POL00028118

RESTRICTED - CONTRACTS

SECRETARY OF STATE FOR SOCIAL SECURITY

- and -

POST OFFICE COUNTERS LTD

- and -

[name of the CONTRACTOR]

INFORMATION TECHNOLOGY SERVICES AGREEMENT FOR BRINGING TECHNOLOGY TO POST OFFICES AND BENEFITS PAYMENTS

Bird & Bird
90 Fetter Lane
London
EC4A 1JP

Tel: GRO
Fax: GRO
Ref: HRS\BPOCL\001\AGR\AGREEMEN\UMBRELLA.ITT

POL00028118

RESTRICTED - CONTRACTS

INFORMATION TECHNOLOGY SERVICES AGREEMENT FOR BRINGING TECHNOLOGY TO POST OFFICES AND BENEFITS PAYMENTS

Table of Contents

Clauses	Page Numbers
RECITALS	1
PART 1 : INTRODUCTION	3
Clause 101. Contract Structure	3
Clause 102. Interpretations	11
Clause 103. Severability	13
Clause 104. Law and Jurisdiction	14
Clause 105. Entire Agreement	14

POL00028118

Clause 106. General Principles 14

PART 2 : PERFORMANCE OF SERVICES AND SUPPLY OF PRODUCTS 15

Clause 201. Performance of Services 15

PART 3 : CONSIDERATION 19

Clause 301. Charges 19

Clause 302. Value Added Tax 20

PART 4 : DEVELOPMENT AND IMPLEMENTATION OF STEADY STATE SERVICES 20

Clause 401. Development Services 20

Clause 402. Operational Trial 21

Clause 403. Roll Out of Service 26

Clause 404. Roll Out of Steady State Services 28

POL00028118

PART 5 : OWNERSHIP, LICENCES AND RISK 30

Clause 501. Ownership of Intellectual Property Rights in the design of the Service Architecture 30

Clause 502. Licences to use Intellectual Property Rights 30

Clause 503. Databases 31

PART 6 : CONTRACT AND SERVICE MANAGEMENT 32

Clause 601. Monitoring 32

Clause 602. Management Interfaces and Services Management 32

Clause 603. Communications 32

Clause 604. Transfer and Sub-Contracting 35

Clause 605: Time 39

Clause 606. Confidentiality 45

POL00028118

Clause 607. Health and Safety Hazards 49

Clause 608. Protection of Personal Data and Social Security Administration Act 50

Clause 609. Publicity 51

Clause 610. CONTRACTOR's Personnel 52

Clause 611. Waiver 54

Clause 612. Access to Premises 54

Clause 613. Security Requirements 55

Clause 614. CONTRACTOR's Key Personnel 55

PART 7 : WARRANTIES AND STANDARDS 56

Clause 701. Authority and Approval 56

Clause 702. Performance of Services 56

Clause 703. Performance of Products 57

POL00028118

Clause 704.	Intellectual Property Rights	58
Clause 705.	Industry Standards	59
Clause 706.	Statements and Representations	59
Clause 707.	Disclaimer of Implied Terms	59
PART 8 : REMEDIES		59
Clause 801.	Audit	60
Clause 802.	Liquidated Damages and Delay	63
Clause 803.	Additional Resources	64
Clause 804.	Recovery of Sums Due	65
Clause 805.	Intellectual Property Rights Indemnity	65
Clause 806.	Remedies Cumulative	70

POL00028118

Clause 807. Alternative Dispute Resolution Procedure 70

Clause 808. Liability 73

Clause 809. Injury to Persons; Loss of Property 74

Clause 810. Limitation of Liability 75

PART 9 : TERM AND TERMINATION 80

Clause 901. Term 80

Clause 902. Termination of AUTHORITIES' Agreement 80

Clause 903. Rights on Termination of AUTHORITIES' Agreement 87

Clause 904. Transfer Services 93

PART 10 : MISCELLANEOUS 93

Clause 1001. Corrupt Gifts and Payments of Commission 93

Clause 1002. Discrimination 95

POL00028118

Clause 1003. Guarantee 96

Clause 1004. Insurance 96

INFORMATION TECHNOLOGY SERVICES AGREEMENT

FOR BRINGING TECHNOLOGY TO

POST OFFICES AND BENEFITS PAYMENTS

Schedules		Clause Reference
1.	Service Environment	703.3
2.	Extrapolation and Transposition of Schedules	201
3.	Assumptions	102.5
A1.	Interpretations	102.1
A2.	Policies and Standards	613, 703.1
A3.	Audit	801
A4.	Contract Management	602, 807.1
A5.	Change Control	101.3
A6.	Charging Structure	301.1
A7.	Acceptance Procedures	403.1
A8.	Approach to Remedies	802
A9.	Contract Termination	904
A10.	Sub-contractors	604.2

POL00028118

A11.	Guarantee	1003
A12.	CONTRACTOR's Key Personnel	614
B1.	Requirements Catalogue	201.1
B2.	Solutions Catalogue	201.1
B3.	Service Levels and Remedies	201
B4.	Double Key Requirements	101.3
B5.	Double Key Solutions	101.3
B6.	Service Infrastructure Acceptance Criteria	403
B7.	Timetable	605.1
B8.	Benefit Encashment Fraud	808
C1.	Operational Trial Objectives	402.2
C2.	Operational Trial Milestones and Plans	402.1
C3.	Operational Trial Acceptance	402.1
C4.	AUTHORITIES' Operational Trial Responsibilities	402.8
C5.	Operational Trial Remedies	802.1

POL00028118

THIS AGREEMENT is made the day of 199

BETWEEN:

(1) The Secretary of State for Social Security, acting through and on behalf of the Department of Social Security and on behalf of the Department of Health and Social Services for Northern Ireland ("DSS");

(2) Post Office Counters Ltd whose registered office is situated at Drury House, 1-16 Blackfriars Road, London SE1 9UA ("POCL");

(DSS and POCL being referred to collectively as "the AUTHORITIES"); and

(3) [name of the CONTRACTOR] whose registered office is at [registered office of the CONTRACTOR] ("the CONTRACTOR").

