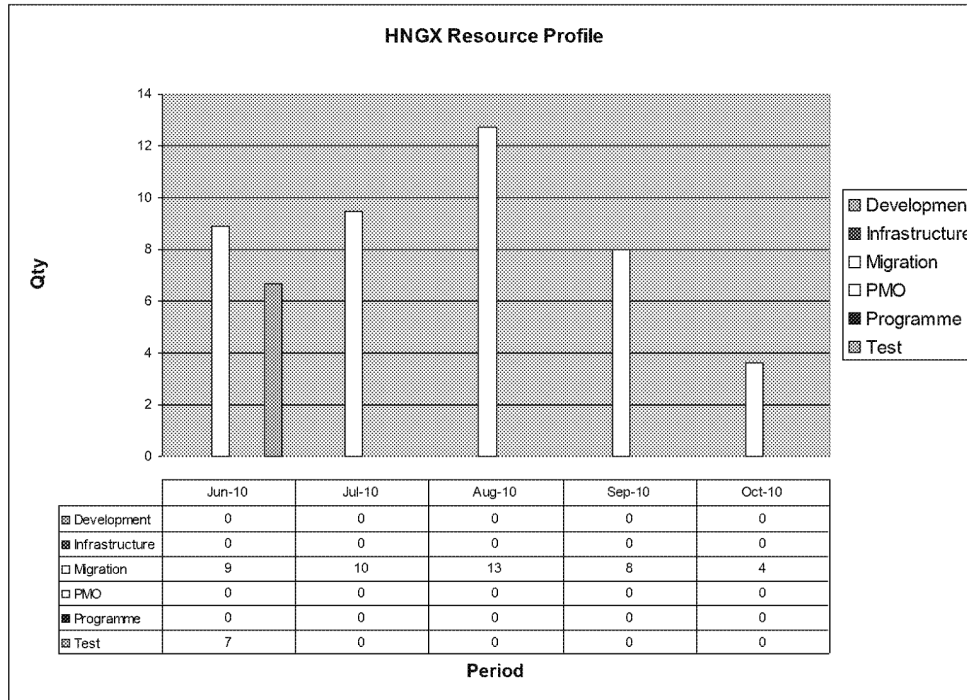
Finance - Cost Curve



Summary

- Project commenced July 2006 trend above commences in April 2009
- Increased costs in July 09 relate to Hardware spend which was phased across July and August in the Baseline
- Total Project costs increased by £0.2m due to additional hardware purchases and resource extensions.

