

**ICL Pathway**  
*Bringing*  
**Technology**  
*to Post Office*  
**Counters**

**Monthly  
Progress  
Report**



**August 1999**



ICL Pathway

**Programme Monthly Report**Ref: PA/REP/041  
Version: 1.0  
Date: 13/09/99

---

**Document Title:** ICL Pathway Monthly Report - August 1999**Associated Documents:**

	Reference	Vers	Date	Title	Source
[1]	PM/PRO/002	1.0	26/09/96	Pathway Programme - Project Planning, Reporting and Control	

**Approval Authorities:**

Name	Position	Signature	Date
J. H. Bennett	Managing Director		



# ICL Pathway Monthly Progress Report

## Contents:

- 1** Managing Director's Summary
- 2** Development Report
- 3** Commercial & Financial Report
- 4** Customer Requirements Report
- 5** Customer Service Report
- 6** Quality & Risk Report
- 7** Business Development Report
- 8** Implementation Report
- 9** Organisation & Personnel Report
- 1**  Post Office Client Report



# Managing Director's Summary

## Managing Director's Summary

**PROGRAMME PROGRESS**

- National Rollout week 3 started on 6th September with 45 outlets forecast to be installed in the week. It has also been agreed with POCL, that week 4 will proceed with 82 outlets forecast for the week commencing 13th September.
- On 10th September a National Rollout Checkstep Review will take place with POCL to confirm if National Rollout will continue with week 5 and week 6. If it does continue, the agreements reached last week with POCL to schedule the final two weeks of National Rollout for 1999 and to re-schedule week 2 will lead to a forecast of 2481 outlets being installed in 1999 with the 1800 required for the first National Rollout payment part being reached in the week ending 7th November.
- Progress on the above is dependant not only on the 10th September Checkstep but Acceptance being achieved by 24th September. Until that point, additional outlets installed are an extension to Live Trial and at ICL's risk.
- At the end of August, 17,252 Outlets have been entered into the programme via receipt of an RGM letter. 14,457 have been surveyed and 7,453 had finished modification and preparation and were ready for installation. An additional outlet (Borough High Street) was implemented in August following a fire.
- Live Trial has continued with improved stability Acceptance Incident 298 and continued improvement in cash account activities on a Wednesday Acceptance Incident 218 and the performance of the Helpdesk continues to improve Acceptance Incident 408.
- Development of future releases continue with SIP16 (Multiple Cash Accounts and Reference Data Type B changes) on schedule and undergoing Main Pass System Testing. CSR+ is currently broadly on schedule but is being impacted by current activities on AI's. Work contained in the Acceptance Incident [AI] rectification plans will put further pressure on the release and resourcing required to overcome this issue is receiving urgent management attention.

**THE SUPPLEMENTARY AGREEMENT**

- Acceptance was not achieved at the Joint Acceptance Board on 18th August due to POCL's views that 3 Acceptance Incidents remained at High severity, and a further 6 at Medium severity did not have agreed rectification plans.

- Rather than repeat a full second Acceptance Test as provided for in the Codified Contract, it was agreed to deal solely with the outstanding incidents, and any substantive faults which might also arise. The key elements of the Supplementary Agreement are:
- A Limited Trial Period will take place until 17th September during which a programme of joint workshops will seek to produce resolution plans for all outstanding AI's and to create a single timetable for these plans.
- The Expert will act as a facilitator and adviser to both parties to achieve a successful resolution of outstanding issues.
- POCL do have the right to raise other Substantive New Faults during this period under tight conditions with respect to timescales and use of the Expert. They warrant that they are not aware of any Substantive New Faults as at 20 August.
- There will be a pre-meeting of both the Joint Acceptance Board (JAB) and the Release Authorisation Board (RAB) on 21 September at which the appropriateness of proceeding with the planned Acceptance date of 24 September will be discussed.
- The JAB will meet on 24 September and will be followed immediately by the RAB.
- The timetable specified above has been followed by both parties. Although progress has been made on each and every Acceptance Incident, POCL has not yet downgraded the High severity ones to Medium, nor have they accepted our Rectification plans. They have raised two new medium incidents under the Substantive Faults arrangements, which also must have agreed rectification plans.
- An overall assessment of the likely outcome on Acceptance has been conducted and the scenarios studied are outlined below. The 'most likely' scenario maintains that Acceptance will be secured on 24 September notwithstanding the amount of work outstanding and the lack of any further schedule contingency. All ICL Pathway management is focused on managing the risks in this plan.
- The financial implications of these scenarios are covered in the report from the Commercial and Finance Director.

