Automation Transformation Steering Group Meeting
17 March at 2.00 p.m. in Second Floor Board Room, KEB

AGENDA

1.   Improvement Opportunities from last meeting   Paul Rich   2.00 - 2.05

2.   Actions from last meeting   Paul Rich   2.05 - 2.15

3.   "Red Light" Programme Issues   Dave Smith   2.15 - 2.45

    Input: Attached summary from monthly report and verbal update from Dave. Review of issue log and milestone report
    Output: Actions and owners to resolve

4.   Traffic light report review   Dave Smith   2.45- 3.15

    Input: ATSG to review circulated traffic light report.
    Output: Traffic light report updated and confirmed by the ATSG.

5.   Risk register   Elena Marsh   3.15- 3.30

    Input: Review of top risks that have been identified (paper attached)
    Output: Identification of additional actions required

6.   Service Management   Dave Miller   3.30-3.45

    Input: Verbal update by Dave on measures in place to establish service management
    Output   ATSG to note progress on this issue.

7.   Impact of Group initiatives   Wendy Powney   3.45- 4.00

    Input :   Verbal update by Wendy
    Purpose of item will be confirmed prior to the meeting.
    Output   ATSG to note progress on this issue.

8.   Project Assurance   Dave Smith   4.00 - 4.30

    Input :   Background paper to be read before the meeting, Dave to give a short presentation and lead discussion

    Output :   ATSG to agree a model for establishing project level assurance.

9.	Communication and recognition	Paul Rich	4.30-4.40

> Output : To identify areas for communication and target audiences.
> To identify any recognition opportunities.

10.	AOB & meeting review	Paul Rich	4.40-4.45

PLEASE NOTE EXTENDED **MAY** MEETING BY **TWO** HOURS, to start at 1.pm

Next meeting : 2pm on 21 April , Second Floor Board Room, KEB.
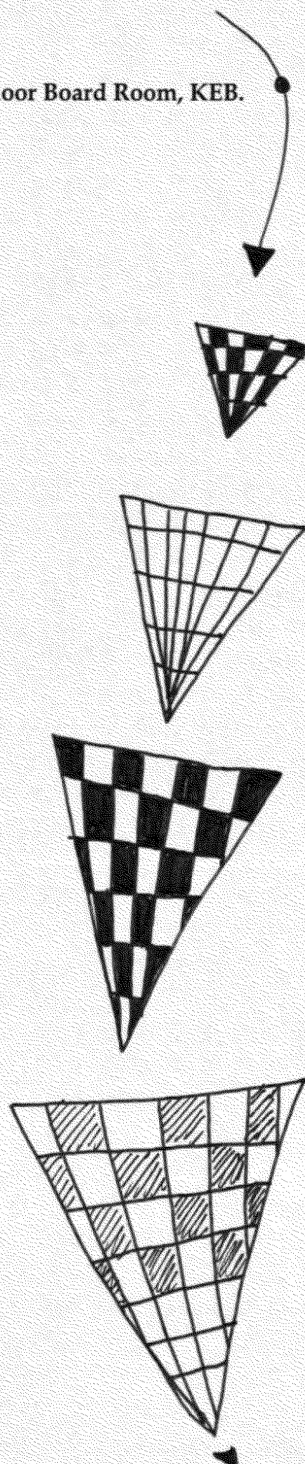
AUTOMATION TRANSFORMATION PROGRAMME

Automation Transformation Steering Group
Notes of meeting on 17 March 1998

Present	Rob Durrant
	Jonathan Evans
	Lesley Lawson (for Dave Morphey)
	Dave Miller
	Wendy Powney
	David Smith
	Basil Shall (for Duncan Hine)
	Roger Tabor
	Dick Wheelhouse
	Elena Marsh (Notes)
Apologies	Duncan Hine
	Dave Morphey
	Mena Rego
	Paul Rich
	Stuart Sweetman
	Paul Thornton
Distribution	As above
	Automation Process Group
	Automation Working Group
	CEC distribution list

Next meeting is 2pm, 21 April in Second floor Board Room, KEB.

Item 1 .Actions from last meeting

See attached Action Point Summary.

Item 2 **Red light programme issues**

2.1 There were three new red light issues

2.2 **1 EPOSS design**

There are significant weaknesses with the current EPOSS design
arising from a variety of reasons related to the initial statement of
business requirements and the degree to which these have been
delivered.

Reasons for the weaknesses fall into three categories:

(a) where the initial requirements have not been met

(b) where the initial requirements do not meet business needs

(c) where the initial requirements are not clearly stated making it
    difficult to establish reasons for non delivery of required
    functionality.

It was noted that a task force of 5-6 people will be working with the
PDA in an attempt to overcome the major issues, but it is too early to
assess whether these efforts will be successful.

Action *A plan is being prepared to address the issue.* Dave Miller

2.3 **2 POCL's process for stating requirements**

There are concerns about POCL's process for stating business
requirements in such a way so they can be unambiguously interpreted
by Pathway,

The immediate concern is the statement of the business requirements
for release 2+ and the Logistics Feeder System (LFS). During the
discussion it was noted that the ADS business case assumes delivery of
the LFS in October 99 and the benefits in the case are reduced by £1m
for every quarter delay.

Action *It was agreed that the TMT would work with ADS to state the* Dave Smith
requirements for LFS. (TMT)

Action *It was agreed that the TMT would report back on progress with* Dave Smith
determining the contents of release 2+. (TMT)

2.4 **3 Resourcing**

There is a big demand for resource with front end knowledge and
demands are not being met in the time necessary to enable programme
requirements to be met, such as testing and business assurance
activities.

Action *It was agreed that resource issues should be filtered to Lesley Lawson* Dave Smith
and Peter Turgoose, stating the numbers required, the skills required
and the timescales.

2.5 One other issue about communication was brought to the ATSG from
the APG. There was concern at the APG that information about the
programme is appearing in the press which is not consistent with
information we produce for the clients, staff and agents and that the
message "there is nothing to say" is becoming increasingly less credible
given this speculation.

It was noted that there is a more positive line being worked on with
ICL.

Item 3   Traffic light report

3.1   The circulated traffic light report was reviewed and the following were noted:
- O8- Release prioritisation process

This will be addressed after the service development plan is produced.

- O16- Pathway to POCL system testing

This depends on interface testing between Interim TIP and Pathway, which is reduced from 8 to 4 weeks, which may cause slippage in meeting the 5/10/98 date.

3.2   It was noted that most of the other traffic lights shown as amber are because of dependencies on O16.

Action   *Dave Miller will give the ATSG a clearer view of Horizon related dates at the April ATSG.*   **Dave Miller**

Item 4   Risk register

4.1   There was one new top risk reported to the ATSG, namely, financial failure of Pathway. It was noted that this risk has increased and covers the current contractual negotiations with Pathway.

It was noted that a contingency proposal is being presented to the CEC by Paul Rich.

Action   *It was agreed that there is a pressing need for a contingency plan to be put in place and that the ATSG should be updated on this at the April meeting.*   **Paul Rich**

4.2   It was noted that risk number 3 ("increased errors") has been increased as this now includes the problems with the EPOSS design referred to in 2.2 above.

4.3   It was noted that the risk of Horizon rollout being delayed was increased and that this was related to Pathway's performance in meeting the initial testing stages timescales.

4.4   It was agreed that a new risk should be added to the register around overdependency on key people. It was noted that a retention approach was being deployed within the IS community and that Jane Livett also had work in hand on this issue more generally.

It was noted that we should draw on any approaches already developed by Royal Mail (if any).

Item 5   Service Management

5.1   Dave Miller gave a short presentation on service management.
It was noted that:
- An interim Service Manager is in place
- The proposed 1998 budget cost of service management would be £1.2m and cover 25 people.
- The proposed 1999 cost would be £1.8m and cover 45 people.
- The service management function in POCL would be working with Pathway to ensure the system is operating effectively.
- The ability to retain staff will be a factor considered in deciding the location of the service management function.