RECITALS

WHEREAS:

(a) The AUTHORITIES wish to contract for the design, development, integration and establishment of the Service Infrastructure (as defined herein) and for the Services (as defined herein);

POL00028118

(b) On 30 August 1994 the AUTHORITIES placed an advertisement in the Official Journal of the European Communities for the supply of the Service Infrastructure and the Services;

(c) All parties recognise and commit to the overall service objectives of the Related Agreements which can be expressed as:

- a fraud-free method of paying benefits at post offices that is automated, has lower end-to-end costs than the current paper-based process, with continuously reducing overall administration costs year on year;

- extending automation to POCL's other client transactions, its products and its support processes to improve competitiveness, increase efficiency, and to enable greater commercial opportunities for POCL;

- full and speedy reconciliation of benefits payments, with accounting arrangements consistent with recognised accounting practices;

- an improved overall service to the AUTHORITIES' customers.

(d) On 13 April 1995 the AUTHORITIES issued their Statement of Service Requirements to potential suppliers (including the CONTRACTOR) in respect of the supply of the Service Infrastructure and the Services;

POL00028118

(e) The CONTRACTOR submitted its Proposal dated [ ] in response to the Statement of Service Requirements;

(f) On [ ] the AUTHORITIES invited potential suppliers (including the CONTRACTOR) to submit Tenders in respect of the supply of the Service Infrastructure and the Services;

(g) The CONTRACTOR submitted a Tender on [ ]; and

(h) On the basis of the CONTRACTOR's Proposal and Tender, the AUTHORITIES have selected the CONTRACTOR to supply the Service Infrastructure and the Services and the CONTRACTOR undertakes to supply the same on the terms set out below.

NOW THEREFORE IT IS HEREBY AGREED as follows:

PART 1 : INTRODUCTION

Clause 101. Contract Structure

101.1 The Related Agreements

This agreement forms part of a suite of three related agreements between the parties ("the Related Agreements") comprising:

POL00028118

(a) this agreement between DSS, POCL and the CONTRACTOR ("the AUTHORITIES' Agreement");

(b) a separate agreement between DSS and the CONTRACTOR ("the DSS Agreement"); and

(c) a separate agreement between POCL and the CONTRACTOR ("the POCL Agreement").

101.2 Precedence of the Related Agreements

In the event of and to the extent only of any conflict or inconsistency between the provisions of this AUTHORITIES' Agreement and the provisions of the DSS Agreement or the POCL Agreement, the provisions of this AUTHORITIES' Agreement shall prevail.

101.3 Amendments to Clauses and Schedules of the Related Agreements

101.3.1 The provisions of the Related Agreements may not be amended unless such amendment is approved on behalf of the relevant parties at the appropriate levels of authority as follows:

(a) subject to the change control procedures specified in Schedule A5, amendments to the Clauses, Annexes and Schedules of the AUTHORITIES' Agreement must be

POL00028118

approved by the [*specify title*] or his successor on behalf of DSS and by the [*specify title*] or his successor on behalf of POCL and by the [*specify title*] or his successor on behalf of the CONTRACTOR;

(b) except as provided by paragraph (d) below, and subject to the change control procedures specified in Schedule A5, amendments to the Clauses, Annexes and Schedules of the DSS Agreement must be approved by the [*specify title*] or his successor on behalf of DSS and by the [*specify title*] or his successor on behalf of the CONTRACTOR;

(c) except as provided by paragraph (e) below, and subject to the change control procedures specified in Schedule A5, amendments to the Clauses, Annexes and Schedules of the POCL Agreement must be approved by the [*specify title*] or his successor on behalf of POCL and by the [*specify title*] or his successor on behalf of the CONTRACTOR;

(d) any amendment to the Clauses, Annexes or Schedules of the DSS Agreement which conflicts or is inconsistent with the Double Key Requirements in Schedule B4 or the Double Key Solutions in Schedule B5 in whole or in part shall be subject to the approval of all three parties in accordance with paragraph (a) above;

(e) any amendment to the Clauses, Annexes or Schedules of the POCL Agreement which conflicts or is inconsistent with the Double Key Requirements in Schedule

POL00028118

B4 or of the Double Key Solutions in Schedule B5 in whole or in part shall be subject to the approval of all three parties in accordance with paragraph (a) above;

(f) notwithstanding the foregoing provisions of this Clause, but subject to the change control procedures specified in Schedule A5, in the event of a future change in policy by the Government, DSS may release the CONTRACTOR from its obligations to both AUTHORITIES under Clause 106.1 without POCL's approval.

101.3.2 (a) If the CONTRACTOR and DSS agree any amendment to the DSS Agreement without the approval of POCL being obtained to such amendment, and POCL's approval should have been obtained pursuant to Clause 101.3.1(d), such purported amendment shall be invalid, and DSS shall indemnify the CONTRACTOR for all costs and expenses reasonably incurred by the CONTRACTOR as a direct result of such purported amendment.

(b) If the CONTRACTOR and POCL agree any amendment to the POCL Agreement without the approval of DSS having been obtained to such amendment, and DSS's approval should have been obtained pursuant to Clause 101.3.1(e), such purported amendment shall be invalid, and POCL shall indemnify the CONTRACTOR for all costs and expenses reasonably incurred by the CONTRACTOR as a direct result of such purported amendment.