## POSITION ON ACCEPTANCE

### WORST CASE

- Decision on 10 September to stop roll-out after week commencing 13 September
- Roll-out restarts mid-January 2000
- Installed population by end December 1999 is 474 outlets
- Milestone of 1800 delayed until end March 2000

- Pre-JAB defers JAB from 24 September to 15 November
- Acceptance achieved on 15 November

**MOST LIKELY**

- Decision on 10 September to continue Roll-out
- Pre-JAB on 21 September recommends JAB on 24 September
- JAB agrees Acceptance on 24 September
- 1800 milestone achieved by mid-November

**BEST**

- As per most likely

**INTERMEDIATE (BETWEEN WORST AND MOST LIKELY)**

- Decision on 10 September to cease Roll-out after week commencing 13 September
- Roll-out re-starts after 4 weeks
- Total installed outlets by end 1999 is 1200
- 1800 milestone achieved by mid-February 2000
- Pre-JAB on 21 September defers JAB until 8 October
- Acceptance agreed at JAB on 8 October

# Development Report



## Development Report

**MONTHLY SUMMARY**

- The development team continues to divide its time between clearing acceptance incidents that have arisen during the live trial and completing the development of CSR+.
- The POCL Infrastructure team, which is responsible for EPOSS, has had a particularly difficult month as pressure mounted to gain 'Acceptance'.
- The Technical Integration and Business & Technical Conformance Teams have been busy building the hardware rigs necessary to support the testing schedule and completing the detailed test plans and scripting work.
- The SIP16 release, which comprises of enhancements to the cash account and reference data elements, is still on schedule and expected to be operational late October.
- The NUMA interception activities are on schedule and no major issues have been identified to date.
- Although the development and testing of CSR+ is going well, the level of change is becoming a source of concern and needs to be very carefully managed.

**PROGRESS**

- The APS counters and host deliveries continue to be made on or about the planned dates and system testing progress is in line with expectations. The status of the SPM programme between Horizon, POCL and British Gas trading is a source of concern. Meetings are being arranged between the parties but Direct Interface Testing is now at risk.
- LFS development is now complete. Early link testing has uncovered a few minor problems but no significant issues have yet arisen. All CARs have now either been agreed or CCNs are with POCL for sign-off. There are a few concerns surrounding the readiness of POCL (SAPADS) to enter interface testing in October and Horizon have agreed to clarify the situation.
- The POCL Infrastructure team (EPOSS, Reference Data, TPS) is experiencing difficulties maintaining the CSR+ schedule due to the demands being placed on them to support 'acceptance'. The plans are now being reviewed in detail to determine what actions are required.
- Good progress is being maintained with Autoconfiguration, FTMS and Audit even though CSR support is greater than expected.
- The second delivery from the KMS team has been achieved and progress on VPN is in accordance with the plan.

- The final delivery of the enhancements to the Data Warehouse has been received but system testing is running slightly behind schedule. The team is considering recovery options. Work on the Internal Infrastructure (RoDB, Estate Management-OCMS) has been replanned to recover earlier slippage but there is now no contingency.
- We are making good progress with the detailed test plans and script production in B&TC

## **COST DOWN**

- There were no new initiatives in August. In fact, the impact of gaining acceptance and the emergence of several change proposals is putting the manpower resource plans under considerable pressure.

## **CURRENT CRITICAL PROBLEMS**

- As anticipated last month, the problems experienced by the live trial outlets with the Epson back office printer 'hanging' during the production of the weekly cash account became a serious acceptance incident which is proving extremely difficult to resolve.
- Factoring in the additional development work, which has arisen from the acceptance workshops into the current delivery plans, is a formidable challenge.

## **ISSUES**

- The plan for introducing the functionality in CSR+ involved a series of increments to the live system controlled via the normal service management and release authorisation processes. This approach was preferred to reduce this risk of destabilising the system. POCL had not thought this through and are uneasy with the implications on their interface testing. We must work hard to agree a joined up plan.
- The KMS product currently limits the outlet distribution population to circa 600 per week. This places an unacceptable constraint on the implementation of CSR+, consequently design reviews are being held to resolve the issue.
- BT and Energis have indicated that there will be approximately 85 - 100 outlets with no land network connections possible. They are suggesting that we should consider a satellite solution and this is being evaluated.
- We have not yet been able to find an acceptable working solution for the lightweight mobile configurations i.e. those required to be carried and operated in a variety of remote locations every day, approximately 250 of this type have been identified.

- The new contract states that we must 'remove' not simply 'disable' the BPS code. There are a few components where this could present a risk e.g. multi-functioning agents and shared counter elements. This is being looked at in detail and could generate additional work not currently planned.
- There are concerns regarding the performance of OBCS foreign transactions. Although there are several options for resolving this issue, none of the work required is in the plans.
- POCL expect under the terms of the new agreement i.e. time and materials, to closely monitor our resource consumption during the design and development of any new product or service. Their expectations could put a huge burden on the administration resources within our Programme office.

## **COSTS**

- The 1999/2000 forecasts demonstrate that costs are under tight control and subject to regular financial reviews throughout the year.

# Commercial & Financial Report



## Commercial &amp; Financial Report

**MONTHLY SUMMARY**

- No Input

**COSTS**

- The Controller's report follows.

**AUGUST ACTUALS 1999****Project Expenditure**  
(amounts in £m)

	August Actual	Var. from Forecast
Direct Costs	1.4	0.4
Staff Costs and Freelancers	2.9	0.2
ICL Contractors	1.9	(0.4)
Other Subcontract Costs	0.2	
Professional Fees	1.4	(0.3)
Equipment Depreciation	1.4	
Other Opex	0.4	0.1
Interest	0.9	0.1
Total Project Costs	10.5	0.1

**COMMENTS**

- Lower than forecast charges from OSD, some of which are timing variances only.
- Freelancer costs lower than forecast, during holiday period.
- A&TC requested B2B agreement of charges relating to days after the invoice cut-off date; this is normally only done at year-end and half-year stages, and was not forecast.