- If service management was required for release 2 in October 98 expedient action would be required in setting it up..
- IT Services will be consulted about their ability to provide part of POCL's requirements.

Action   *It was agreed that there is a need to revisit the 98/99 OPB to ensure that the costs of service management are included.*   **Dave Miller**

Item 6   Impact of Group initiatives

6.1   Wendy Powney gave a presentation on Group initiatives and POCL's alignment to them (slides attached).

6.2   It was noted that in general POCL is aligned to Group initiatives. Specifically:
- POCL single client is consistent with the Group approach
- POCL are leading on the implementation of SAPHR on behalf of Group.
- The TIP Project (& SEMA) will evaluate the commonality of functionality between the TIP & IMP Projects
- The group purchasing project will have little impact on POCL but there is still a need for impact assessment.

Item 7   Project Assurance

7.1   Dave Smith gave a presentation on project assurance which was defined as the independent from the project manager monitoring of all aspects of project performance.

7.2   Project assurance is a requirement of PRINCE 2 and while there are elements of assurance in the projects there is not a consistent and comprehensive approach to it.

7.3   It was noted that project assurance is the responsibility of project sponsors who should introduce it to the project board. The ATSG agreed that all the projects should put in place project assurance, and

Action   *that the project boards should report to the ATSG via the TMT (June 98) with a proposal on the form of project assurance they will introduce.*   **project sponsors/ TMT**

7.4   It was noted that in arriving at an appropriate form of project assurance the costs and benefits of introducing it must be considered.

Action   *It was agreed that the TMT should provide the projects with a core approach to introducing project assurance.*   **Dave Smith TMT**

7.5   It was agreed that Roger Tabor would ask the Chief Internal Auditor to liaise with the TMT to discuss the type of assurance that can be provided by audit.

Item 8   Communication and recognition

8.1   It was agreed that the risk register would not be communicated outside the ATSG.
Janet Topham was recognised for her paper on project assurance.

Item 9   **AOB**

There was no other business.

Meeting review

The meeting was well chaired.

AOB

Item 1 Action point summary after the meeting

Action	Who	When raised	Update
2 Mena Rego was actioned to ensure that the requirement for an additional field within reference data to allow all the changes relating to a single event to be tagged to that event to be addressed so that it doe not cause disruption to the programme.	M Rego	18/11	A change control note has been raised and is being progressed. The commercial issue is being discussed off line. Reference Data need to meet 15 March deadline. Transfer to issue log.
3 The programme plan should: (a) be presented to the ATSG once it has been baselined (January 98). Once the plan is baselined the chosen migration option should be validated. (b) Owners of uncertainties/ dependencies should be clarified to ensure accountability for delivery. (c) The plan should include the new Data Management project (d) include dependencies of outcome of TIP/ Pathway synergy work. (e) track across the plan external commitments/ influences such as Pathway negotiations, TIP commitments to suppliers and commitments to SAP already made. Also to co-ordinate with the plan the Mapec dates for projects re authority.	D Smith	18/11	The approach to delivering a baselined plan was agreed at the January ATSG and this includes (a) to (c). Due to report to ATSG in May. Carry forward to May ATSG. (d) A meeting has been arranged with Pathway for the week commencing 16/3.

4	The ATSG need to understand what the issues around the 3-5 group strands of activity are and how these impact on the automation programme. This to be done by the February ATSG.	W Powney D Smith	18/11	Discharge. See minutes on item 6.
5	The business case and the automation benefits should be revisited to assess the impact of preliminary work performed by Peter Charlton indicating that data will probably not be available within SAPCON until days 3-6, due to the hardware processing time. This could have a big impact on the commitments we can make to clients and also on the viability of the business case.	D Smith	18/11	Further work supports the initial findings that on current project designs sales data will take 6 days to update SAPCON. However it should be noted that a single client, if viable, and the end to end process work would significantly change the timing of data flows. Carry forward to May ATSG.
6	Wendy Powney to discuss with Peter Dent the options around the delivery of POCL MIS.	Wendy Powney	19/12	This will be addressed as part of the work required to produce a baseline plan for May. Carry forward to May ATSG.
7	Stuart Sweetman to nominate an appropriate member of that team conducting the Lottery study to liaise with the TMT to enable impact assessments on the rest of the programme to be performed	Stuart Sweetman	17/2	Carry forward.
8	Dick Wheelhouse to ensure that the EFTPOS project manager liaises with the TMT.	Dick Wheelhouse	17/2	Graham Siswick will be project managing EFTPOS. Discharge.
9	Dave Smith and Paul Rich to discuss how to address the need for conformance and report back to the April ATSG	Dave Smith Paul Rich	17/2	Carry forward to April ATSG.

10 A detailed business case and plan should be prepared to support the single client development to be presented to the May ATSG. The single client plan should does not adversely affect the delivery date for SAPHR (April 99) and the rest of the programme.	Dave Bhamra TMT	17/2	Carry forward to May ATSG.
11 A full feasibility study to be prepared on SAP retail for the May ATSG which may include a business case. The feasibility study should consider: • the group impacts and impacts on customers and suppliers • the risk that there may be insufficient SAP experienced people to support/ develop SAP retail.	Wendy Powney	17/2	Carry forward to May ATSG.
12 A full business case on the end to end design to be prepared for the May ATSG taking into account: (a) the implications on external factors namely, Pathway, BA, subpostmasters and opportunities for negotiation identified (b) the impact of the end to end design on the Horizon roll out plan and the training required	Ruth Holleran Ruth Holleran Mena Rego Ruth Holleran	17/2	Carry forward to May ATSG.
13 A service delivery approach to be prepared for the May ATSG that: • develops a first cut service development plan • develops prioritisation criteria for client take on • identifies the organisation and skills requirement necessary in the service development team	Dave Smith	17/2	Carry forward to May ATSG.

(I)

14 Pathway Lite:		17/2	POCL's minimum requirements of Pathway Lite have been identified and communicated to Pathway.
(a) formal documentation should be obtained from Pathway describing Pathway Lite	Dave Miller		
(b) a statement of POCL non negotiable requirements should be produced for communication to Pathway and BA as a basis for Pathway Lite.	Dave Miller Dave Smith Mena Rego		Formal documentation from Pathway on Pathway Lite will be beased on POCl minimum requirements and is expected in April/ Pathway Lite is on the April ATSG agenda.
(c) there is a need to identify the network impact of Pathway Lite being installed in 3000 offices	Dave Miller Jonathan Evans		
(d) there needs to be a communication on Pathway Lite	Debra Channon	17/2	Discharge. There will be a minimum of communication on Pathway Lite and this will be done within other Horizon communication.
15 A plan will be prepared to address the way the EPOSS design issues will be resolved	Dave Miller	17/3	
16 The TMT to work with ADS to ensure that the LFS requirements are clearly and unambiguously stated	Dave Smith TMT	17/3	
17 The TMT to report back to the ATSG on progress with determining the contents of release 2+.	Dave Smith TMT	17/3	
18 Resource issues to be filtered to Lesley Lawson and Peter Turgoose, stating the numbers required, the skills required and the timescales.	Dave Smith	17/3	
19 A clear indication of Horizon dates to be provided for the April ATSG.	Dave Miller	17/3	

20 The ATSG to be updated on the progress towards a contingency plan for Horizon.	Paul Rich	17/3	
21 The 98/99 budget to be revisited to ensure that the costs of service management are included.	Dave Miller	17/3	
22 The project sponsors to report back to the ATSG through the TMT on their proposals on the form of project assurance they will introduce.	Project sponsors/ TMT	17/3	**Carried forward to June 98**
23 The TMT to provide the projects with a core approach to introducing project assurance.	Dave Smith/ TMT	17/3	