POL00028118

101.3.3 The CONTRACTOR need not agree to any amendment to any Related Agreement if such amendment would place it in breach of any of its obligations under any other Related Agreement.

101.4 Other Changes

Changes in connection with the Related Agreements which do not require any amendment to the Related Agreements may be approved by the parties to the relevant contract, subject to the change control procedures specified therein as follows:

(a) changes under the AUTHORITIES' Agreement may be approved by the [*specify title*] or his successor on behalf of DSS and by the [*specify title*] or his successor on behalf of POCL and by the [*specify title*] or his successor on behalf of the CONTRACTOR in accordance with the change control procedures specified in Schedule A5;

(b) changes under the DSS Agreement may be approved by the [*specify title*] or his successor on behalf of DSS and by the [*specify title*] or his successor on behalf of the CONTRACTOR in accordance with the change control procedures specified in Schedule A5 of the DSS Agreement;

(c) changes under the POCL Agreement may be approved by the [*specify title*] or his successor of POCL and by the [*specify title*] or his successor of the

POL00028118

CONTRACTOR in accordance with the change control procedures specified in Schedule A5 of the POCL Agreement.

101.5 Rights and Remedies of the AUTHORITIES under the Related Agreements

101.5.1 The rights and remedies of each AUTHORITY against the CONTRACTOR under the AUTHORITIES' Agreement are concurrent and may be exercised concurrently or separately by either AUTHORITY with or without the consent of the other AUTHORITY.

101.5.2 Except as provided by Clause 101.5.4, the rights and remedies of DSS against the CONTRACTOR under the DSS Agreement are not concurrent with those of POCL and may only be exercised by DSS.

101.5.3 Except as provided by Clause 101.5.5, the rights and remedies of POCL against the CONTRACTOR under the POCL Agreement are not concurrent with those of DSS and may only be exercised by POCL.

101.5.4 If in the event of Default by the CONTRACTOR under the DSS Agreement, DSS elects not to exercise any of its rights and remedies against the CONTRACTOR under that Agreement, such rights and remedies shall be exercisable against the CONTRACTOR by POCL in DSS's name within three (3) months of such election as if POCL were DSS and the CONTRACTOR shall be

POL00028118

liable to POCL as if POCL were DSS, provided that POCL has suffered or risks suffering direct loss or damage as a result of such Default which is not remediable under the POCL Agreement and provided, further, that the POCL Agreement has not been terminated. In any such action, the CONTRACTOR shall be entitled to the same substantive defences and procedural rights and remedies against POCL as it would have had against DSS if such action were brought by DSS (including the right to obtain discovery from POCL and DSS of those documents in relation to which the CONTRACTOR would have had a right of discovery if the action had been brought by DSS) in addition to those it is entitled to against POCL itself. However, POCL shall not be entitled to exercise DSS's rights and remedies against the CONTRACTOR under the DSS Agreement (a) without first having consulted fully with DSS, or (b) where DSS has settled its own claim against the CONTRACTOR in respect of such Default and POCL has approved such settlement. POCL shall promptly notify the CONTRACTOR in writing of its approval of such settlement.

101.5.5 If in the event of Default by the CONTRACTOR under the POCL Agreement POCL elects not to exercise its rights and remedies against the CONTRACTOR under that Agreement, such rights and remedies shall be exercisable against the CONTRACTOR by DSS in POCL's name within three (3) months of such election as if DSS were POCL and the CONTRACTOR shall be liable to DSS as if DSS were POCL, provided that DSS has suffered or risks suffering direct loss or damage as a result of such Default which is not remediable

POL00028118

under the DSS Agreement and provided, further, that the DSS Agreement has not been terminated. In any such action, the CONTRACTOR shall be entitled to the same substantive defences and procedural rights and remedies against DSS as it would have had against POCL if such action were brought by POCL (including the right to obtain discovery from DSS and POCL of those documents in relation to which the CONTRACTOR would have had a right of discovery if the action had been brought by POCL) in addition to those it is entitled to against DSS itself. However, DSS shall not be entitled to exercise POCL's rights and remedies under the POCL Agreement (a) without first having consulted fully with POCL, or (b) where POCL has settled its own claim against the CONTRACTOR in respect of such Default and DSS has approved such settlement. DSS shall promptly notify the CONTRACTOR in writing of its approval of such settlement.

101.5.6 The CONTRACTOR shall not be liable to either AUTHORITY for any failure to perform or delay in performing any of its obligations to that AUTHORITY under the Related Agreements where the CONTRACTOR proves that such failure or delay has been directly caused by the failure of either AUTHORITY to perform any of its obligations under the Related Agreements. This Clause shall not apply to Clause 808, which shall be governed by the specific rule stated in Clause 808.2.

101.5.7 Before settling any claim by it under the Related Agreements, the relevant AUTHORITY shall first consult fully with the other AUTHORITY. Settlement by

POL00028118

either AUTHORITY of a claim by it against the CONTRACTOR under the Related Agreements shall protect the CONTRACTOR from the other AUTHORITY making a claim in respect of the same Default, provided that such AUTHORITY has approved such settlement. The AUTHORITY approving such settlement shall promptly notify the CONTRACTOR in writing of such approval.

101.6 Obligations and Liabilities of the AUTHORITIES under the Related Agreements

101.6.1 For the avoidance of doubt, the parties acknowledge that nothing in the Related Agreements shall be deemed or construed to create a partnership between the AUTHORITIES, and neither AUTHORITY shall be jointly or severally liable for any of the obligations of the other AUTHORITY under the Related Agreements.

101.6.2 Without limitation to Clause 101.6.1, where any obligation under the Related Agreements is expressed to be binding on both AUTHORITIES, such obligation will be binding on each AUTHORITY individually and one AUTHORITY shall not be liable for any failure by the other AUTHORITY to comply with that obligation.