- SG Financial advice "Success Fee" higher than forecast.
- Lower than forecast marketing and accommodation costs.
- Forecast failed to recognise fully that we now have positive bank balances!!

### "Capital" Expenditure

(amounts in £m)

	August Actual	Var. from Forecast
<b>Tangible Assets:</b>		
Counter Equipment:		
PCs	2.6	
Component Cost Clawback	(2.1)	0.8
CTX Monitors	2.7	(1.8)
Other Counter Equipment		0.2
Network Implementation		0.1
LOUDPE/Support Kit	0.1	0.1
<b>Total - Tangible Items</b>	<b>3.3</b>	<b>(0.6)</b>

### COMMENTS

- Clawback of paid-for component costs was back-dated by Fujitsu.
- Late batch of invoices received from CTX have now been found to include spurious amounts, which will be credited. We may end up with a VAT timing gain.

**Intangibles:**

## Site Preparation/Modification:

WT plc

0.7

0.9

Pearce

0.6

0.1

## Training (Knowledgepool)

0.6

0.1

## Hanging/Distribution

0.1

**Total - Intangible Items**

1.9

1.2

**Total - "Capital" Spend**

5.2

0.6

**COMMENTS**

- Large incidence of credit notes in the month to correct earlier invoicing errors.
- Although these intangibles are now recorded in our books as current expenditure and capitalised as part of Project WIP, they are still firmly supportive of the rollout assets, and indeed are viewed as part of the assets element within the £200m financing by Asset Co. from BOTM/DKB.

**Balance Sheet (OpCo and AssetCo combined)**

(amounts in £m)

	August	
	Actual	Forecast
Tangible Fixed Assets	39.9	39.3
Project WIP	183.9	185.7
Other Working Capital	(17.6)	(16.1)
March 99 Provisions	(67.7)	(67.7)
	138.5	141.2
Share Capital	151.7	151.7
Retained Earnings	(184.5)	(184.5)
Bank Loans	173.1	173.1
Cash at Bank	(23.4)	(21.1)
External Borrowings	149.7	152.0
Group Subsidies	21.6	22.0
Total Borrowings	321.0	326.0
	288.2	293.2

**COMMENTS**

- The VAT refund from Fujitsu on their large July invoice for last-time buy PC components flowed straight through to cash balances in the month.
- The lower project expenditure in August also bodes well for further favourable cash flow variances against forecast in September.
- OpCo now has to live without an overdraft facility, and until the acceptance payment is received from POCL, there will be partial reliance on ICL Group to settle intercompany liabilities on our behalf.



# Customer Requirements Report

## Customer Requirements Report

**MONTHLY SUMMARY**

- Once again the team has been fully committed to the Acceptance activity. At the time of this report we are in the second phase of Acceptance and have reduced the Hot List to eight, two of which POCL are judging as High.

**DETAILED PLAN ACTIVITIES****ACCEPTANCE INCIDENTS**

- Under the terms of the supplemental agreement, POCL were entitled to raise further Acceptance Incidents as “substantive faults” at Medium up to 3/9. In fact they raised only two - 412 and, in outline only, 413.
- Resolved AIs:
- 413: This concerned criticism of the allocation of system incidents to Problem Categories within AI 298, POCL provided no evidential material and eventually POCL withdrew the incident unconditionally.
- 314: Tony H produced further versions of the document specification for the APIs for OPS and TMS and POCL has accepted that Pathway will produce any changes to TMS Agents.
- 372: Dave H, with excellent support from Glen Stephens, found resolutions for all issues.
- 391: Dave J has progressively reduced all the issues and negotiated their clearance with Alliance & Leicester.
- The resolution of disagreements on the severity of those incidents that POCL deemed as Low but Pathway deemed as None has started. There are 39 to be addressed. A significant number will be resolved by Closure, as actions that were in progress at the time of the disagreement have since been completed. This activity has to be completed by 21 September.
- Open AIs:
- There are now two AIs that are still officially deemed by POCL as High:
- 298: The push to clear the most important of the outstanding system incidents has continued. Although there is constant disagreement about the treatment of the figures, a consistent set to week 24 shows steady improvement.

POCL Week	Unauthorised reboots	Authorised reboots	System Incidents
19	561	151	172
20	428	131	182
21	446	125	221
22	381	120	183
23	226	76	173
24	285	83	143

*Note week 23 contained a Bank Holiday*

376: The various root causes of the transaction stream to TIP not matching the Cash Account have been progressively fixed and an additional set of reconciliation controls agreed for introduction by the end of the year. There are still problems in getting POCL

The remainder six AIs are all assessed by POCL as Medium:

218: This concerned, nominally, the Managers' Training and the complexity of Cash Account operations. It was reduced to Medium on 9/9. It has a dependency on ...

408: This related to meeting Help Desk SLAs. The successful introduction from 7-8/9 of the special Help Desk Cash Account domain to handle the peak of Cash Account calls is the final holding factor on this one.

369: This concerns the bar-code reading performance. It has been demonstrated that users treating non-bar-coded books as bar-coded books cause over half of the problems. Special bar-code evaluation equipment has been sourced and is in use from today to assess cases where the printed bar-code itself is suspect.

