Executive Steering Committee HNGX Update

31st March 10

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Agreed Baselines

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- Schedule
  - V100.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
  - SVI – 01.08.03
  - LST – 01.08.03 + hot fixes

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HNGX Summary

Red — Major issue impacting timescales, cost or risk
Amber — Major issue but with actions agreed to resolve
Green — No issues

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RAG	Last Status	Current Status	Description	G2G plan	G2G Target Date
Approved Budget	Green	Green			
Resourcing	Red	Red	Replacement Deployment Manager required. Resourcing of deployment and service teams under review. Additional PCO being recruited.	Replacement Deployment Manager to be recruited by 08/04/10.	12 Apr 10
Schedule	Red	Red	Medium Volume Pilot re-started 18/03/10. High Volume started 25/03/10, but suspended 26/03/10. Stabilisation of live service is the highest priority.	Diagnostic investigations continuing, Oracle Patch Set being progressed through testing for implementation into live to address Oracle Branch Database hanging. Remedial setting changes made in live 28/03/10.	06 Apr 10
Requirements	Green	Green			
Architecture	Green	Green			
Apps Development	Amber	Amber	Continued focus on fixing Peaks raised for Live issues. Daily prioritisation of new issues from live/test. High volume of Hot fixes.	Daily reviews of critical Peaks/fixes to ensure delivered/tested.	30 Apr 10
Test	Red	Red	Vol test cycle 2 completed 26/03/10. Cycle 3 due to start 30/03/10. Deferred due to live issues requiring Vol rig. Tests required to prove readiness for rollout prioritised early in schedule.	Revised plan for start of Cycle 3 to be confirmed. Require test feedback for Acceptance Gateway review on 08/04/10.	06 Apr 10
Migration	Red	Red	Red for HNG-X Migrations due to High Volume Pilot being suspended. Branch Router installations on plan.	Revised schedule for High Volume Pilot & Rollout to be confirmed.	12 Apr 10
Infrastructure	Red	Amber	Satellite Branch Router solution progressing on schedule. Delays to Vodafone Backup Wireless WAN, not on critical path.	Resolve Vodafone network issues and complete testing.	12 Apr 10
Service Transition	Amber	Red	Ongoing monitoring in place for live issue. Action plan required to prioritise incidents from live sites.	Continue to review live service stability + support through HVP.	08 Apr 10
Contract	Green	Green			
CRs	Green	Green			

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Exec Summary

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- Medium Volume pilot re-started 18/03/10 after 2 weeks of improved stability of solution. 400 branches trading on HNG-X by 23/03/10.
- Approval given to proceed to High Volume Pilot 24/03/10
- High Volume Pilot Started 25/03/10 (212 additional branches migrated)
- 622 Branches (1,754 counters) on HNG-X, including 8 Model offices
- Live service issues last week:-
  - 25/03/10 following application of Oracle patches resulted in all 400 branches not trading for 4 hours.
  - Branch database hanging incidents occurred 26/03/10, 27/03/10 & 29/03/10
  - Intensive monitoring in place
  - Oracle Patch Set being progressed through testing, targeted for implementation into Live 02/04/10
  - Investigations into other potential causes ongoing
- High Volume Pilot migrations suspended until live service issue resolved
- Full rollout start on 12/04/10 delayed – revised date tbc
- 9,519 Branch Router installations completed (83% of estate).
- Milestones – 32 completed on schedule, 10 completed ahead of schedule, 64 completed behind schedule

Risks & Issues Summary

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▓ Key Risks

- ▓ Significant live issues (Horizon or HNGX) may result in the rollout being delayed again
- ▓ Beat rate during full rollout cannot be sustained, leading to delays
- ▓ Slip to programme puts exit from Wigan/Bootle Datacentres by 31/07/10 at risk