Clause 102. Interpretations

POL00028118

102.1 As used in the AUTHORITIES' Agreement:

102.1.1 the terms and expressions set out in Schedule A1 shall have the meanings ascribed therein;

102.1.2 the masculine includes the feminine and the neuter; and

102.1.3 the singular includes the plural and vice versa.

102.2 A reference to any statute, enactment, order, regulation or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as amended by any subsequent statute, enactment, order, regulation or instrument or as contained in any subsequent re-enactment thereof.

102.3 Headings are included in the AUTHORITIES' Agreement for ease of reference only and shall not affect the interpretation or construction of the AUTHORITIES' Agreement.

102.4 References in this AUTHORITIES' Agreement to Clauses, Parts, Annexes and Schedules are, unless otherwise provided, references to the clauses, parts, annexes and schedules of the AUTHORITIES' Agreement.

102.5 In the event and to the extent only of any conflict or inconsistency between the

POL00028118

Clauses and Schedule A1 and the Schedules (other than Schedule A1), the Clauses and Schedule A1 shall prevail. In the event and to the extent only of any conflict or inconsistency between the Schedules (other than Schedule A1), the provisions of Schedules 2, A2 to A12, B3, B7 and B8 shall prevail over those of all other Schedules (other than Schedule A1) and the provisions of Schedules B1 and B4 shall prevail over those of Schedules B2 and B5. Notwithstanding the foregoing, if and only to the extent that Schedule 3 expressly states that a particular requirement in Schedule B1 and B4 will be met by Schedules B2 and B5 in a particular form, manner or quantity, or at a particular time or place, the provisions of Schedule 3 will prevail.

102.6 The Recitals are not legally binding, but are intended as a guide to the interpretation and construction of the AUTHORITIES' Agreement.

Clause 103. Severability

If any provision of the AUTHORITIES' Agreement is held invalid, illegal or unenforceable for any reason by any court or regulatory body of competent jurisdiction, such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if the AUTHORITIES' Agreement had been executed with the invalid illegal or unenforceable provision eliminated. In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of the AUTHORITIES' Agreement, the AUTHORITIES and the CONTRACTOR shall immediately commence good faith negotiations to remedy such invalidity. However, if the AUTHORITIES and the CONTRACTOR fail to conclude such negotiations

POL00028118

within a reasonable period of time, the AUTHORITIES' Agreement shall terminate without further liability to any party (subject to Clause 902.7).

Clause 104. Law and Jurisdiction

104.1 The AUTHORITIES' Agreement shall be considered as a contract made in England and according to English Law and, subject to Clause 807, shall be subject to the exclusive jurisdiction of the English Courts to which the parties hereby submit.

104.2 Except as specified in Clause 101, the AUTHORITIES' Agreement is binding on the relevant AUTHORITIES and their successors and permitted assignees and on the CONTRACTOR and the CONTRACTOR's successors and permitted assignees.

Clause 105. Entire Agreement

The Related Agreements constitute the entire understanding between the parties relating to the subject matter of the Related Agreements and, save as may be expressly referred to or referenced herein, supersede all prior representations, agreements, negotiations or understandings with respect thereto, whether oral or in writing, except in respect of any fraudulent misrepresentation made by any party.

Clause 106. General Principles

POL00028118

106.1 The CONTRACTOR will not have the right to seek and arrange for the Card to be used in retail outlets other than in post offices and DSS offices in normal circumstances.

106.2 The CONTRACTOR shall deliver and continue to provide a secure system in respect of all transactions which as far as the Related Agreements require eliminates the potential for benefit payment fraud and any other fraud or unauthorised disclosure of data and provides pro-active detection processes and significant barriers to attacks from internal conspiracy and collusion to defraud the AUTHORITIES.

106.3 The Services and the Service Infrastructure shall be capable of introduction in all post offices.

PART 2 : PERFORMANCE OF SERVICES AND SUPPLY OF PRODUCTS

Clause 201. Performance of Services

201.1 Until transposed in accordance with Clauses 201.4 and 201.5, the CONTRACTOR shall be responsible for meeting the requirements specified in Schedule B1 in the manner specified in Schedule B2 by performing the Services to be more particularly described in the relevant Schedules of the DSS Agreement and the POCL Agreement. The AUTHORITIES shall perform the AUTHORITIES Responsibilities listed in Schedules B2 and B5 and as otherwise expressly specified herein. However, for the avoidance of doubt, and subject to Clause 102.5, the parties acknowledge that the

POL00028118

AUTHORITIES' acceptance of the CONTRACTOR's solutions in Schedule B2 and B5, and their agreement to the service descriptions contained in the relevant Schedules of the DSS Agreement and the POCL Agreement, shall not relieve the CONTRACTOR of its obligation to meet the requirements specified in Schedules B1 and B4, as modified by Schedule 3.

201.2 To support the performance of the Services, the CONTRACTOR shall supply the Service Architecture Design Document in accordance with Schedules B1 and B2 and all other applicable provisions hereof.

201.3 The CONTRACTOR shall be responsible for meeting the Double Key Requirements specified in Schedule B4 in the manner specified in Schedule B5 by performing the Services to be more particularly described in the relevant Schedules of the DSS Agreement and the POCL Agreement.

201.4 Schedule B1 and Schedule B2 shall cease to have effect from three (3) months after execution of the AUTHORITIES' Agreement, provided that Schedules B1 and B2 shall have been transposed and/or extrapolated to the relevant Schedules of the Related Agreements and as specified in Schedule 2. The foregoing process of transposition and extrapolation shall not add to the CONTRACTOR's obligations under the Related Agreements as at the date hereof. Any addition to the CONTRACTOR's obligations under the Related Agreements arising out of such transposition and extrapolation may only be made in accordance with Clause 101.3.