378: This AI covers cases where not all transactions are brought to account in the outlet Cash Account. The remaining action is a design review of measures to prevent repeated touches/keystrokes affecting Cash Account operations.

211: Receipts and Payments not equal in the double entry. Although this AI was cleared there has been some regression and not all of the new incidents are yet fixed.

412: This concerns timely provision of ad hoc reports. A POCL request for a report of actual transaction times was apparently lost and in any event cannot be supplied at present.

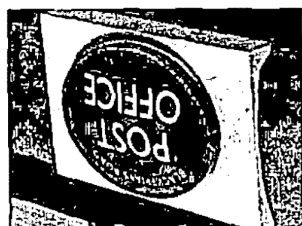
## CURRENT CRITICAL PROBLEMS

- Acceptance continues as the sole critical activity.

## **ISSUES**

- The pressure to drive forward on all actions must be maintained.

# Customer Service Report



## Customer Service Report

**MONTHLY SUMMARY**

- The speed of turnaround required for acceptance incidents is straining the Release Management processes to the limit, however the software distribution mechanism continues to operate well with distributions successfully committing to approximately 780 (out of 820) counters on the first pass.
- High ISDN Charges are a serious problem needing urgent resolution. Daily reports now being produced by Energis show some Post Offices incurring charges greater than £5 per day. Realistically, the charge should be in the region £1.50 per day (£45 per month).
- Performance of Correspondence Servers has been poor with over 20 separate failures. All failures have been addressed, with the exception of blue screening (which is still under investigation) and all Servers are now running normally.
- All SLAs were met in August with the exception of APS day B and Day D, which fell below Minimum Acceptable Level.
- OSD have made some strategic proposals with regard to service improvement. Unless there is significant improvement in their management of the service, Pathway will terminate the current contracts and are actively looking at how this could be accomplished with minimum risk and disruption.

**VITAL STATISTICS**

Installed Base: 321 Post Offices, 819 counters

Total number of OBCS transactions to date	11.8m
Total number of OBCS transactions in August	1.2m
Number of books impounded to date	26,123
Total number of EPOSS Transactions to date	6.5m
Total number of EPOSS Transactions in August	1.9m
Value of EPOSS Transactions to date	£280m
Value of EPOSS Transactions in August	£84m
Total number of APS Transactions to date	860,082
Total number of APS Transactions in August	278,909
Value of APS Transactions to date	£22.4m
Value of APS Transactions in August	£6.7m
Potential fraud avoided to date	> £2.1m

## PROGRESS

### OPERATIONS

- All SLAs were met for August with the exception of APS day B and Day D, which fell below Minimum Acceptable Level.
- Performance of Correspondence Servers has been poor with over 20 separate failures. All failures have been addressed with the exception of blue screening (which is still under investigation).
- OSD have made some strategic proposals with regard to service improvement. Unless there is significant improvement in the management of the service, Pathway will terminate the current contracts and are actively looking at how this could be accomplished with minimum risk and disruption.
- The high ISDN call charges incurred during June are still being investigated. Energis will alert us to any daily charges in excess of £5 from any PO. Urgent resolution is required as spending is now 33% higher than budget.
- Excellent progress has been made on Business Continuity testing. Although there is still much work to do, there are no outstanding acceptance incidents.
- Release management has been extremely active, with OTT, in the release of fixes to the live service in support of acceptance. Performance from SMC software distribution has been good.
- There are concerns with regard to the challenging timescales of the AP Client migration plan. These will be reviewed with POCL.

### SUPPORT SERVICES

- Throughout August, high volumes of calls were received and additional tasks undertaken to support the resolution of Acceptance Incidents.
- Following Correspondence Server problems at the end of July the transactions from 59 Outlets failed to get harvested. All these transactions have now been delivered.
- Plans have been outlined by OSD to improve the Systems Operate and HSH/SMC services that they provide but performance from SMC remains an issue.
- There is concern over the provision of out-of-hours support for APS within A&TC. The arrangements are being reviewed.
- Several OBCS barcode-scanning exercises have been successfully carried out in relation to Acceptance Incident 369.
- A supplementary response to AI408 (Horizon System Helpdesk) was the subject of a joint Pathway/POCL review on 26 August. The proposed actions were broadly agreed.
- Metrics. For information, the previous month is also included.

---

	<u>July</u>	<u>August</u>
Total Calls raised through SSC	496	536
Total Calls closed through SSC	427	529
Total Calls closed by SSC as		
Known Error/Duplicate Call/No Fault in Product	124	159
Total Calls passed to Development	104	140
Total Calls closed by Development as		
Known Error/Duplicate Call/No Fault in Product	44	47

### INFRASTRUCTURE SERVICES

- AI408 – Helpdesk script document now agreed with POCL and issued at version 2.2. SLA targets for August L1 and L2 calls met. Workshops have been held with POCL senior management and resource levels for HSH agreed.
- The MIS team has been stretched this past month due to AI298 requiring HSH call analysis. Extraction of the relevant PowerHelp detail has now been 'automated'. There is concern that we may not be looking at HSH calls in the same way as POCL who seem to identify every system fault as being included within AI 298. Agreement with POCL is needed as a matter of urgency.
- Reconciliation incidents are being turned around in the required timescales, although the volume still remains higher than expected due to changes made to the incident management process between Pathway and POCL.
- Cash Account related reconciliation incidents continue to fall as the LT2 software is refined. The main area of concern is still centred on the performance of the printing process with a high number of calls being received by the HSH.
- Incident management procedures have been revised and agreed with POCL. All TP related incidents, with the exception of file delivery problems, are now being raised as reconciliation calls via the HSH with regular updates provided to TP via the RED process.