AUTOMATION PROGRAMME

Transformation Steering Group
Progress Report to 17 March 1998

Contents	Page

Attachments

1. Actions from previous meetings

Action	Who	When raised	Update
1 David Smith to discuss further with the interested parties how the ISS resourcing issues can be resolved.	D Smith	23/9	Changes to ISS staff template have been agreed and are subject to finalisation of the template for next year. **Discharged.**
2 Mena Rego was actioned to ensure that the requirement for an additional field within reference data to allow all the changes relating to a single event to be tagged to that event to be addressed so that it doe not cause disruption to the programme.	M Rego	18/11	A change control note has been raised and is being progressed. The commercial issue is being discussed off line. Reference Data need to meet 15 March deadline. **Transfer to issue log.**
3 The programme plan should: (a) be presented to the ATSG once it has been baselined (January 98). Once the plan is baselined the chosen migration option should be validated. (b) Owners of uncertainties/ dependencies should be clarified to ensure accountability for delivery. (c) The plan should include the new Data Management project (d) include dependencies of outcome of TIP/ Pathway synergy work. (e) track across the plan external commitments/ influences such as Pathway negotiations, TIP commitments to suppliers and commitments to SAP already made. Also to co-ordinate with the plan the Mapec dates for projects re authority.	D Smith	18/11	The approach to delivering a baselined plan was agreed at the January ATSG and this includes (a) to (c). Due to report to ATSG in May. **Carry forward to May ATSG.** (d) A meeting has been arranged with Pathway for the week commencing 16/3.

4	The ATSG need to understand what the issues around the 3-5 group strands of activity are and how these impact on the automation programme. This to be done by the February ATSG.	W Powney D Smith	18/11	A meeting has been arranged between POCL IS strategy and the TMT to work through the issues, there will be a report back to the ATSG in March. Carry forward to March ATSG.
5	The business case and the automation benefits should be revisited to assess the impact of preliminary work performed by Peter Charlton indicating that data will probably not be available within SAPCON until days 3-6, due to the hardware processing time. This could have a big impact on the commitments we can make to clients and also on the viability of the business case.	D Smith	18/11	Further work supports the initial findings that on current project designs sales data will take 6 days to update SAPCON. However it should be noted that a single client, if viable, and the end to end process work would significantly change the timing of data flows. Carry forward to May ATSG.
6	Wendy Powney to discuss with Peter Dent the options around the delivery of POCL MIS.	Wendy Powney	19/12	This will be addressed as part of the work required to produce a baseline plan for May. Carry forward to May ATSG.
7	Stuart Sweetman to nominate an appropriate member of that team conducting the Lottery study to liaise with the TMT to enable impact assessments on the rest of the programme to be performed	Stuart Sweetman	17/2	Update at the meeting.
8	Dick Wheelhouse to ensure that the EFTPOS project manager liaises with the TMT.	Dick Wheelhouse	17/2	Update at the meeting.
9	Dave Smith and Paul Rich to discuss how to address the need for conformance and report back to the April ATSG	Dave Smith Paul Rich	17/2	Carry forward to April ATSG.
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11 A full feasibility study to be prepared on SAP retail for the May ATSG which may include a business case. The feasibility study should consider: • the group impacts and impacts on customers and suppliers • the risk that there may be insufficient SAP experienced people to support/ develop SAP retail.	Wendy Powney	17/2	Carry forward to May ATSG.
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13 A service delivery approach to be prepared for the May ATSG that: • develops a first cut service development plan • develops prioritisation criteria for client take on • identifies the organisation and skills requirement necessary in the service development team	Dave Smith	17/2	Carry forward to May ATSG.
14 Pathway Lite: . (a) formal documentation should be obtained from Pathway describing Pathway Lite (b) a statement of POCL non negotiable requirements should be produced for communication to Pathway and BA as a basis for Pathway Lite. (c) there is a need to identify the network impact of Pathway Lite being installed in 3000 offices	 Dave Miller Dave Miller Dave Smith Mena Rego Dave Miller Jonathan Evans	17/2	POCL's minimum requirements of Pathway Lite have been identified and communicated to Pathway. Formal documentation from Pathway on Pathway Lite will be beased on POCl minimum requirements and is expected in April/ Pathway Lite is on the April ATSG agenda.

| (d) there needs to be a communication on Pathway Lite | Debra Channon | 17/2 | Communication issue with Dave Miller. Update at the meeting. |

Say now't

TSG Progress Report   17 March 1998

2.   Key Programme Issues this month

RED LIGHT ISSUES

There are three new red light issues this month. Two will be introduced verbally at the meeting.

Resourcing
There is an increasing demand for resource particularly from regions. These demands are not being met in the time necessary to enable programme requirements to be met, such as testing and business assurance activities.

OTHER ISSUES

Communication
Information about the programme is appearing in the press which is not consistent with information we produce for the clients, staff and agents. The APG is concerned that the message "there is nothing to say" is becoming increasingly less credible given this speculation.

Requirements on ECCO +. *Holleran*

3.   Steering Group Key Issues Log

Id	Last meeting	Issue	Update	Next Steps	Owner
1.	29/7/97	**Horizon re-plan** There is a lack of clarity around the contents of release 2 and its timing. There is no agreed baselined Horizon plan which makes it difficult for the back end automation projects to plan with certainty.	There is an agreed set of dates which has not been converted into a commercial agreement. Not all business requirements will be met by release 2 as currently scoped. A release 2+ is being proposed to meet the necessary requirements thereby enabling contractual acceptance.	In hand o	Dave Miller Mena Rego?
2.	22/4/97	**Group IS Strategy - "TOFFEE"** Proposals from Group for consolidation of SAP systems may have a substantial impact on POCL programme plans.	When clear proposals are received from Group the impact on the POCL automation projects will be assessed. However there are no clear timescales for these proposals to be formulated.	Ongoing.	Wendy Powney
3.	17/2/98	**EMU** Compliance with EMU requirements will have a substantial impact on POCL automation programme. A statement of POCL's business requirements of compliance needs to be produced to enable impact assessment by the systems.	A paper is being presented to the March CEC which will include an appendix detailing a proposal for the conduct of an initial systems impact analysis.		Roger Tabor

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Id	Last meeting	Issue	Update	Next Steps	Owner
4.	18/11/98	An additional field is required within reference data to allow all the changes relating to a single event to be tagged to that event. This is necessary as not all changes to data flows at the same time.	A change control note has been raised and is being progressed. The commercial issue is being discussed off line. The change control note has been agreed in sufficient detail to enable Reference Data to start working towards a technical solution which can satisfy the current release timescales.	Discharge.	Mena Rego

3.1 Issues removed from this report

Id	Last meeting	Issue	Update	Next Steps	Owner
1.	20th May '97	**Central Business Units Implementation** There appears to be a general overload problem, particularly evident in RDC, in resource pressures on TP, and in expediting the migration planning work.	Programme and Business unit plans are now better integrated and as a result there are no immediate issues on resourcing. This will continue to be monitored by the TMT.	Discharge.	
2.	13th June '97	**Scope and boundaries of projects** Debates around migration options, legacy systems ownership, and alternative approaches to handling the balance of functionality between ADS and SAPCON are creating unproductive uncertainty about projects' scope and boundaries.	The route to achieving a baselined plan and thereby clarifying projects scope has been agreed and this will be based on an agreed business process model.	Discharge.	

| 3. | 19 Nov 97 | Resourcing
There are resourcing issues in TP, PRG and IS Services. | Programme and Business unit plans are now better integrated and as a result there are no immediate issues on resourcing. This will continued to be monitored by the TMT. | Discharge. |

4.   Top-level Milestone Report

4.1   Milestones achieved

O4	First 200 offices live (Stream A)	Complete roll-out of 200 offices and lessons learnt for POCL implementation activities	G●	30-Sep-97	30-Jun-97
B3	Automation Business Case	MaPEC business case produced and agreed and restructuring of projects complete	G●	Sept-97	July-97
B4	Programme management structures fully operational	Automation steering groups in place and working well and TMT resourced by POCL employees	G●	Aug-97	
O6	Horizon Congo 4 release authorised	Pathway's BPS service and all BA and POCL activities are ready to be switched on in the 200 live offices	G ●	2-Nov-97	
O5	New BA settlement process ready	Testing and procedure walk-through demonstrates to POCL's satisfaction that new plastic-card settlement process is ready to go live	G●	3-Nov-97	6-Oct-97

Milestones achieved this month

B6	Start of Distribution Pilot	Agreement to proceed with ADS Pilot. Pilot region ready to proceed.	**12-Mar-98**	**26-Feb-98**

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Milestones removed

No milestones removed in this report.