▓ Key Issues

- ▓ Live issues affecting all HNG-X branches seriously impacting customer confidence & attracting Press Coverage. High volume pilot postponed 26/03/10.
- ▓ High Volume of Hot fixes in addition to maintenance fixes leading to testing bottleneck & delays in implementation.
- ▓ 4 High Severity Acceptance Incidents that need to be reduced to Medium Severity to enable rollout to proceed (AG4)
  - Live issues
  - Risk Management
  - Patch/Vulnerability Management
  - 2 Factor Authentication

 Actions in place to reduce this to 2 Medium Severity Incidents by AG4

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Key Risks

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ID	Client Ref	Owner	|------------------Description------------------|	Probability	Impact	PI
1	HNG-xR0004	Jobson Pete	Unfulfilled System Architecture Requirements delay Acceptance or roll out (for non - CCD Arch Docs) (POL owner IT)	5%	4	0.12
2	HNG-xR0006	Butts Geoff	We may not be compliant from a Security perspective before we go into pilot (POL owner TG/Ian Trundell)	10%	2	0.06
3	HNG-xR0008	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)	20%	4	0.2
4	HNG-xR0018	Butts Geoff	HNG-X Rollout fails in Pilot leading to Pilot/Rollout stop (POL owner WR)	15%	8	0.24
5	HNG-xR0020	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
6	HNG-xR0024	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
7	HNG-xR0040	Butts Geoff	POL may halt rollout due to unforeseen financial difference in pre- and post- migration reports. (POL owner WR)	10%	4	0.12
8	HNG-xR0042	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)	30%	2	0.14
9	HNG-xR0050	Butts Geoff	Live Usage will identify volume related performance issues that were not encountered during VOL testing. (POL owner WR)	10%	4	0.12
10	HNG-xR0051	Butts Geoff	SYSMAN distribution cannot sustain the currently proposed beat rate of 275 branches per night (POL owner WR)	10%	4	0.12
11	HNG-xR0059	Cochrane Vince	Following migration of Data Centre critical elements of Horizon fail. (POL Owner WR)	10%	4	0.12
12	HNG-xR0067	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
13	HNG-xR0071	Allen Graham (BRA01)	Required fixes cannot be delivered in time for first Maintenance Release (ahead of large volume piot)	20%	4	0.2
14	HNG-xR0073	Dodington Chris	Further unexpected differences in counter configurations will cause rollout to be extended. POL owner B Evans	5%	4	0.12

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Progress Against Plan

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- Original Plan (Baselined June 2009) Key Milestones:-
  - Branch Router Rollout complete   -   13/04/10
  - HNG-X Branch Migration Rollout complete   -   22/04/10

- Delays caused by:-
  - Data Centre Migration Slip   -   3 weeks
  - Branch Router solution delays   -   1 week
  - Delay to start of Medium Volume Pilot   -   1 week
  - Delay to start of High Volume Pilot   -   2 weeks
  - Delay to start of HNG-X Rollout   -   2 weeks (estimated)

- Branch Router implementation on target to complete to 99.6% of estate by original baseline date (13/04/10), excluding Satellite branches

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Key Milestones

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| Milestone	Team	Planned	Forecast	Comment	RAG
Counter Roll Out Commence	Mig	09/11/09	12/04/10	Subject to satisfactory completion of High Volume Pilot and Volume Testing (Vol Test Cycles 1 & 2 are complete, some key tests need to be completed in Cycle 3). Will be delayed due to live issues. Start date will be reviewed with POL on 06/04/10 after remedial steps completed.	
Branch Router Roll Out Complete	Mig	15/11/09	13/04/10	Main Branch router rollout currently forecast to complete by 13/04/10 as planned. 53 remote branches requiring satellite comms enabled router will not receive Branch Router until May 2010 due to delays in development caused by resource contention. A revised plan has now been agreed and work is progressing on schedule to make the solution available from early May 2010.	
Counter Roll Out Complete	Mig	30/04/10	11/06/10	Excludes 4% tail. Start of rollout on 12/04/10 will slip due to delays in completion of High Volume Pilot. Programme Team looking at increasing beat rate of branch migrations. Revised completion date to be confirmed.	
Milestones Closed since last report					