# Quality & Risk Report

## Quality &amp; Risk Report

**MONTHLY SUMMARY**

- Acceptance. Much effort has been put into resolving Acceptance Incidents in Security.
- Security. Security Event Management continues to be operated and improved..
- Risk Management. Implementation performance metrics for early roll out are being developed, in order to facilitate any required improvements during the Christmas break.
- Quality. Disaster Recovery plans are progressing.
- Audit. The Implementation Audit report has been issued for comment. Issues that are being addressed include the use and change of data by SSC, and the handling of audit DLTs.
- Y2k compliance. The major areas of work remain support system continuity, particularly in Implementation, and continuity planning.

**PROGRESS****RISK MANAGEMENT**

- NRO Risk Register. This will be migrated onto Predict! during September. Work has begun with Implementation to define performance metrics for roll out, so as to maximise the opportunity for improvement during the 6 week break over December / early January.
- Programme risks. Installation of the Predict! tool completed.

**SYSTEM SECURITY****CSR**

- Effort throughout August has been almost exclusively devoted to resolving Acceptance Incidents. From an initial three, only one Medium priority AI remains [391]. Site visits to Bootle and Wigan have taken place and meetings have been held with Alliance & Leicester, Horizon and internally with Pathway staff to address and satisfactorily resolve these issues.
- Bracknell BSU / MIS users' NT profiles are being changed to reflect the contractual changes.

- SEM monitoring is continuing. A process is being prepared to allow the improvement / refining of event filtering.
- A CP is being drafted to improve the provision of Security Event Management and SecurID administration services from one client.
- The back-up strategy on the Pathway Development Server is being reviewed as numerous Performance related files have gone missing from there.

**CSR+**

- The KMS User Guide for the HSH (POLO) has been issued for review at Version 0.2.

**QUALITY**

- Policies & Standards Acceptance Test. 2 more AIs raised. The grand total is 21, 11 are closed, 2 low and 8 no severity.
- Security Acceptance Test. A summary of the SMH Business Recovery plans was made in response to a raised AI, resulting in closure.
- Disaster Recovery Plans. Plan structure and content continues to be reviewed, for a final update by SMH in September. LDRPS software will be purchased and training conducted during September. A Pathway wide team has been set up to co-ordinate testing and implementing the plans.

**AUDIT**

- Internal audits:
  - Implementation Audit; report has been issued to Implementation for comment. It raised a number of issues, including staff dependencies, lack of system contingency and little process documentation.
  - Change Management. CAP dates have been agreed and distributed for action. Will be reviewed in September.
- Audit Data Use. SSC require access to data over 35 days. The only source of this is the audit DLTs. A legal opinion of ownership of audit data is being sought before we expose this to POCL.
- DLT handling. Processes have not been followed by OSD. After establishing a working group to discuss this (and other issues), OSD has implemented a colour coded DLT cycling approach.

**PROCESS MANAGEMENT**

- Process Development.
  - Development Lifecycle. Still no visible progress in Development – this is now an issue.

- Release Management. More detailed process definition has been presented and the decision taken to appoint a Project Manager to implement – to date no appointment has been made.

## **YEAR 2000 CONFORMANCE**

- The Y2k Business Continuity PID has been updated and issued for comment.
- The first OSD Audit of the desktops for WP2K identified 112 “products” in use within Pathway which were not part of the WP2K baseline. This is a mix of utility software, web access software, development tools, products forming part of the operational systems, and business applications. Compliance statements are now on file for all the significant products.
- Whilst RODB has been tested for compliance there remain concerns regarding the end to end assurance of the hardware configuration systems (RODB, ACDB, Brain Builders, etc.). Y2K testing is forecast to complete mid September.
- Implementation rely upon a number of systems including RODB, ROHD and Activity Tracking Data Base. The latter is specified to use non compliant product versions and there are doubts as to the rigour of testing.
- Two sessions were held with FJ regarding Y2K; the first looked specifically at NT4 SP3 compliance, the second was more broadly based and covered the full scope including residual work to be done on Continuity Planning. No issues have been raised.

## **CURRENT CRITICAL PROBLEMS**

- None

## **ISSUES**

- POCL still expect ICL Pathway to provide Witness Statements, Expert Witnesses and other fraud case and prosecution support.