4.2   Milestone report

Key

Traffic light conventions:

Milestones for which dates have not been agreed will have a TBA under the date	no traffic light shown
Milestones for which there are firm agreed dates will show date in bold and underlined	traffic light relates to due date
Milestones for which dates are generally accepted but not yet agreed, dates shown in normal characters	traffic light relates to due date

Key Milestone	Activity Description	🚦	Due Date	Old Date
O7 Regions ready for Horizon	a) National and regional implementation teams in place	G⬤	Jan 99	
	b) Regional plans for supporting task force developed	G⬤	April 98	
O8 POCL Release contents prioritisation process agreed	Release prioritisation process agreed		TBA	30-Oct-97
O16 Pathway to POCL system testing successful	Testing between Pathway and POCL's 3 systems (HAPS -Host Automated Payment System, Interim TIP and Reference Data) completed successfully and indicating that EPOSS and APS well on track	A◎ ℝ	1-May-98	15-Sep-97?

TSG Progress Report   **17 March 1998**

Key Milestone	Activity Description		Due Date		Old Date
O9 EPOSS and AP Services fully tested	PDA demonstrates integrity of Pathway services and POCL's accounting, reconciliation and settlement process	A	5-Oct-98		22-Dec-97
O10 Service management ready	Service Level agreements and service management processes are in place and ready for live trial evaluation for release 2	G	Jan-99		31-Mar-97
O11 Horizon Nile 2 release authorised	a) Pathway's full service and all BA and POCL activities are ready and full service authorised to go live	A	Oct- 98		13-Apr-98
	b) Start of live trial	G	Jan- 99		
O11a Release 2+ authorised	Horizon release 2+ ready for implementation to enable contractual acceptance		TBA		
O12 Live trial complete	Activities to assess the acceptability of Pathway's service complete. Authorisation to proceed with roll-out given.	G	April 99		31-Mar-98
B2 Overall automation programme plan agreed	Plan agreed, including legacy systems interfacing/replacement, to implement migration approach	A	May 98		Jan 98
B5 POCL's overall Test Plan agreed	End to end integration testing strategy defined and end to end UAT agreed to enable 6 month trilateral testing between the projects to commence prior to all back end systems going live.	G	April 2000		Sep-97
B8 Pathway Release 3 live	Pathway Release 3 accepted for go live		TBA		Apr-98
B15 Year 2000	Compliance work complete on all systems	G	Dec-98		NEW

Key Milestone	Activity Description	🚦	Due Date		Old Date
B9 New accounting systems operational	Back end systems ready to operate new accounting + settlement processes.	G⬤	Oct-2000		TBA
B10 Operational TIP operational	Operational TIP developed, tested and ready to replace existing systems		TBA		
B11 POCL-MIS Phase1 operational	POCL-MIS developed, tested, and ready for operation		TBA		
B12 Distribution roll-out complete	Final Cash Centre operating with ADS	G⬤	Nov 99		June-99
B13 Final outlet live	Pathway's service available in every outlet	A◯	Oct-2000		Dec-2000
B14 Migration complete	IS Strategy systems implemented and all legacy systems replaced	G⬤	Dec-2000		TBA

5. Project Highlight Reports

High Level Summary	Last Month	Planned for Next Month
PDA	Work continues to complete the Nile 2 replan. The Release Contents Description (RCD) is expected to be signed off on 3 March. Following workshops held in December and January between Pathway and sponsors it was hoped to finalise the high level plan at the end of January, and from then on to monitor progress against the agreed timescales. Version 3.0 of the Release 2 Pathway High Level Plan was received by PDA on 6 February for review by the 23 February. Pathway have incorporated additional activities into Version 3.0 to make it more meaningful, and it has been revised to bring it into line with CAPS's planned testing activities. The plan was released to sponsors and a meeting between the PDA and Pathway was held on 18 February to review their comments. The PDA working assumption for Nile 2 remains as follows: • Pathway to continue to plan and work towards a 5 October 1998 software release date • Live trial to commence January 1999 • National roll-out to commence April 1999. An additional planning workshop has been held to confirm CAPS/POCL/Pathway plan alignment in the event of fall-back to a January software delivery, and this has highlighted potential additional incremental options between October and January. Progress against the Version 3.0 plan appears to be satisfactory at present. Outstanding issues are managed through the checkpoint process. Fortnightly meetings of the Strategic Implementation Working Group have commenced. The purpose of the meetings, chaired by PDA Implementation Co-ordination, is to review the high level Strategic Implementation plan. This plan, currently being developed, will encompass the key milestones and dependencies of the implementation activities for this release, and which are common across POCL, CAPS and	Pathway have raised the possibility of a Release 2+ to meet contractual commitments. Discussions continue between the PDA, Pathway, CAPS and POCL on the potential options for the timing and content of future releases, and of New Release 2+ in particular. A workshop was held on 11 February to discuss Pathway's initial thinking in this area, and a working group is being formed to progress a high-level plan and definition for the release. The first Horizon Project Board, to be chaired by the Horizon Director, is expected to be held mid-March.

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High Level Summary	Last Month	Planned for Next Month
	ICL Pathway boundaries.	
TIP	• Draft functional specification produced for Operational TIP (Batch) • Draft TIP Migration Options report produced for Operational TIP (Batch) • Draft Technical Options Report produced for Operational TIP (Batch) • Interface specifications reviewed and rework under way	• Sign off of above documents • Start of High Level Design for Operational TIP (Batch) • Start of DIT for Interim TIP
Reference Data	System enhancements in Work Package 1 delivered and in test (testing of reporting database holding up the acceptance). Work Package 2 content baselined; awaiting proposal; work commenced, subject to contract. Item/Outlet approach baselined and data load planning commenced. Change Catalogue data analysis completed and draft circulated for review and comment (inc Pathway). DIT1 testing proceeding to plan, although some contingency has been requested. New Application Server ordered and scheduled for delivery by 3 March. Use of project timescale tolerance approved by Project Board; project extended to end April 1998.	Work Package 1 release accepted and into support. Reporting Database and associated reports implemented. New server implemented in development environment. Contract placed for Work Package 2 release. AIS Version 3.3 data drop to Pathway (31 March).
SAP Con	HR conceptual design and CLOUT proof of concept continues Compec authorisation for SAPHR obtained	HR conceptual design and CLOUT proof of concept due to be completed

ADS	• **PROJECT MANAGEMENT**
	• The COMPEC took place on the 10th of February.
	• **CHANGE MANAGEMENT**
	• The first part of the training package covering keyboard and mouse skills has been issued to the pilot sites. 74 staff trained 92% considering that the package was excellent or very good.
		■ *"Go Live"!*
		■ **CHANGE MANAGEMENT**
		   • Work will continue on the workstation layout.
		   • Develop SAPADS appreciation course(s).
		   • User procedures being developed
		■ **HARDWARE PLATFORM**