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High Level Plan

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Slip Chart

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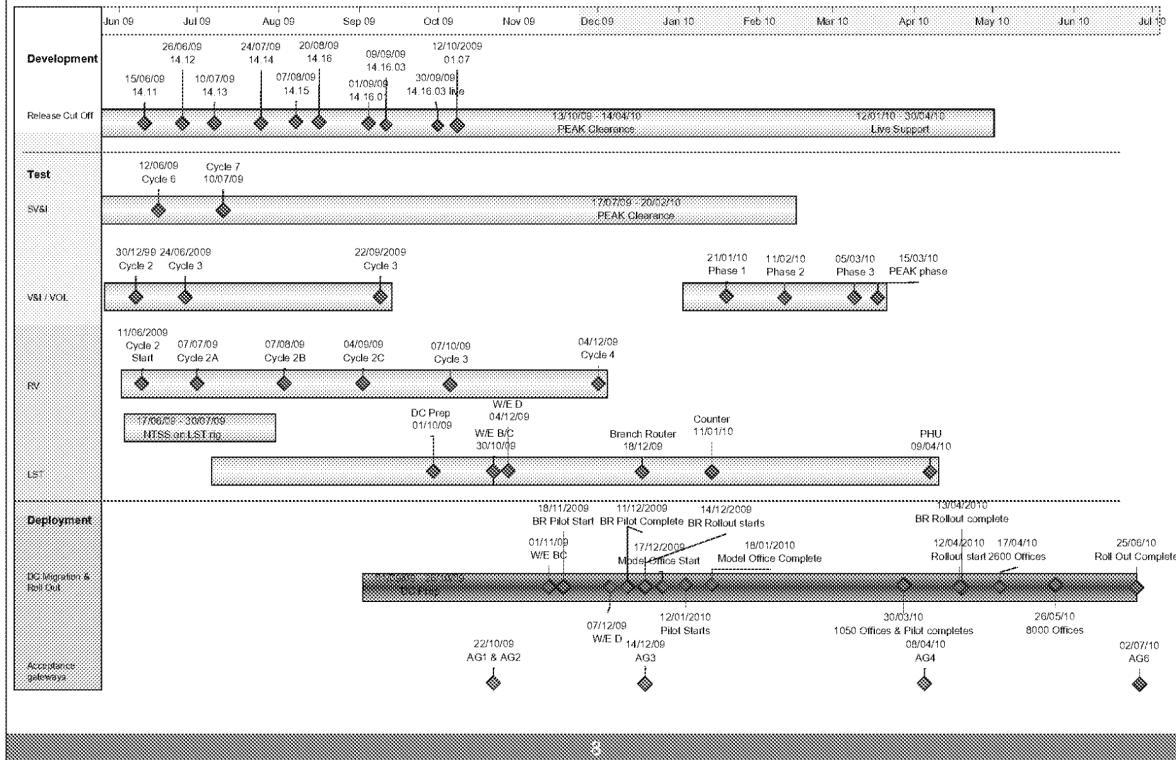
Defect Analysis