POL00028118

201.5 Schedule B3 shall cease to have effect three (3) months after execution of the AUTHORITIES' Agreement, provided that Schedule B3 shall have been extrapolated into the relevant Schedules of the POCL Agreement and of the DSS Agreement as specified in Schedule 2. The foregoing process of extrapolation shall not add to the CONTRACTOR's obligations under the Related Agreements as at the date hereof. Any addition to the CONTRACTOR's obligations under the Related Agreements arising out of such extrapolation may only be made in accordance with Clause 101.3.

201.6 Schedules 3, A6, B4, B5, B8 and C5 shall be extrapolated into the relevant Schedules of the Related Agreements as specified in Schedule 2, but shall still have effect after such extrapolation. The foregoing process of extrapolation shall not add to the CONTRACTOR's obligations under the Related Agreements as at the date hereof. Any addition to the CONTRACTOR's obligations under the Related Agreements arising out of such extrapolation may only be made in accordance with Clause 101.3.

201.7 The CONTRACTOR and the AUTHORITIES shall use all reasonable endeavours to reach agreement on the extrapolation and transposition of Schedules B1 and B2 and the extrapolation of Schedules 3, A6, B3, B4, B5, B8 and C5 as soon as reasonably practicable after the date of execution hereof.

201.8 In the event that the parties hereto are unable to reach agreement on the extrapolation and transposition of Schedules B1 and B2 and the extrapolation of Schedules 3, A6, B3, B4, B5, B8 and C5 within three (3) months of the date of execution hereof:

POL00028118

201.8.1(a) the AUTHORITIES may at any time up to six (6) months after such failure to reach agreement jointly by notice in writing to the CONTRACTOR terminate the AUTHORITIES' Agreement as from the date of service of such notice or such later date as may be specified therein without further liability other than pursuant to Clause 201.9; and

201.8.1(b) DSS may at any time up to six (6) months after such failure to reach agreement by notice in writing to the CONTRACTOR terminate the DSS Agreement and POCL may at any time up to six (6) months after such failure to reach agreement by notice in writing to the CONTRACTOR terminate the POCL Agreement as from the date of service of such notice or such later date as may be specified therein without further liability other than pursuant to Clause 201.9; or

201.8.2 the CONTRACTOR may at any time up to six (6) months of such failure to reach agreement terminate the Related Agreements by notice in writing as from the date of service of such notice or such later date as may be specified therein to the AUTHORITIES without further liability other than pursuant to Clause 201.9; or

201.8.3 the parties may agree pursuant to Clause 101.3 to extend the period of three (3) months specified in Clauses 201.4, 201.5 and 201.8.

201.9 In the event of termination of the Related Agreements pursuant to Clause 201.8,

POL00028118

the AUTHORITIES shall indemnify the CONTRACTOR for all costs and expenses reasonably incurred by the CONTRACTOR after the date of execution hereof directly in connection with performing (but not tendering for) the Related Agreements (excluding any costs for cancellation of supply contracts for items ordered but not delivered and the CONTRACTOR's overheads in relation to its sites, other than in relation to staff) up to a limit of ten million pounds (£10,000,000) until the end of the three month period specified in Clauses 201.4, 201.5 and 201.8 and up to a limit of one third of that amount for each of the three (3) consecutive additional months (pro-rated for periods of less than a month) for which such period is extended pursuant to Clause 201.8.3, up to a maximum of twenty million pounds (£20,000,000) overall. The CONTRACTOR shall provide documentary evidence in support of all claims hereunder. The CONTRACTOR shall take all reasonable steps to mitigate such costs and expenses including without limitation ensuring that any sub-contract entered into in connection herewith affords the CONTRACTOR rights of termination equal to those enjoyed by the parties under Clause 201.8.

PART 3 : CONSIDERATION

Clause 301. Charges

301.1 Charging Structure

The overall charging structure for the Related Agreements shall be as specified in Schedule A6.

POL00028118

301.2 Variation of Charges

The Charges governed by the overall charging structure for the Related Agreements shall be subject to variation in accordance with the procedures set out in Schedule A6.

Clause 302. Value Added Tax

The Charges are exclusive of Value Added Tax, which the relevant AUTHORITY shall pay to the CONTRACTOR at the rate and in the manner prescribed by law from time to time, subject to the production by the CONTRACTOR of a valid tax invoice giving the requisite details of the taxable supply.

PART 4 : DEVELOPMENT AND IMPLEMENTATION OF STEADY STATE SERVICES

Clause 401. Development Services

401.1 The CONTRACTOR shall perform the following Development Services in accordance with Schedules B1 and B2:

401.1.1 development of the Service Architecture Design Document;

401.1.2 the development of all necessary interfaces to allow the full

POL00028118

integration of the Service Infrastructure and the Steady State Services into the Service Environment, so as to create the Service Architecture.

Clause 402. Operational Trial

402.1 The CONTRACTOR shall, during the Operational Trial Period, make available the Operational Trial System (which for the purposes of this Clause 402 shall include the Service Architecture Design Document) for the Operational Trial as set out in Schedules C1 to C5 to be performed in accordance with the timetable set out in Schedule C2. The AUTHORITIES shall be entitled to subject all Basic DSS Services, Basic POCL Services, Optional DSS Services and Optional POCL Services to the Operational Trial, but in relation to Optional DSS Services and Optional POCL Services, the rights of termination granted pursuant to this Clause shall apply only to the particular Optional DSS Service or Optional POCL Service being tested.