High Level Summary	Last Month	Planned for Next Month

	• The CBT training package will be issued Monday 16th February. At least two weeks elapsed time needed to take the pilot staff through the modules.
	• The final phase of user acceptance testing (UAT) has taken place.
	• Classroom training is being designed for managers, and specialist clerks..
	■ **HARDWARE PLATFORM**
	• Work continues on the platform. This is going according to plan.
	• Stress testing is now underway and IT are using this activity to validate their planning assumptions.
	• There has been a lot of activity confirming the IT service costs generated by the Single Client work. It has now been agreed that the two systems will share the OS/390 platform on a proportional basis (not equally). IT have reviewed their service costs as part of this activity. we are now confident that a more realistic set of costings has been agreed.
	• The revised NPV is £ 3·8 m (from £ 8·2)m
	■ **SAP IMPLEMENTATION**
	• UAT completed successfully in terms of process cycle & script sign-off. -
	• Waiting for final sign-off of:
	    - Cash account - planned for 13/2/98 (Chesterfield)
	    - P16 & 20D reports - planned for 13/2/98 (Chesterfield)
	    - CFF reports - draft signed off by UAT 11/2/98
	    - G6301 with Giro.
	• Final preparations for production build in progress.
	• Still on track for 26th February but all activities now on the critical path.
	• Inventory Management organisational analysis completed - recommendations submitted to LBU management (see agenda item)
	■ **PILOT IMPLEMENTATION**
	• The LAN design for the PC configuration has been signed off by the IS Group. This is a tactical solution pending the implementation of the infrastructure strategy next year.
	• Cabling and power installation is completed in Hastings and has commenced in Dartford.
		• Build and populate production environment
		• Complete stress testing
		■ **SAP IMPLEMENTATION**
		• Obtain all outstanding sign-offs
		• Agree with IT & SAP on process to build production
		• Prepare for production build and implementation steps
		• Verify all data load
		• Complete all documentation
		• Prepare all audit reports for monitoring post-"go live" system for 1-2 weeks
		• Hand-over SAPADS to Hastings
		
		■ **PILOT IMPLEMENTATION**
		• Complete installation of Hastings
		■ **DATA LOAD**
		• Complete data load for Pilot

High Level Summary	Last Month	Planned for Next Month
	• Lots of problems ordering the equipment. Overcome but will need to review the approach to this before any future volume purchase are made. ■ **DATA LOAD** • Loading the business data into SAP is making slow but steady progress. • The quality of the business data is variable. • Progress has been slow due to the volumes of data.	
AP Project	Authority to proceed was given by MAPEC on the 11 Feb 98 . The draft project initiation documentation has been produced and the working group and project board are in the process of being established. A letter of intent and APT specification documentation has been sent to Keltek to progress work. The PDA (John Meagher) has been approached to make use of Jeremy Folkes to act as a consultant to the project. An early meeting with the PDA has highlighted that conflict may arise in June and September 98 as surveys and modifications are completed for both Horizon and APT projects. The main issue is that regions will not be able to provide resource for both projects.	First project board and working group meetings. APT specification audited and change control documentation set up and agreed by POCL. Current APT tested for CE approval . Project plan and budgets established and agreed by project board. Terms of reference for Jeremy Folkes agreed with the PDA. Confirmation of offices to receive APT to the regions.
Year 2000	Summary Of Computer System Statistics (as at 20 February 1998) :- High priority / other 118 Retired 18 (National Comms has retired) Compliant (but need testing) 32 Actions deferred 5 Being re-written 4 Transferred to IT 8 (Following ORBIT) To be converted 51 Converted 4 ABED, Bank of Ireland, SIPS, Giro Change Assurance - Process to register and administer the Compliance Assurance of all existing systems plus the current and future developments and enhancements is being set up. This will be reviewed by National Audit.	Schedule of communications activities developed and work in progress to deliver to users by the end of April with advance publicity via "Your Business" and "Talk Back". - Complete a timetable for contacting suppliers and confirming compliance in liaison with the relevant business areas and issue letters by the end of March. - UKPA; CACE(QPA); BBC TV due to be tested in March - Draft UAT plans up to June being agreed with the Users. - National audit to review Compliance Assurance registration process. - Mentoring/guiding key Transformational Projects through the Compliance testing process. - Develop Continuity/Contingency planning in light of Group requirements to deliver in March - Firm up plans for Test Bed use by the end of February - Develop an action plan based on the KPMG recommendations

High Level Summary	Last Month	Planned for Next Month
	- BRAG database now re-loaded and is being updated. The Year 2000 Compliance of Current and Future Developments and Enhancements has been widely distributed **KPMG Health Check** - Interviews completed and draft report received. Actions to be discussed at the February Project Board meeting. **Suppliers** - Ongoing management of Computer suppliers and monitoring progress **EMBEDDED SYSTEMS** **1. Infrastructure Embedded Systems.** Of the 20% of systems subjected to a desk top compliance exercise 8% had a date function and progressed to the next stage of compliance. A two day exercise is planned at which 2000 security assets will be ERA tested. The desk top exercise for all BES Embedded Systems is now completed. Of this total, 30% have no date function and are certified Compliant. **2. Free Standing Embedded Systems.** Progress on arranging testing is going well although manufacturers /suppliers are slow to respond. Both Chubb Alarms and Johnson Security have both indicated non compliance and testing is being arranged to both confirm non compliance and prove the compliance fix (with Johnsons on 24/2/98). This equipment is contained in every Logistics Operational Unit and the work required to establish compliance will need considerable project management expertise if the Logistics Operation is to feel no adverse effect. **3. General processes** - The Property Compliance process for Embedded Systems is to be reviewed at the Project Board - The Compliance Certification process developed for Group-wide use, has been agreed.	
Client Take On	Client workshop held for A & L to identify way forward in light of delays. Formal agreement made to progress Generics Project (including Financial Services Market Analysis) and Service Development Approach (SDA) within ADT. This has resulted in a need within the ADT to refocus resource and	Client workshop for NS. Development of Service Delivery approach, including workshops and interviews. Continued development of Generics Project, including formalisation of

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High Level Summary	Last Month	Planned for Next Month
	identify a tactical plan for client management. Generics - to date plan drafted and informal positioning to Pathway made. SDA - draft plan & terms of reference drafted As still no formal replan announcement, scoping of latest communication to clients has commenced. It is intended that this communication will attempt to manage down the expectations of when the replan will be announced, since it is becoming difficult to constantly advise clients of a date and then backtrack.	plan.
TMT	Completion of work on phasing of the automation programme Presentations to February ATSG on end to end process design, service development and phasing. Workshops/ presentation of end to end process to process owners , business unit leaders. Project business cases reviewed. Draft paper on project assurance prepared. Close working with ISSU for preparation of single client case.	Preparation of assumptions for revisiting of project business cases based on February ATSG decisions Work on single client business case. Translation of the end to end process work into a high level functional specification to enable costing of the case.

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Appendix A   Notes of meeting on 17 February 1998

<div align="right">Actions</div>

Item 1   Improvement Opportunities

Traffic light report to be reviewed at the March ATSG.

Item 2   Actions from last meeting

See attached Action Point Summary.

Item 3   Red light programme issues

3.1   There were no new red light issues. Three issues were brought to the attention of the ATSG, EMU, EFTPOS and Lottery.

3.2   **(1) EMU**
There was concern that this issue does not seem to be moving forward. It was noted that a paper on this subject is to be presented to the March CEC which will include an appendix detailing a proposal for the conduct of an initial systems impact analysis.

3.3   **(2) Lottery**
It was noted that there is a study led by Paul Rayner identifying options and recommendations and that this team is due to report to Stuart Sweetman on 19/2.
Stuart Sweetman to nominate an appropriate member of that team to liaise with the

Action   *TMT to enable impact assessments on the rest of the programme to be performed.*   **Stuart Sweetman**

3.4   **(3) EFTPOS**
The EFTPOS pilot should be integrated with the automation programme.
Dick Wheelhouse to ensure that the EFTPOS project manager liaises with the TMT.