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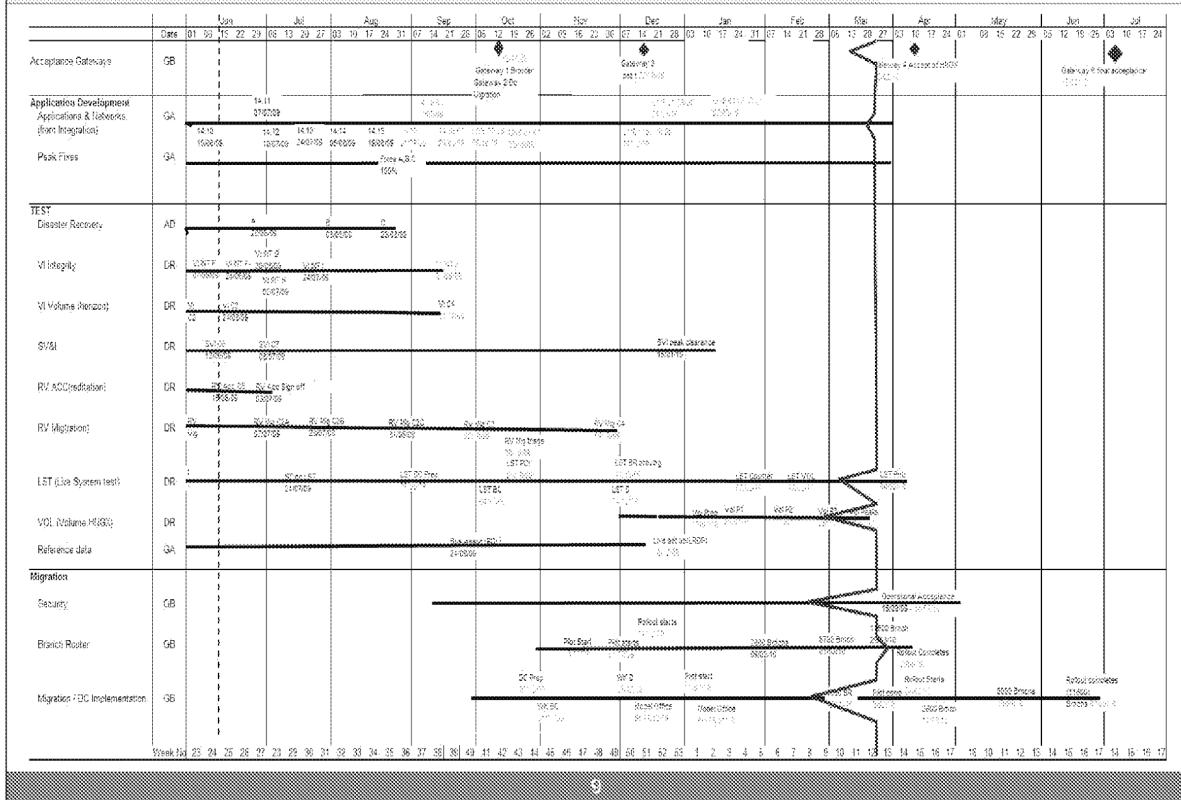
Area	Raising rig	Priority V.High (A)		High (B)		Med (C)		Low (D)		Total		New this wk
SV&I Func	SV&I	0	(-1)	10	(0)	12	(-1)	6	(+1)	28	(-1)	(0)
RV Acc & Mig	RV	0	(0)	0	(0)	1	(-2)	0	(0)	1	(-2)	(0)
V&I	V&I	0	(0)	2	(0)	3	(-1)	0	(0)	5	(-1)	(0)
SV&I NF	SV&I	4	(0)	38	(-1)	35	(-2)	4	(0)	81	(-3)	(0)
NTSS	ST	0	(0)	3	(-1)	0	(0)	0	(0)	3	(-1)	(0)
	LST	12	(0)	94	(+2)	25	(+4)	1	(0)	132	(+6)	(+8)
Other	CIT	0	(0)	1	(0)	0	(0)	1	(0)	2	(0)	(0)
	CTT (Core)	2	(0)	10	(-5)	9	(-2)	6	(0)	27	(-7)	(0)
	LRDP	0	(0)	0	(0)	1	(0)	0	(0)	1	(0)	(0)
	LEV - Live	1	(+1)	3	(0)	1	(0)	0	(0)	5	(+1)	(+1)
	VOL	5	(0)	6	(+2)	3	(+2)	0	(0)	14	(+4)	(+6)
	POL FS	0	(0)	18	(0)	3	(0)	1	(0)	22	(0)	(0)
Total		24	(0)	185	(-3)	93	(-2)	19	(+1)	321	(-4)	(+15)

Defect targeting	Total	
Peak targeted	147	(+12)
Back with QC (Test)	146	(-4)
Not targeted or released	417	(+7)
Total	710	(+15)

Owned By	Total	
Deferred Agreed	388	(+4)
Deferred Proposal	7	(+1)
Test	107	(+1)
Development	207	(-6)
Grand Total	321	(-4)
Subset of total with POL	8	(0)
Subset of total not PEAKs	18	(-1)