402.2 The objectives of the Operational Trial shall be as specified in Schedule C1.

402.3 The AUTHORITIES shall accept the Operational Trial System in accordance with the Operational Trial Procedures.

402.4 The Operational Trial shall be recorded as successful and the CONTRACTOR notified accordingly where all the Operational Trial Criteria are met in accordance with the Operational Trial Procedures.

POL00028118

402.5 The Operational Trial shall be recorded as unsuccessful and the CONTRACTOR notified accordingly where any of the Operational Trial Criteria are not met in accordance with the Operational Trial Procedures.

402.6 If the Operational Trial in respect of the Operational Trial System has not been recorded as successful pursuant to Clause 402.4 by the end of the Operational Trial Period (including any extension to the Operational Trial Period pursuant to Clauses 402.6.2.2 or 402.6.3.2):

402.6.1 DSS shall have the right to terminate the relevant DSS Services or the DSS Agreement and POCL shall have the right to terminate the POCL Agreement or, if appropriate, the relevant POCL Application Service, pursuant to Clause 902.3; or

402.6.2 the AUTHORITIES shall have the right, without prejudice to their other rights and remedies:

402.6.2.1 to accept such part of the Operational Trial System as the AUTHORITIES may decide and pay a pro-rated Charge therefor or such other charge as may be agreed between the parties;

402.6.2.2 to extend the Operational Trial Period for up to two (2) consecutive additional periods of the same duration or of such shorter

POL00028118

duration as the AUTHORITIES may notify to the CONTRACTOR, during which the CONTRACTOR shall use reasonable endeavours to correct the deficiency or Acceptance Incident which caused the Operational Trial to be recorded as unsuccessful; or

402.6.2.3 (subject to Clause 402.13) to terminate this AUTHORITIES' Agreement in accordance with Clause 902.3.

For the purposes of the foregoing, the "relevant" DSS Services or POCL Application Services mean the Services in respect of which the Operational Trial has been recorded as unsuccessful.

402.7 If, pursuant to Clause 402.6.1, DSS terminates any of the DSS Services and/or POCL terminates any of the POCL Application Services, but neither terminates all of the DSS Services or POCL Services, as appropriate, nor terminates the DSS Agreement or the POCL Agreement (as appropriate) the AUTHORITIES shall have the right without prejudice to their other rights and remedies:

402.7.1 to accept such part of the Operational Trial System as the AUTHORITIES may decide and pay a pro-rated Charge therefor or such other charge as may be agreed between the parties;

402.7.2 to extend the Operational Trial Period for up to two (2) additional

POL00028118

consecutive periods of the same duration or of such shorter duration as the AUTHORITIES may notify to the CONTRACTOR, during which the CONTRACTOR shall use reasonable endeavours to correct the deficiency or Acceptance Incident which caused the Operational Trial to be recorded as unsuccessful; or

402.7.3 (subject to Clause 402.13) to terminate this AUTHORITIES' Agreement in accordance with Clause 902.3.

402.8 If, pursuant to Clause 402.6.1, DSS terminates all of the DSS Services or DSS or POCL terminates the DSS Agreement or the POCL Agreement (as appropriate), the other AUTHORITY shall have the right without prejudice to its other rights and remedies:

402.8.1 to accept such part of the Operational Trial System as the relevant AUTHORITY may decide and pay a pro-rated Charge therefor or such other charge as may be agreed between it and the CONTRACTOR; or

402.8.2 to extend the Operational Trial Period for up to two (2) additional consecutive periods of the same duration or of such shorter duration as the AUTHORITIES may notify to the CONTRACTOR during which the CONTRACTOR shall use reasonable endeavours to correct the deficiency or Acceptance Incident which caused the Operational Trial to be recorded as unsuccessful; or

POL00028118

402.8.3 (subject to Clause 402.13) to terminate this AUTHORITIES' Agreement in accordance with Clause 902.3.

402.9 In the event that either AUTHORITY extends the Operational Trial Period for a period pursuant to Clause 402.8.2 and the Operational Trial has not been recorded as successful by the end of that period, the relevant AUTHORITY shall have the right without prejudice to its other rights and remedies:

402.9.1 to accept such part of the Operational Trial System as the relevant AUTHORITY may decide and pay a pro-rated Charge therefor or such other charge as may be agreed between it and the CONTRACTOR; or

402.9.2 to extend the Operational Trial Period for a further period in accordance with Clause 402.8.2 up to a maximum of three (3) consecutive periods in total; or

402.9.3 (subject to Clause 402.13) to terminate this AUTHORITIES' Agreement in accordance with Clause 902.3.

402.10 The AUTHORITIES will perform the AUTHORITIES' Trial Responsibilities as set out in Schedule C4.

POL00028118

402.11 For the avoidance of doubt, the CONTRACTOR acknowledges that successful completion of acceptance testing of any part of the Operational Trial Systems shall not relieve it of its obligation to continue to perform the Services hereunder in accordance with all applicable provisions hereof.

402.12 Unless otherwise agreed by the AUTHORITIES, no part of the Operational Trial System shall be tested under this Clause until it has first successfully completed acceptance testing under Clause 403 of the DSS Agreement or Clause 403 of the POCL Agreement (as appropriate).

402.13 Notwithstanding the foregoing provisions of this Clause, the AUTHORITIES shall have no right of termination of the AUTHORITIES' Agreement in relation to failure of the Operational Trial System successfully to complete the Operational Trial except in accordance with Schedules A7 and C5.

Clause 403. Roll Out of Service Infrastructure

403.1 The AUTHORITIES shall accept the elements of the Service Infrastructure in accordance with the Roll Out Acceptance Procedures contained in Schedule A7. The Acceptance Criteria for the Service Infrastructure shall be as specified in Schedule B6.