# Business Development Report

## Business Development Report

**SUMMARY**

- The date and scope of the first Service Development workshop has been agreed with the Post Office Network unit (PONU). This will be the first formal step in agreeing future work packages over and above the base contract. While PONU have agreed a date, they will not attend until we have received acceptance.
- Post Office Network are planning to re-launch Horizon. Again, this will only happen post-Acceptance. We are involved on the periphery and they may ask me to speak at the event.
- Communications is supporting the achievement of the key milestones of Acceptance and National roll-out

**PROGRESS****BUSINESS DEVELOPMENT:**

- DVLA: Meeting has been held with ICL Government to discuss re-tender of IT/IS contract currently held by EDS. We have exchanged knowledge with Post Office account team, and have confirmed that the DVLA PO counter contract will be merged with the IT/IS contract for re-tender. New contract could be worth up to £900m (£70m to 90m p.a. for 7 to 10 years). On that basis we need to approach PO (not through Pathway links) to establish whether a joint ICL/PO bid is a winning proposal.
- Post Office agreement received to ICL Pathway section of ICL's ITT response to National Savings/Siemens Business Systems. Full ICL response submitted through HPS.
- Discussions have continued with Camelot to promote the use of the Pathway infrastructure as part of the next Camelot bid, especially in the light of Post Office joining the Camelot consortium. We will be kept informed of progress by Bob King, ICL's representative in Camelot.
- The National Audit Office (NAO) attended a session in the marketing suite to investigate the history of the project, and in particular the history of activities around the payment of multiple benefits. The session ran smoothly and our input was well received.
- As part of our commitment to the Pathway offices outside of Feltham, a series of presentations were held in the Kidsgrove office to brief staff on the project, the company, and the key messages going forward. This included a demonstration of the counter services. These sessions were well received.

- Joint preparation work for the first post-acceptance Service Development workshop is underway with Post Office Network unit (PONU). An agenda is expected w/b 20 September. This workshop will allow PONU to explain where they are looking to take the Horizon service in the future, and will allow us to explain how we can help them achieve their goals. It will be the first formal step in agreeing future work packages over and above the base contract.
- As part of Network Banking, Post Office is looking to increase their estate of ATMs from 158 to 3,000. Pathway gained PONB agreement to a meeting with ICL Financial Services to investigate what ICL FS could bring to the opportunity. PONB are looking to offer a number of ATM 'concessions' to major banks whereby each bank would get a region where it would be their responsibility to provide and operate PO branded ATMs. Key opportunities for ICL FS would appear to be; (i.) project managing the configuration and installation of all ATMs nationwide, and (ii.) providing ATMs to Bank of Scotland who will be competing for one of the PONB ATM concessions. The ATM activities are not linked to the counter opportunity.
- A demonstration was provided to the Post Office Group IT architects as part of an ICL Pathway briefing session.

## MARKETING COMMUNICATIONS:

### INTERNAL COMMUNICATIONS IN ICL PATHWAY

- Acceptance communication continues to take priority
- 5 more internal demo days have been successfully held – Kid 01 & FEL 01
- Next Brief Encounters will be distributed in early September

### EXTERNAL COMMUNICATION

- Plan for NRO communication completed – even though activities now delayed following the introduction of a new Acceptance phase. Covering MPs, Media, Analysts & internal comms. Still unable to engage the Post Office.
- Tim Cobb from NFSP briefed so that he can communicate news important to us without ICL Pathway being seen to write articles
- MRM's final fee negotiated down - £4000 saving achieved
- Contracts terminate this month with McCann's and Financial Dynamics.

### POCL COMMUNICATIONS.

- POCL review meetings on-going – pleasant but fruitless, although we are involved in their Horizon relaunch activities

**FUJITSU TEAM:**

- Greg Couper continues to act as ICL Pathway interface to the Fujitsu team. This role is working well and is valued by all parties.

**INTERNATIONAL:**

- Deutsche Post have now signalled their agreement to our proposal for a number of consultancy work packages. The first of these will kick off in September. The maximum value of this first set of work packages is c. £200K. There will be a call-off against the contract. ICL Germany will help with providing resource to help with translation.
- The Namibian contract continues as planned. Namibian Post have expressed their satisfaction with progress. The main issue at present is ensuring that ICL Namibia and Namibian Post are positioned to carry on support and future development after the ICL Pathway resources finish.
- CTT Portugal has expressed a wish to visit the UK and learn more about our project. This feels like a 'let's learn about the pitfalls before we hit them' session. Whether this results in business for ICL Pathway is not clear at this time.
- Escher are visiting Singapore and Hong Kong week beginning 6 September. Fujitsu Hong Kong are involved. It appears that FJ Singapore have lost interest in Singapore Post. I am investigating this.

**CRITICAL PROBLEMS**

- None

# Implementation Report



## Implementation Report

**MONTHLY SUMMARY**

- All Implementation programme milestones were achieved during the reporting period and the project remains in a satisfactory state of readiness to start National Rollout. Completion of the installation at Borough High Street has proven ICL Pathways ALPs installation and migration procedures.
- Preparations for National Rollout are progressing well, however some outlets within the installation phase of the programme have been subsequently identified as non-ISDN sites by BT, very late in the programme.
- Concern with Workplace Technologies' ability to achieve RFI to a realistic standard and their capacity for completion of outlets within agreed timescales continues to receive direct and constant action from many members of the Implementation and commercial teams. WT are continuing with the Pathway plan of corrective and preventative actions, but still require constant monitoring. Their commitment to audit and correct all of the first 1800 outlets in the programme continues to be monitored closely.