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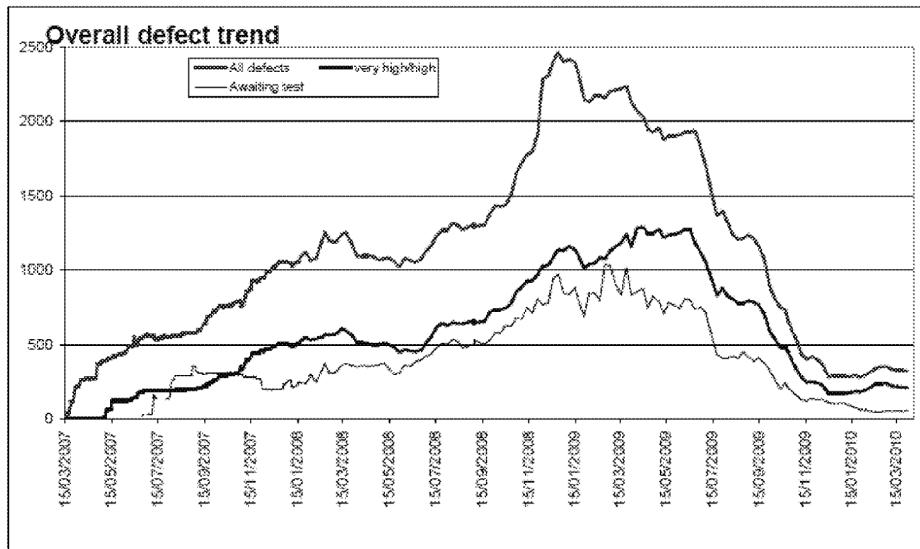
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Customer Status

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Measurable	RAG Rating	Comments
Time	Red, the working rollout plan currently extends into June	The Horizon Online application is running in 608 branches. Medium Volume Pilot halted for 2 weeks following Branch database issues in live 03/03/10 – 05/03/10. Restarted on 18/03/10, and High Volume Pilot started 25/03/10 but migrations suspended for 26/03/10 after live outages. The final rollout profile continues to be assessed by the Programme and Service teams and remains subject to approval by the Internal and Joint Release Authorisation Boards.
Cost	Amber	Reverted to Amber (from Green) due to likely over-run of programme and additional costs incurred.
Quality	Red	National Federation of Subpostmasters complaining over outages on 26/03/10. Loss of confidence after last 2 weeks had shown improvement in live stability.

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Risk Profile

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HNGX Risk Profile

£k / Month

	Jan-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10
□ Rollout	£0	£480	£118	£173	£173	£173	£298	£298	£245	£210	£263	£263	£263	£263
▨ Pilot	£2,265	£181	£171	£144	£93	£81	£420	£420	£280	£193	£210	£211	£211	
▨ Test & Migration	£6,120	£2,269	£2,042	£2,096	£2,140	£1,822	£857	£457	£283	£114	£78	£66	£66	