403.2 The Roll Out Acceptance Test in relation to any such element shall be recorded as successful and the CONTRACTOR notified accordingly where all the Acceptance

POL00028118

Criteria for any such element are met in accordance with the Roll Out Acceptance Procedures.

403.3 The Roll Out Acceptance Test in relation to any such element shall be recorded as unsuccessful and the CONTRACTOR notified accordingly where any of the relevant Acceptance Criteria for any such element are not met in accordance with the Roll Out Acceptance Procedures.

403.4 If the Roll Out Acceptance Test in respect of the relevant element of the Service Infrastructure has not been recorded as successful pursuant to Clause 403.2 by the end of the Roll Out Acceptance Period (including any extension to the Roll Out Acceptance Period pursuant to Clause 403.4.2) , the AUTHORITIES shall have the right without prejudice to their other rights and remedies (excluding the right to terminate in accordance with Clause 902.2):

403.4.1 to accept such part of the Service Infrastructure as the AUTHORITIES may decide ;

403.4.2 to extend the Roll Out Acceptance Period for a period or periods, specified by the AUTHORITIES, during which the CONTRACTOR shall use reasonable endeavours to correct the deficiency or Acceptance Incident which caused the Roll Out Acceptance Test to be recorded as unsuccessful; or

POL00028118

403.4.3 to reject the relevant element of the Service Infrastructure, in which case the CONTRACTOR shall either provide a replacement element of the Service Infrastructure, or repair the relevant element of the Service Infrastructure (as agreed by the parties, such agreement not to be unreasonably withheld or delayed) in which case such replacement or repaired element shall be subject to Roll Out Acceptance Testing in accordance with this Clause 403.

403.5 Unless otherwise agreed by the AUTHORITIES, no element of the Service Infrastructure shall be eligible for testing under this Clause until it has first successfully completed acceptance testing under Clause 404 of the DSS Agreement or Clause 404 of the POCL Agreement (as appropriate).

Clause 404. Roll Out of Steady State Services

404.1 The AUTHORITIES shall accept the elements of the Steady State Services in accordance with the Roll Out Acceptance Procedures contained in Schedule A7.

404.2 The Roll Out Acceptance Test in relation to any such element shall be recorded as successful and the CONTRACTOR notified accordingly where all the Acceptance Criteria are met in accordance with the Roll Out Acceptance Procedures. The Acceptance Criteria for the Steady State Services shall be as specified in Schedules D2 and E2 of the DSS Agreement and Schedules D2, E2, F2 and G4 of the POCL Agreement, as appropriate.

POL00028118

404.3 The Roll Out Acceptance Test in relation to any such element shall be recorded as unsuccessful and the CONTRACTOR notified accordingly where the relevant Acceptance Criteria are not met in accordance with the Roll Out Acceptance Procedures.

404.4 If the Roll Out Acceptance Test in respect of the relevant element of the Steady State Services has not been recorded as successful pursuant to Clause 404.2 by the end of the Roll Out Acceptance Period (including any extension of the Roll Out Acceptance Period pursuant to Clause 404.4.2), the AUTHORITIES shall have the right without prejudice to their other rights and remedies (excluding the right to terminate in accordance with Clause 902.2):

404.4.1 to accept such part of the Steady State Services as the AUTHORITIES may decide and pay a pro-rated Charge therefor or such other charge, as may be agreed between the parties; or

404.4.2 to extend the Roll Out Acceptance Period for a period or periods, specified by the AUTHORITIES, during which the CONTRACTOR shall use reasonable endeavours to correct the deficiency or Acceptance Incident which caused the Roll Out Acceptance Test to be recorded as unsuccessful.

404.5 Unless otherwise agreed by the AUTHORITIES, no element of the Steady State Services shall be eligible for testing under this Clause until it has first successfully completed acceptance testing under Clause 404 of the DSS Agreement or Clause 404 of

POL00028118

the POCL Agreement (as appropriate).

PART 5 : OWNERSHIP, LICENCES AND RISK

Clause 501. Ownership of Intellectual Property Rights in the design of the Service Architecture

501.1 Ownership of any Intellectual Property Rights in the overall design of the Service Architecture (as set out in the Service Architecture Design Document) which arise as a result of the performance of the Services shall vest in the CONTRACTOR. Any use by the CONTRACTOR of the overall design of the Service Architecture within the United Kingdom other than in connection with the Related Agreements shall be subject to the prior written agreement of the AUTHORITIES on reasonable commercial terms (such agreement not to be unreasonably withheld or delayed).

501.2 The CONTRACTOR shall not do anything to prejudice the security of the Services, including the Cards and any tokens issued in lieu thereof.

Clause 502. Licences to use Intellectual Property Rights

502.1 Any Software licensed to DSS under the DSS Agreement is hereby licensed to POCL on the same terms and subject to the same conditions as it is licensed to DSS under the DSS Agreement to the extent necessary to permit POCL to use the POCL Services and

POL00028118

the Services hereunder.

502.2 Any Software licensed to POCL under the POCL Agreement is hereby licensed to DSS on the same terms and subject to the same conditions as it is licensed to POCL under the POCL Agreement to the extent necessary to permit DSS to use the DSS Services and the Services hereunder.

502.3 Any DSS Software licensed to the CONTRACTOR under the DSS Agreement is hereby licensed to the CONTRACTOR on the same terms and subject to the same conditions as it is licensed to the CONTRACTOR under the DSS Agreement to the extent necessary to permit the CONTRACTOR to perform the POCL Services and the Services hereunder.

502.4 Any POCL Software licensed to the CONTRACTOR under the POCL Agreement is hereby licensed to the CONTRACTOR on the same terms and subject to the same conditions as it is licensed to the CONTRACTOR under the POCL Agreement to the extent necessary to permit the CONTRACTOR to perform the DSS Services and the Services hereunder.