**PROGRESS**

- Recruitment against the agreed Implementation headcount profile remains on track. Overall team size will reach 104 during September this year out of a budgeted 105. The one member of staff to be recruited is at KID01.
- The infrastructure programme, preparing outlets for installation, continues to make good progress and from this point in the programme onwards the infrastructure programme will source outlets from the suspensions list. A release from POCL of offices previously suspended prior to entry to the programme, has been made, boosting the "stock" of infrastructure outlets. Further releases of outlets from both pre introduction to programme, and in-programme suspends, are being progressed with POCL.
- National Rollout which commenced on 6th September remains the highest priority for Implementation at this time with particular focus on ensuring the programme milestone to install 1800 outlets in early November is achieved. Contingency plans continue to be prepared and applied to minimise aborted installation activity through on-the-day rectification activity using the "man in the van" solution, successfully employed on previous installation phases. Readiness also includes the availability of a workable solution for outlets where the standard Horizon desktop solution is unsuitable. For a large majority of outlets in this category, a trolley solution has been designed. Progress on the trolley solution has progressed with POCL, seeing the final specifications moving towards commitment to CCD status.

**Implementation  
Monthly Report**Ref: PA/REP/041  
Version: 1.0  
Date: 13/09/99

- Borough High Street PO was successfully installed on the 27th August. This ALPS outlet was installed ahead of schedule at the request of POCL, and successfully proved the installation and migration processes for ALPS outlets.
- POCL have now released the first 14 weeks of outlets into the installation. This provides the first "full cut" of installation outlets (14 weeks). The first week of installs commence3d this week with 47 outlets forecast. Installations continue next week with 80 outlets scheduled for installation.
- Training preparation has continue to progress well with all mainstream courses for managers, assistants and HFSOs having been approved. Improvements to these courses have included agreed revisions to training workbooks and Quick Reference Guides which have now been rolled out for future training courses.
- The NRO training programme commenced mid-August with a total trained user population of 1336.
- Implementations have continued to address the clearance of acceptance incident 218. Considerable work has been committed to reduce the impact of this AI. This item is reported on further elsewhere in the overall report.

**INFRASTRUCTURE PROGRAMME**

<b>Implementation Weekly Statistics</b>			
For w/e 3 <sup>rd</sup> September 1999			
Activity	Previous Weeks Total	This Week	Cumulative
RGM letters issued	17252	0	17252
MIB events held	363	7	370
MIB attendees	17208	317	17525
Site surveys undertaken	14457	221	14678
Site re-surveys required	5529	110	5639
Site re-surveys undertaken	5103	100	5203
Site modifications done	3464	79	3543
Site preparations done	7453	226	7679
Sites RFI	7453	226	7679
User Awareness Events held	74	8	82
UAE attendees (No. Offices)*	2157	269	2426

**Implementation  
Monthly Report**Ref: PA/REP/041  
Version: 1.0  
Date: 13/09/99

ISDN lines installed	617	127	744
Training events held*	364	36	364
Trained users*	1302	0	1302
Sites installed	324	0	324
Sites accepted	324	0	324
Offices live on NR2	324	0	324
Current Users achieving MTC	100%		
*No figures available for Live Trial			

**CURRENT CRITICAL PROBLEMS**

- There is only one area of critical concern and this persists from last month. It relates to the number of sites reported by Workplace Technology (WT) as "Ready For Installation" which may still be incomplete despite their reported status.
- WT continued, throughout August, to make progress against the action plan imposed on them by Pathway in June, however progress was still slow. WT have been requested to focus their efforts on the first 1800 NRO sites without losing impetus on the future outlets. Further refinement and steps are being applied to the action plan to ensure that the 1800 are not threatened.

**ISSUES**

- POCL's release of suspended outlets into the Infrastructure programme has eased pressure on the scheduling for the infrastructure phase however there is still a need to continue this release in both introductions to infrastructure, and outlets in process.
- The Rollout database still has a number of software bugs in the current live version 2.5. However actions are still outstanding to clarify status and ownership of all issues. The Implementation team has dedicated a resource full time to the management of RODB delivery to the team, however with a large amount of issues outstanding and the immanent implementation of the Secure Managed Environment considerable work is still required to ensure RODB success.

- The level of outstanding calls with the Rollout help desk has received considerable attention to reduce the volume. The Field management team has been executing an action plan to reduce the level of unresolved calls prior to the commencement of National Rollout. The activity will continue during the commencement national rollout activity.
  - The four regional teams have now completed their office moves to ICL sites, including the IP2 field team working from the ICL office in Kidsgrove.
  - Progress to a completion of the trolley solution as described earlier in this report is important to achieve.
  - Ongoing issues surrounding the Kidsgrove Powerhelp system may result in the commencement of NRO without Powerhelp at Kidsgrove. Installation suppliers are being targeted as priority, but further work is required from OSD to enable Implementation to be fully equipped.
  - A solution to the single counter non-ISDN offices is still awaited. The solution has been awaited for some time and will need resolution as we encounter such offices in the programme.
- 

## **COSTS**

- Negotiations continue with Knowledgepool regarding the true impact of version 12 of the rollout schedule. It is anticipated that this should be concluded during October.
- A baseline budget was submitted for approval at the last financial review.



# Organisation & Personnel Report

2012-2013

## Organisation &amp; Personnel Report

**MONTHLY SUMMARY**

- There was still significant recruitment activity for key vacancies, mostly within Implementation. There continued to be a focus on cost down initiatives with some success especially in filling vacancies from within ICL rather than recruiting freelancers.