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Finance

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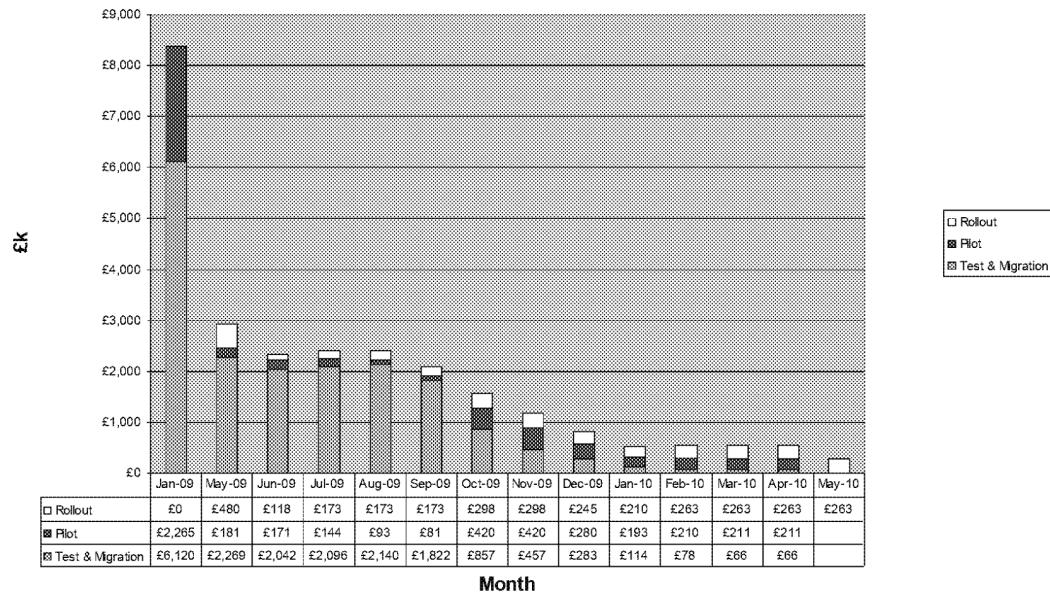
	Agreed CAC (FebFC) £m	Agreed CAC (MarFC) £m	Variance £m	Cumulative Spend to Date (Feb-10) £m	Remaining Spend £m
Development (incl PM & PMO)	48.8	48.7	0.1	48.6	0.1
Test	17.0	17.1	(0.0)	17.0	0.1
Rigs & Networks	4.4	4.4	(0.0)	4.4	0.0
DC Migration & Rollout	3.5	3.3	0.2	3.0	0.4
Contingency	0.5	0.5	0.0	0.0	0.5
Sub-Total	**74.2**	**74.1**	**0.1**	**73.0**	**1.1**
Others (BOM, Expenses, Depreciation)	18.0	18.1	(0.1)	18.1	0.0
TOTAL	**92.2**	**92.2**	**0.0**	**91.0**	**1.1**

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Finance example from HNGX.

Finance - Cost Curve

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HNGX spend Apr-09 onwards

Legend:
- Current forecast
- Baseline (Q3)

£k axis: 72,000 / 77,000 / 82,000 / 87,000 / 92,000

X-axis: Apr-09 May-09 Jun-09 Jul-09 Aug-09 Sep-09 Oct-09 Nov-09 Dec-09 Jan-10 Feb-10 Mar-10 Apr-10 May-10 Jun-10 Jul-10 Aug-10 Sep-10
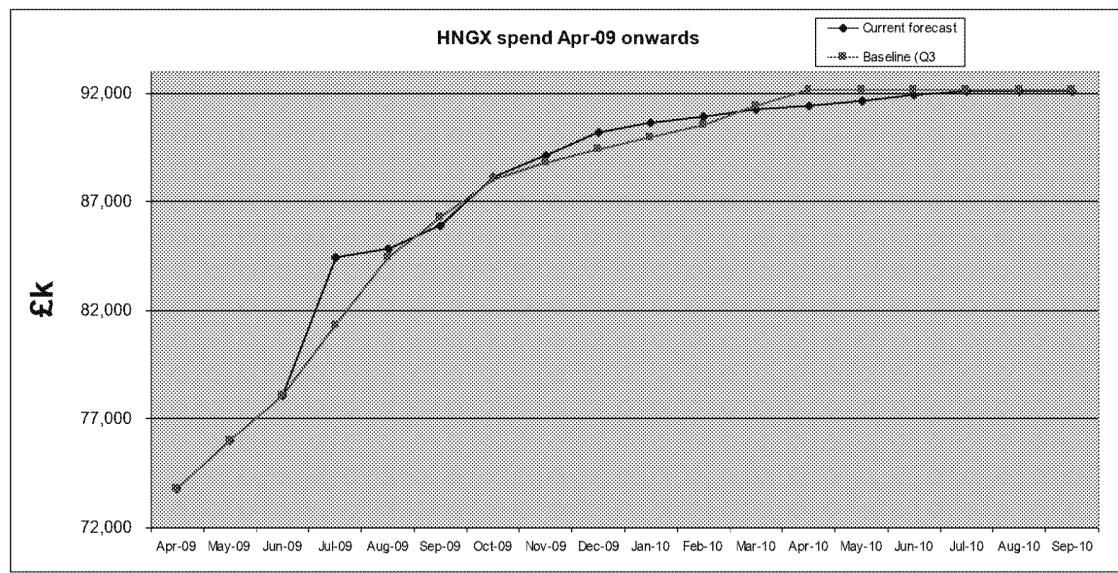
## Summary
•Project commenced July 2006 trend above commences in April 2009
•Increased costs in July relate to Hardware spend which was phased across July and August in the Baseline
•Total Project costs remain on target