Resource Profile



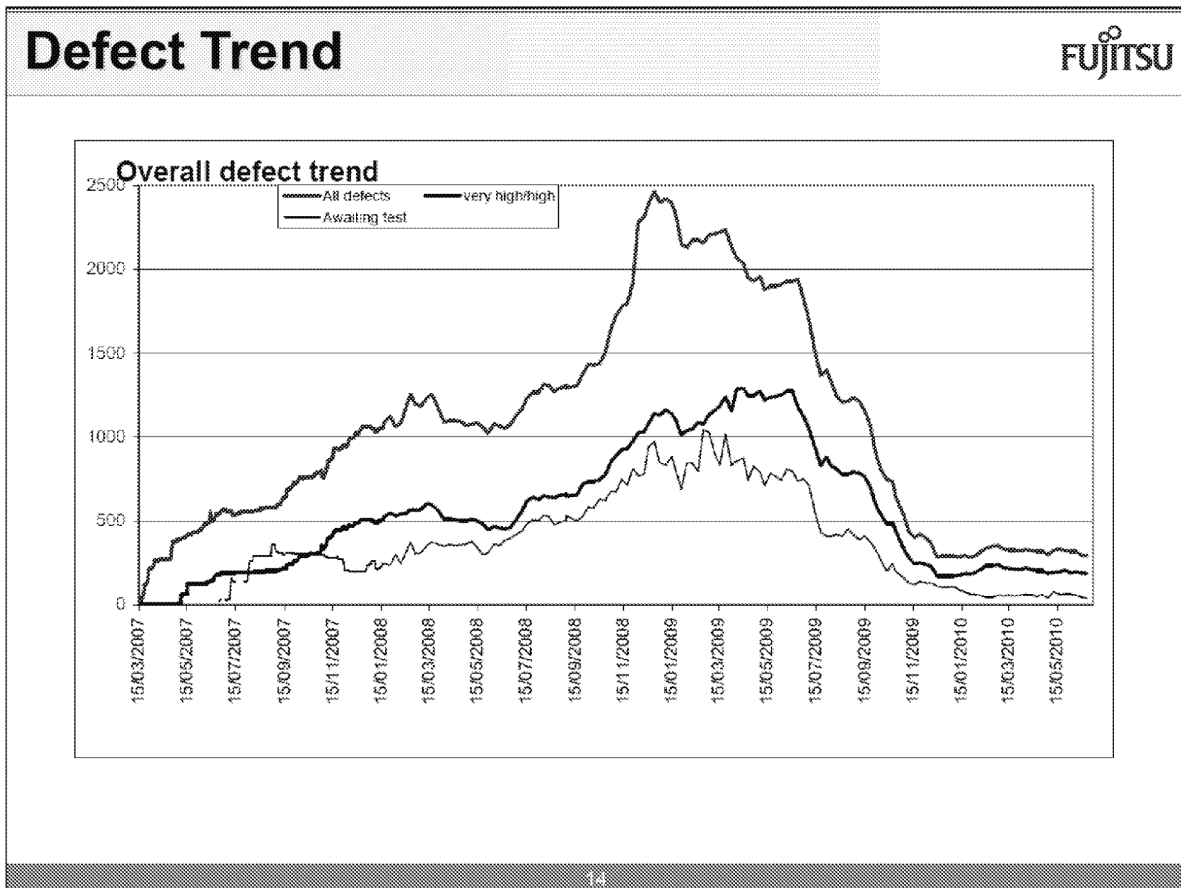
Defect Analysis



Area	Raising rig	Priority								Total		New this wk
		V. High (A)		High (B)		Med (C)		Low (D)				
SV&I Func	SV&I	0	(0)	4	(0)	8	(0)	8	(0)	20	(0)	(0)
RV Acc. & Mig	RV	0	(0)	0	(0)	1	(0)	0	(0)	1	(0)	(0)
V&I	V&I	0	(0)	1	(0)	2	(0)	0	(0)	3	(0)	(0)
SV&I NF	SV&I	0	(0)	25	(-3)	20	(+1)	1	(-1)	46	(-3)	(0)
NTSS	ST	0	(0)	4	(0)	0	(0)	0	(0)	4	(0)	(0)
	LST	12	(+1)	82	(-8)	37	(0)	2	(0)	132	(-7)	(+8)
Other	CIT	0	(0)	0	(0)	1	(0)	1	(0)	2	(0)	(0)
	CIT (Core)	0	(0)	5	(0)	6	(0)	3	(-1)	14	(-1)	(0)
	LRDP	0	(0)	0	(0)	1	(0)	1	(0)	2	(0)	(0)
	LEV - Live	0	(0)	2	(0)	2	(0)	0	(0)	4	(0)	(0)
	VOI	12	(0)	21	(+4)	9	(+3)	0	(0)	42	(+7)	(+11)
	POL FS	0	(0)	15	(0)	3	(0)	1	(0)	19	(0)	(0)
Total		24	(+1)	159	(-7)	90	(+4)	17	(-2)	290	(-4)	(+19)

Defect targeting	Total	
Peak targeted	82	(-7)
Back with QC (Test)	121	(-35)
Not targeted or released	432	(+16)
Total	635	(-26)

Deferred Agreed	317	(-1)
Deferred Proposal	4	(-1)
Test	66	(-10)
Development	220	(+7)
Grand Total	290	(-4)
Subset of total with POL	8	(0)
Subset of total not PEAKs	13	(-1)



Commercial Milestones



Type	Contract	Contractual Milestone	Baseline date	Forecast Date	Status
Acceptance gateway	B6.3	AG1 : Readiness for Router Roll Out	01/10/09	22/10/09	
Acceptance	B6.3	AG2 : Readiness for Data Centre Migration	18/09/09	22/10/09	
Acceptance	B6.3	AG3 : Readiness for Live Pilot	22/10/09	14/12/09	
Acceptance	B6.3	AG4 : Readiness for Branch Migration	15/02/10	29/06/10	
Acceptance	B6.3	Gateway 5 was cancelled			
Acceptance	B6.3	AG6 : End of Live Monitoring	28/04/10	September 10 TBC	

- AG 5 formerly covered update of the Operating Systems

Commercial & Governance



- Client:
 - HNGX Joint Steering Board - held fortnightly with Client Programme Manager and Team
 - Interim Steering Board - held fortnightly with Client Programme Manager and Team
 - Joint Programme Steering Board - held fortnightly with Client Head of Programmes & Client Project Managers
 - Test Governance Board – held weekly with Client Test Manager & Programme Manager
 - Release Approval Board – held prior to major release deployment with Client Programme Manager, Client Service Manager, Head of IS&S
 - Acceptance Gateway – held prior to major phase completion Client Programme Manager, Client Service Manager, Head of IS&S
- Internal:
 - ‘Morning Prayers’- held daily with Programme Management Team
 - Amber Alert call - held weekly with Alert Team
 - Monthly Programme Board - held with Account Director, Core Resource Units, Delivery Assurance, HOP & PSD Ops Director
 - Executive Review - held quarterly with CEO, HOP, Account Director, Finance Director and Corp 1st Senior VP & President Global Business Group, Fujitsu Ltd



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