Action   **Dick Wheelhouse**

3.5   It was agreed that all three issues should be added to the issue register to ensure that we monitor their progress.

Item 4   Risk register

4.1   There were two new risks added to the risk register, namely increased errors and lack of conformance, which are further explained on the attached risk register.
It was noted that non conformance is not a new risk to POCL but that the impacts of

4.2   non conformance are greater in an automated environment.
It was noted that
• it may be worth benchmarking with a large retail organisation to see how they achieve conformance
• the retail line must drive conformance
It was agreed that Dave Smith and Paul Rich should discuss outside the meeting how to take this issue forward and report back to the April ATSG.

Action   **Dave Smith Paul Rich**

Item 5   Introduction to presentations

5.1   Dave Smith introduced the presentations by putting them in context of the whole of the automation plan and summarising how the deliverables from each strand of work will affect the programme.

Item 6   Single client

6.1   Dave Bhamra gave a presentation on the single client work highlighting benefits of single client and risks attached to it (single client involves combining the SAPADs and SAPCON systems into one integrated system).
It was noted that:

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- one of the main advantages is the reduction in the costs of building the interfaces and the costs of interface testing
- it reduces the risk of having large volumes of data through the interface
- it increases the impact on the business of system loss, currently if the distribution system goes down the finance system will not be affected from a user's point of view. However the single client is considerably easier to recover as there are no complications of restoring the interfaces and identifying at which point the data flow stopped.
- the SAP system was built to operate as a single client
- single client was not originally pursued due to the lack of a suitably sized platform. However the introduction into commercial availability of the IBM OS390 database server means that a suitable platform is now available. SAP, IBM and IT services all support our single client development.
- as there were risks around the volumes and the system resilience but that advice was obtained from SAP on the volumes etc and the single client can accommodate that
- it is likely that SAP and IBM will provide POCL with expert support as this will be a flagship project worldwide.
- the single client business case will be prepared on an incremental basis from the current project business cases

6.2	The ATSG agreed that the single client is the preferred route for POCL.
Action	*A detailed business case and plan should be prepared to support the single client development to be presented to the May ATSG. There is a need to ensure that the single client development does not adversely affect the delivery date for SAPHR (April 99) and the rest of the programme.*

Dave Bhamra
TMT

Item 7   SAP RETAIL

7.1   Wendy Powney gave a presentation on the functionality of SAP Retail (presentation slides to follow)

7.2   The following were noted:
- SAP retail is an overlay on the existing SAP systems
- The POS system could replace some of the TIP functionality
- SAP retail will need to work on Stock Keeping Unit (SKU) level information to drive out all the benefits
- A BIW (Business Information Warehouse) is available from SAP (with or without SAP retail), which could provide some of the functionality required for POCL MIS

Action   *The ATSG agreed to a full feasibility study being prepared on SAP retail which may include a business case.*
It was agreed that the feasibility study should consider:
- *the group impacts and impacts on customers and suppliers*
- *the risk that there may be insufficient SAP experienced people to support/ develop SAP retail.*

Wendy
Powney

Item 8   End to end process design

8.1   Ruth Holleran gave a presentation on the results of the end to end process design identifying key benefits and impact on the business.
It was noted that:
- if the EPOSS system (which is based on ECCO) is rolled out to all outlets it will cause a threefold increase in errors (this is based on work that has been done comparing the number of errors made by ECCO offices to the number of errors made by manual cash account offices)
- the cost of the staff required to investigate incremental levels of errors is not currently included in the Horizon business case.
- the end to end process design implies a fundamental change to the way POCL currently manages outlets

SG Progress Report

- a change in the legal ownership of cash by the outlets was considered but rejected due to increased VAT costs. The design tries to emulate the behaviours associated with ownership
- the end to end work requires a fundamental change to the front end, using the system to drive data validation
- the end to end process work is consistent with the generics study which was looking at how the front end system can be changed to enable speedy client take on
- a fundamental change to the front end will have an impact on Pathway releases and costs
- the new process will enable the errors made by subpostmasters to be directly linked to their pay, thereby facilitating recovery of monies due to POCL.
- this is yet to be approved by the APG as process owners.

Action	*It was noted that there are a number of external factors that will be influenced by this work, namely, Pathway, BA, subpostmasters and that the implications for these parties need to be carefully considered and opportunities for negotiation identified.*	Ruth Holleran Mena Rego
Action	*It was agreed that the impact of the end to end design on the Horizon roll out plan and the training required should be considered.*	Ruth Holleran
Action	*It was agreed that a full business case on the end to end design needs to be prepared taking into account the above factors. The business case to be presented to ATSG in May.*	Ruth Holleran

Item 9   Service development

9.1   Dave Smith gave a presentation on the current status of service development (see attached slides).
It was noted that:
- there is no overall agreed business approach to take on of clients
- the business case does not include client take on other than contracted for services
- an agreed approach to client take on can be build on the basis of the Bosco work
- Pathway costs need to be considered in delivering this capability

Action	*It was agreed that a service delivery approach will be presented to the May ATSG that:*	Dave Smith

  - *develops a first cut service development plan*
  - *develops prioritisation criteria for client take on*
  - *identifies the organisation and skills requirement necessary in the service development team*

Item 10   Programme phasing

10.1   Elena Marsh gave a presentation on the results of the study on phasing of the automation programme. This would involve delivery of back end projects 6 months after Horizon roll out is completed (April 2001). This study was initiated as a result of the pre-plan review.
The work involved a rework of the business case based on the in built delay and an assessment of the effect on clients and income.

10.2   It was noted that some caution was necessary in drawing conclusions as the veracity of some of the inputs could not be guaranteed.

10.3   Overall the feedback appears to show that whilst there would be some savings in 98/99 and 99/00 the overall business case would worsen and there would be a difficult to quantify adverse impact through failing to meet client expectations.

10.4   It was agreed that phasing of the projects should be seen as an opportunity which may be reconsidered in May but that there was no longer a driver to reduce costs further in 98/99.

Item 11   Pathway Lite

11.1   Dave Smith gave a presentation on Pathway Lite identifying potential impacts on the programme plan (see attached slides). It was noted that the scope of Pathway

SG Progress Report

	Lite was not formally defined yet but that it was a reduced version of full automation.	
11.2	The point was made that Pathway Lite would not deal with offices with no electricity or telephone. It was noted that, were there to be a decision not to automate all offices, this would trigger a full review of the automation programme plan.	
Action	*It was agreed that formal documentation should be obtained from Pathway describing Pathway Lite.*	Dave Miller
Action	*It was agreed that a statement of POCL non negotiable requirements should be produced for communication to Pathway and BA as a basis for Pathway Lite.*	Dave Miller Dave Smith Mena Rego
11.3	The POCL requirements should be based on the design principles used in the end to end process design.	
11.4	It was noted that it would not be cost effective to have two back ends, one to deal with automated and one with non automated products.	
Action	*It was noted that there is a need to identify the network impact of Pathway Lite being installed in 3000 offices.*	Dave Miller Jonathan Evans

Item 12   Summary of the work strands

12.1   Dave Smith gave a summary of the work strands explaining how they will be pulled together into business cases and a baselined plan.

12.2   It was agreed that the SAPHR project should examine the impacts of the project on the subpostmasters contract.

12.3   The following were agreed agenda items for March ATSG:

    Service Management
    Impact of Group initiatives
    Traffic light review
    Project profiles

12.4   April ATSG:

    Service Development
    Pathway Lite
    People/ change Management

Item 13   Communication and recognition

13.1   There needs to be a communication on Pathway Lite.   Debra Channon

13.2   Recognition:
Good presentation on the End to End process review (Ruth Holleran), Single Client (Dave Bhamra) and programme overall (Dave Smith).