**PROGRESS**

- Appointments in August

External Recruits	4
Transfers	1
A&TC	2
Linkwise	0
Freelance	1
Temporary	0
Total	8
- Known joiners

External Recruits	7
Transfers	0
A&TC	2
Linkwise	0
Freelance	0
Total	9
- Offers outstanding:

External Recruits	1
-------------------	---
- Leavers in August

Permanent	3
Freelance	8
Temporary(IT'S)	4
Total	15
- 10 posts were approved during August of which over half were replacements for staff who had resigned or moved on to new roles within ICL.
- 11 offers were made, 70% of which related to outstanding vacancies within Implementation.

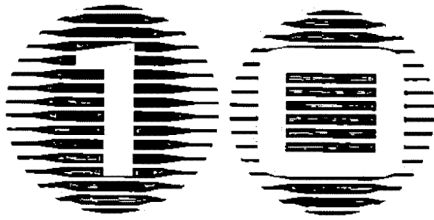
**Organisation & Personnel  
Monthly Report**Ref: PA/REP/041  
Version: 1.0  
Date: 13/09/99

---

- There were 8 new starters, the majority of whom joined the Implementation team.
- Implementation is now almost fully upto headcount. Two key roles were filled in the month (an Implementation Programme Executive and a Training Liaison Manager. There are currently 8 outstanding requirements as follows: 3x PCO's, 3x Help desk Analysts, a Technical Manager (on hold) and a Finance Graduate. The Help Desk Analyst positions are resourced by temporary staff who will be shortly interviewed for permanent positions.
- All managers have been briefed in respect of Y2K working arrangements. This is a follow up to a briefing earlier in the year. Managers will now confirm who will definitely be needed to work and also to be on call over the period.
- Objectives for the Professional Variable Pay scheme are still rather slow in being returned. Managers and employees will continue to be pressed to return the agreed objectives as soon as is possible.
- 40 freelance staff will transfer over from Enterprise Systems with effect from 3/9/99 and the appropriate arrangements have been made to facilitate this transfer.
- The cabling work in D block will shortly be completed and the space will be occupied by ICL Pathway in early September as part of the rationalisation of our space requirements in FEL01.

**ISSUES**

- None



# Post Office Client Report

## The Post Office - Client Director's Report

**MONTHLY SUMMARY**

- As anticipated, the weaknesses in ICL's CRM position precluded achieving shortlist for SPICE.

**MODERN GOVERNMENT**

- Cabinet Office has published its action plan for implementation of the Modernising Govt White Paper; and CITU has published its Govt Portal feasibility study. Neither of these create immediate opportunities and the general pace of development across government remains painfully slow. Post Office are buried in the implications of setting up the new business units and Government Gateway does not appear to be a priority.
- Work continues on developing opportunities around the SmartCard potential, with the current major focus being support for the bid by London Research Centre (forerunner of the new GLA IT dept) for Invest to Save budget to implement a pilot LondonCard.

**CONTACTS**

- A series of meetings have been set up with Electronic Services Business Unit, run by Jim Pang, to explore interests in secure communications including authentication and encryption, in support of potential for ecommerce and smartcards. It is still early days.
- From a meeting with Ken Wright, MD of Corporate Clients business unit, we learn that we have a number of clients in common eg DVLA. We are seeking ways of opening dialogue.

**1999 BUSINESS**

- MC business has held up well, with £1.6m in April followed by £2m in May and June.
- Latest available figures April-June 1999:

DIV	REV	GM
MC	5,536k	442k
Govt	271k	43k
OSD	170k	94k
Pathway	<u>1,045k</u>	<u>581k</u>
TOTALS	7,022k	581k

## CURRENT CONTRACTS

### TECHNICAL RESOURCES SUPPLY/ ICL ONSITE CONTRACT

- The ICL Onsite part of this contract continues to cause problems, with low volumes of low-value orders and continuing OSD difficulties in delivering its promises. Management operation of the Onsite contract has transferred from Govt Division to OSD and we will be reviewing with OSD the future of this contract.

### NEW BIDS

#### SERVICE MANAGEMENT PRODUCTIVITY PROGRAMME (FORMERLY SERVICE MANAGEMENT TOOLS )

- Good progress here with work starting on the Royal Mail East Anglia pilot phase (with initial contract going through the Onsite contract). Initial "Discovery" phase workshops held and some of the material gained from these exercises will also be useful input into the HelpDesk bid.
- Some product requirements around SMS2 will be needed from Microsoft and this was explored at a joint meeting.

### SPICE

- "Securing the Post Office's Integrated Commercial Environment": a broad ranging invitation covering Customer Contact, Customer Relationship Management and data warehousing. Following submission of the RFI response on 11 June we learn we are not selected for shortlist/ITT. This decision arises, as expected, from ICL's lack of track record in the CRM sector. However we will be opening discussions with shortlisted suppliers on the long term value of Horizon.

### HELP DESKS

- The RFI request has been issued for response by 17 Sep. This bid is be owned by OSD.

## COST DOWN

- Suggestions have been submitted for switching off electrical equipment in evenings/weekends.