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Finance details. Can be a graph (EV for example) or a table, but actual vs baseline must be shown.

Resource Profile

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HNGX R1 Resource Profile

	Mar-10	Apr-10	May-10	Jun-10	Jul-10
Development	4.5	0.0	0.0	0.0	0.0
Infrastructure	3.0	0.0	0.0	0.0	0.0
Migration	22.7	16.2	13.3	6.9	3.8
PMO	2.5	2.5	0.0	0.0	0.0
Programme	0.0	0.0	0.0	0.0	0.0
Test	9.2	6.5	0.0	0.0	0.0

Period

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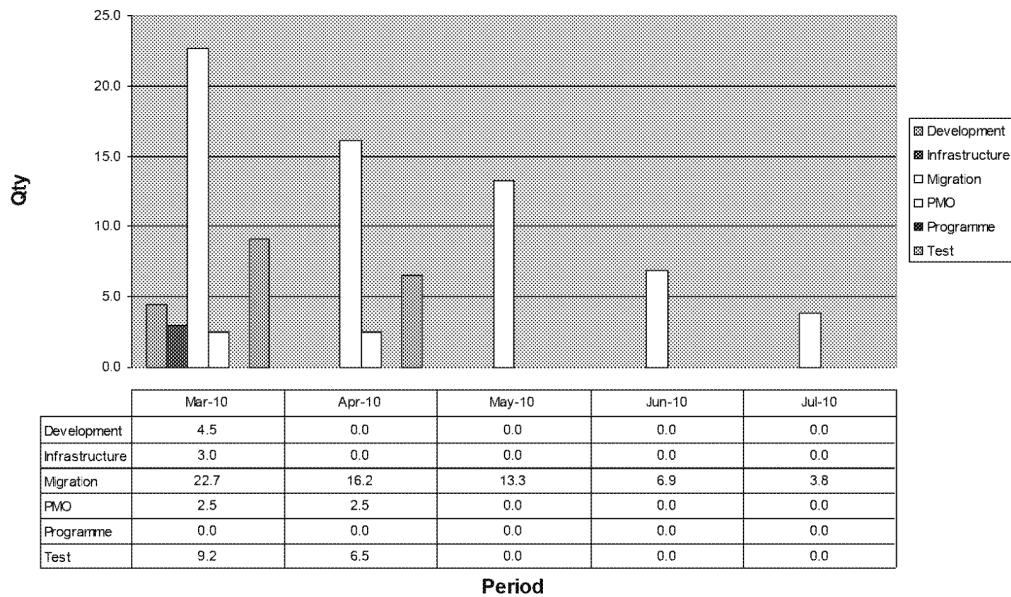
Commercial Milestones

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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 Migratio	05/02/10	08/04/10	
Acceptance	B6.3	Gateway 5 was cancelled			
Acceptance	B6.3	AG6 : End of Live Monitoring	28/04/10	02/07/10	

▪ AG 5 formerly covered update of the Operating Systems

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Milestone RAG status. Should include value.

Commercial & Governance

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- **Client:**
  - Joint Steering Board - held fortnightly with Client Programme Manager and Team
  - Interim Steering Board - held fortnightly with Client Programme Manager and Team
  - 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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Narrative of Governance in place – meetings and reports. Not for Japan pack.

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