Item 14   Meeting review

    +   Meeting well chaired

    +   Good content/ structure of presentations

    +   Good informative January minutes

    -    Progress reports should not contain acronyms

MARCH ATSG

RISK REGISTER

Commentary for information and comment by ATSG

A   New entries

Financial failure of Pathway
This is one of the potential outcomes of current contractual negotiations with Pathway. The business is working on identifying contingency solutions.

B   Increased risks

Horizon roll out further delayed an duration extended
Pathway have issued version 3 of the release 2 plan and after close examination and review by POCL there is a risk that the dates currently in the plan of January 99 for live trial and April 99 for roll out may not be met.
The plan is being further reviewed and contingency solutions based on new roll out dates being identified.

Increased errors
This is a result of the now largely completed work on the end to end process design. The work has identified that currently ECCO offices have a lot more errors than manual offices. The current Pathway front end replicates ECCO functionality and an extrapolation of these errors has indicated a threefold increase when the whole network is automated.

This risk has increased after further work on the impact of the current front end specification on the programme.

C   Non movers-
The rating for these risks have not increased/ decreased because the work being done to mitigate/ manage them is still ongoing. These are expected to reduce once the relevant work strands are completed.

Note:
The ATSG is asked to consider whether there is a need for wide circulation (CEC recipients receive ATSG papers) of the risk register given the sensitivity of some of the risks.

Elena Marsh   12/3/98

RISKS TO BE REPORTED TO MARCH ATSG
Maximum score: 45
Note: Numbers in brackets show old scores
→= no movement
↓= risk reduced
↑= risk increased

Generic risk category	Risk	Potential Impact for Automation Transformation Programme	Action in Place	Owner	Likeli hood	Impact F E P			Scor e	Action planning
1. Financial	Financial failure of Pathway **new entry**	• Lost confidence and reputation • Major cost to POCL of funding capital requirements to continue with automation • Automation not delivered to Programme plan timescales • Project benefits lost • Loss of clients	• Contractual negotiations with Pathway • Deep Pink (contingency planning) group	P Rich	5	3	3	3	45	
2. strategic	Horizon roll-out further delayed and duration extended (from January 99 live trial and April 99 roll out) ↑	a) project impacts • loss of credibility with clients and staff • increase in complexity of cut-over to new accounting and settlement systems b) programme impacts • delays to all projects • benefits not delivered to clients as promised • project benefits lost	• managed through PDA/POCL Horizon arrangements • Contingency plans being developed as part of Transformation programme migration planning • ADS project assessing potential for further decoupling from HORIZON to protect benefit delivery • realistic timescales for implementation are being fed into the business plans • roll out date agreed by the sponsors	D Miller	(4)ˑ (3) 5	3	3	2	(32) (24) 40	• aligning of programme with account teams client taken on plans • management of communications • further review of plan • identification of contingency solutions

03/13/98

ASSURANCE ON THE AUTOMATION PROGRAMME

PROJECT ASSURANCE.

PRINCE 2 METHODOLOGY

Project Board Members do not work on the project and must place a great deal of reliance on the Project Manager who is responsible for reporting progress. However it is the Board that bears overall responsibility for the Project being delivered on time, in full and to budget and there is therefore a need within the Project organisation for independent monitoring of all aspects of the projects performance as a safeguard. This is project assurance.

Under Prince 2 Methodology project assurance functions should be identified by the Project Board at the Initiation stage of the Project so that resource usage and costs can be managed.This requires an analysis of what aspects of the project need to be assured. Within Prince a range of these are suggested but significant ones are likely to be:-

* Adherence to Business Case
* Adequate liaison with and instruction of the Supplier
* Risk Management
* Compliance with Business standards (Quality,Security, Technical).
* Compliance with legislation
* Technical assurance
* Fit with Programme/Business strategy
* Requirements v Solution management.

There is no stipulation of how many assurance roles there should be. These will vary according to the size, complexity and nature of the project.

Having decided in what areas assurance is required Project Boards should determine how that assurance will be given. For example a suppliers work standards could be assured through a requirement for ISO

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9001 certification. Financial assurance through scheduled audits, technical assurance through use of an independent technical contractor.

Project Assurance roles can be delegated; however the work should be commissioned and supervised by one or more members of the Project Board as the Project Board retains accountability. Any delegation should be documented and Assurance issues should be a Board agenda item. The overall abiding principle is that *the Project Board cannot delegate any of its assurance responsibilities to the project manager.*

CURRENT STATE OF PROJECT ASSURANCE ON AUTOMATION PROJECTS.

Prince methodology is not fully deployed across POCL and many of the current projects were set up before Prince was introduced as the methodology of choice. The scoping exercises described above expected of Project Boards have therefore not been carried out and there is no Project Assurance in place being managed independently at Board level. This means that the Project Boards are not getting independent opinion about the health of their project against pre-determined criteria.

The consequences of this lack of independent control has already been demonstrated by the need to initiate the Reference Data Enhancement Project after the Project Board had accepted a hand over document which overstated the level of completeness of the project. When taken into service it was found that the original project deliverables were not complete nor fit for purpose and that the project had not delivered its original objectives.

QUALITY SYSTEMS AND QUALITY ASSURANCE.

PRINCE 2 METHODOLOGY

It needs to be understood that Project Assurance and Quality Assurance are different. Within projects Quality is a matter of assessing what it is about the projects component products that makes them fit for purpose and measuring the development and production against those defined

requirements. This should operate at a lower level and in a different way to Project Assurance. Under Prince 2 methodology the following component should be established within the project environment encompassing all the project management activities:-

*   A Quality System.

    This is an organisation structure and procedures which implement the management of Quality within the project.

*   Quality Planning.

    This establishes the objectives and lays out the activities necessary to ensure that customer requirements are established for each product and measurement put in place. This should be done at project initiation and the Quality plan should be part of the overall project plan so that progress can be monitored by the management team.

*   Quality Control.

    This is the means of ensuring that products meet the agreed criteria through some form of examination, the nature of the examination depending on the nature of the product.

*   Quality Assurance.

    This is the deployment of the totality of the Quality System and is the means of ensuring that the end products meet customer requirements.

CURRENT STATE OF QUALITY ASSURANCE ON AUTOMATION PROJECTS.

Each of the projects has established what is mostly being described as Quality Assurance. Approaches range from the employment of specialist expertise in a Quality Assurance role to oversee the work of the supplier, through the use of the the suppliers own Quality Assurance process, to internally managed walkthroughs and reviews as part of the sign-off process.

Across the projects however:-

* There is no common approach to Quality Assurance and a lack of
  common definition of what this should comprise evidenced by the fact
  that all the projects are doing it differently. This is probably because
  there is no consistent deployment of Prince, and prior to the
  introduction of Prince there were no laid down Business standards
  which projects were required to follow.

* It is likely that overall there is insufficient Quality Assurance
  on any of the projects. This assumption is based on the premise that as
  between them the projects have identified a range of potential areas
  to assure, but none of them have identified or are assuring all of them
  when the projects are mostly similar in nature.

PROGRAMME ASSURANCE.

There are some activities being carried out by the Transformation
Management Team which are providing elements of Assurance.

* The end to end work is, amongst other things, assuring that the
  combined systems being automated will deliver transactional
  integrity.

* The technical integrity work being carried out is ensuring technical
  compatibility across the programme and considering overarching
  requirements such as contingency.

* Migration planning and programme planning are providing co-
  ordination and linkage between the projects; and

* Business Case management is providing financial management
  of the overall Programme.

This overarching control is however focused on secure deployment of

the totality of the combined systems with the ultimate aim of ensuring that end to end Business processes remain intact through the migration stages and into steady state. It does not constitute project assurance.

THE WAY FORWARD

Quite a lot of water has already gone under the bridge. If Project Assurance is to be instated at this point a series of activities will now need to be carried out:-

* Project Boards will need to perform the retrospective exercise of identifying key elements to be assured on their projects.

* They will then need to agree on how this assurance will be obtained, take individual or collective responsibility for putting it in place independent of the Project Managers and make budgetary provision. If the budgerary requirements are significant across the Programme the ATSG will need to commit funds at a Business level and costs will need to be taken into individual project, and the automation programme, business cases.

* Boards will then need to ensure that progress is reported back at Board level and take action where projects are not meeting standards.

As the Projects are similar in nature, i.e. they are mostly large technical infrastructure replacement projects this would imply that a common set of Assurance requirements could be determined. There may be some merit and economy of effort in establishing a Business standard for technical projects for the projects to implement as a minimum.These should be developed and introduced by ISSU.

Once individual Project Assurance expectations have been set by project boards there are two possible approaches to instating this within the Programme.

* Conformance to Prince, with Project Board members taking direct responsibility for supervising Assurance work.

* Given the number of Projects and the other commitments of Board members to devolve control of Assurance activity into the Programme Management environment. It would remain the responsibility of individual Boards to define their requirements and make budgetary provision and take action in relation to their Projects in the light of results. This partially devolved approach would be consistent with the rule of keeping Project Assurance independent of Project Management.

* If conformance to Prince is required of the individual projects, Project Boards will need to invite individual project managers to review Quality Systems within their domain and report back to Project Boards on their level of conformance and measures necessary to achieve complete conformance. Project Boards will need to decide upon the adequacy of arrangements in place and agree action if these are insufficient. Alternately, Project Boards may wish to commission independent reviews as part of their own Assurance activity.

THE BENEFITS

The advantages of introducing improved assurance procedures are:-

* Financial.

Although there will be increased cost in the short term, financial savings will be made in the medium to long term as the cost of corrective action, as exampled by the Reference Data Enhancement Project will not be necessary. This is effectively the Cost Of Quality (i.e. the cost of not having it) and it cannot be quantified.

* Conformance.

If the Business wishes projects to use Prince 2 it should support and encourage deployment of it.

* Systems Integrity.

The suite of projects making up the Automation Programme is simultaneously replacing and redesigning all of the key elements which

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comprise the operating process and accounting systems of the Business. If any of these are not fit for purpose, the whole may not function adequately. There could be significant damaging consequences for the Business as a result.

* Overall programme delivery

The projects have a range of mutual dependencies and the synchronisation of them is essential for delivery of benefits and successful migration management. Quality failures lead to delay; delay to one project could lead to delay of the whole programme.

Janet Topham
TMT
9 February 1998

Fit with Group IS Strategy
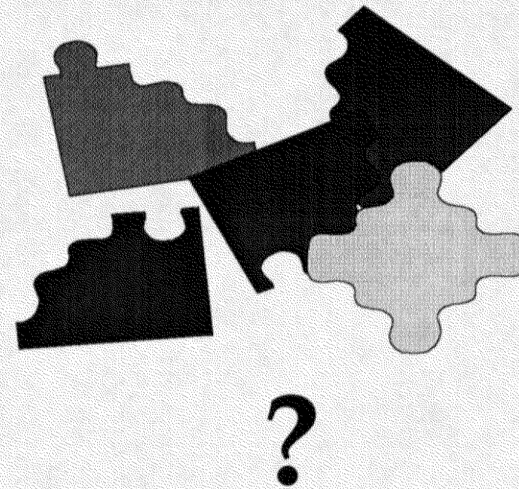
Wendy Powney

Head of IS/IT Strategy
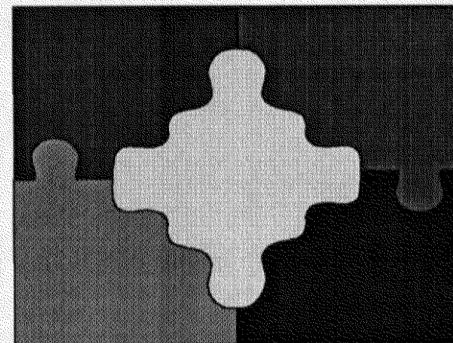
POST OFFICE

Post Office Counters Ltd

Slide 1

POCL Single Client

- POCL Single Client Feasibility Study endorsed by the ATSG
- Business Case in progress encompassing SAPCon, SAPADS & SAP HR
- SAP Retail to be included as future part of the Single Client analysis
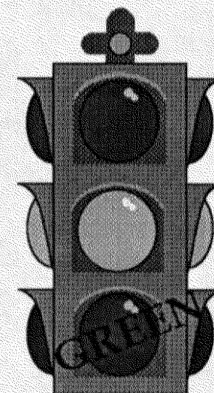- Initial outcome approved by Group

POST OFFICE

Post Office Counters Ltd
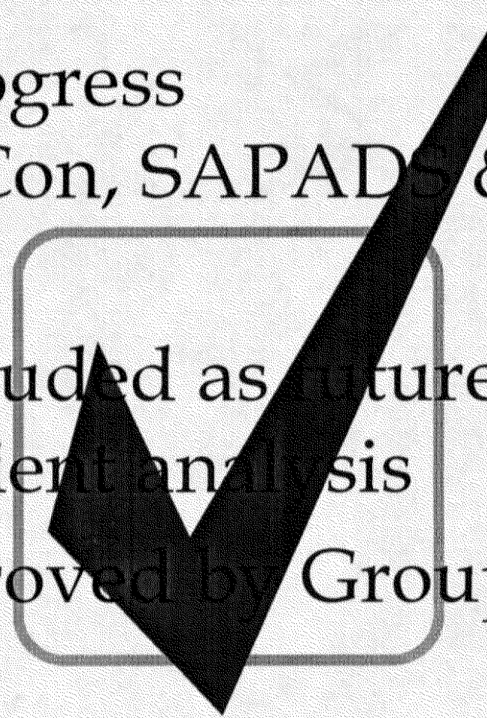
Slide 2

Group Single Client

- Group IS have created a vision for a business-wide Single Client:
  - POCL, SSL, POSG and PF
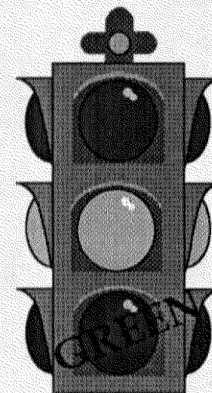- Directional piece of work being presented to the TSSG today

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Slide 3

SAP HR

- POCL to lead the SAP HR Project on behalf of Group
- Scope agreed with Group HR
- Implemented by April 1999

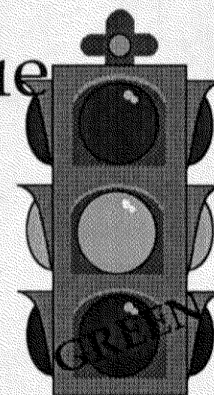POST OFFICE

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Slide 4

TIP/IMP

- TIP Project (& SEMA) agreed to evaluate the commonality of functionality between the TIP & IMP Projects

- Strategic technical design principles must be followed to support both POCL &Group Value Added Services requirements:
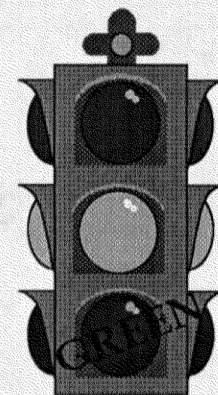 - Hub and spoke architecture

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Slide 5

Purchasing Project

- 1st phase - to place all contracts through SAP

- 2nd phase - to perform all purchasing through a single Post Office wide system

- 3rd phase - to switch off purchasing within the businesses

- POCL impact assessment to be completed - although likely impact is small

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Slide 6

To Summarise

- POCL are working closely with the Group IS Strategy Team to ensure alignment to and co-ordination with Group IS requirements
- Long term plans being developed

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Slide 7