Clause 503. Databases

POCL shall have the right to use the POCL Services and the Service Infrastructure to capture, develop and use databases containing information in relation to its customers. Any use of DSS

POL00028118

Data in the development of such databases shall be subject to the prior written consent of DSS (such consent not to be unreasonably withheld or delayed). Any assistance provided by the CONTRACTOR pursuant to this Clause over and above the performance of its other obligations hereunder shall be treated as an Additional POCL Service.

PART 6 : CONTRACT AND SERVICE MANAGEMENT

Clause 601. Monitoring

The AUTHORITIES shall be entitled to monitor the performance by the CONTRACTOR of its obligations under the AUTHORITIES' Agreement in accordance with the procedures set out in Schedule A4.

Clause 602. Management Interfaces and Services Management

The parties shall establish the management interfaces set out in Schedule A4. All contract management of the AUTHORITIES' Agreement shall be performed in accordance with the provisions of Schedule A4.

Clause 603. Communications

603.1 Except as otherwise expressly provided no communication from one party to another shall have any validity under the AUTHORITIES' Agreement unless made in

POL00028118

writing by or on behalf of DSS, POCL or the CONTRACTOR, as the case may be.

603.2 Any notice or other communication whatsoever which any party hereto is required or authorised by the AUTHORITIES' Agreement to give or make to another shall be given or made either by post in a prepaid letter, or by telex or by facsimile transmission confirmed by post in a prepaid letter, addressed to such other party in the manner referred to in Clause 603.3 below and if that letter is not returned as being undelivered that notice or communication shall be deemed for the purposes of the AUTHORITIES' Agreement to have been given or made after two days, for a letter, or four hours, for a telex or facsimile transmission.

603.3 For the purposes of Clause 603.2 above the address of each party shall be:

603.3.1 For DSS:

[.....

.....]

[.....Address.....

.....]

[.....

.....]

For the attention of

POL00028118

.....

Telephone .....

Facsimile .....

603.3.2 For POCL:

[.....

.....]

[.....Address.....

.....]

[.....

.....]

For the attention of

.....

Telephone .....

Facsimile .....

603.3.3 For the CONTRACTOR:

POL00028118

[.....

.....]

[.....Address.....

.....]

[.....

.....]

For the attention of

.....

Telephone .....

Facsimile .....

603.4 Any party may change its address for service by notice as provided in this Clause 603.

Clause 604. Transfer and Sub-Contracting

604.1 The AUTHORITIES' Agreement is personal to the CONTRACTOR. The CONTRACTOR shall not assign, novate, sub-contract or otherwise dispose of the AUTHORITIES' Agreement or any part thereof without the previous consent in writing of the AUTHORITIES.

604.2 The AUTHORITIES hereby consent to the CONTRACTOR's sub-contracting of

POL00028118

its obligations specified in Schedule A10 to the respective sub-contractors specified therein on the date hereof. Additional or substitute subcontractors may be approved from time to time in accordance with Clause 604.1 after the date hereof, in which case Schedule A10 shall be amended accordingly. Notwithstanding any sub-contracting permitted in the Related Agreements, the CONTRACTOR shall remain primarily responsible for the acts and omissions of its sub-contractors committed by them in the course of performing or purporting to perform any of the Services hereunder on the CONTRACTOR's behalf as though such acts or omissions were its own.

604.3 Subject to Clause 604.4, DSS shall be entitled to:

604.3.1 assign, novate or otherwise dispose of its rights and obligations under the AUTHORITIES' Agreement or any part thereof (including, where appropriate, requiring the grant by the CONTRACTOR or its licensors of a direct licence of any Software other than Third Party Software, and requiring the CONTRACTOR to use all reasonable endeavours to procure the grant of a direct licence of any Third Party Software) to any contracting authority (as defined in Regulation 3(1) of the Public Services Contracts Regulations 1993) (a "Contracting Authority"); or

604.3.2 novate the AUTHORITIES' Agreement to any other body (including but not limited to any private sector body) which performs any of the functions that previously had been performed by DSS,

POL00028118

provided that any such assignment, novation or other disposal pursuant to Clause 604.3.1 or 604.3.2 shall not increase the burden of the CONTRACTOR's obligations pursuant to the AUTHORITIES' Agreement.

604.4 If the AUTHORITIES' Agreement is novated to a body which is not a Contracting Authority pursuant to Clause 604.3.2 (in the remainder of this Clause any such body is referred to as the "transferee"):

604.4.1 the transferee shall only be able to assign, novate or otherwise dispose of its rights and obligations under the AUTHORITIES' Agreement or any part thereof with the previous consent in writing of the CONTRACTOR;

604.4.2 the rights acquired by the transferee relating to the Use of the Software shall not extend beyond the activities previously performed by DSS and, in particular, the transferee shall not be entitled to perform any service bureau or facilities management services utilising the Software for any third party.

604.4.3 the rights of the transferee under Clause 610 shall cease; and

604.4.4 the following Clauses shall be varied from the date of the novation or the date of the change of status (as appropriate) as set out below as if the AUTHORITIES' Agreement had been amended by the parties in accordance with Clause 101.3:

POL00028118

(a) in Clause 804, the words "or (in the case of sums due to DSS) with any department, office or agency of the Crown" shall be deleted;

(b) in Clause 606.1, the words "to the Crown or POCL, or their respective servants or agents is the property of the Crown or POCL, as appropriate" shall be replaced with "to each AUTHORITY or their servants or agents is the property of the relevant AUTHORITY";

(c) in Clause 1001.1.1, the words "on Her Majesty's Service (which term shall in this Clause 1001 include all persons employed or engaged by the Crown and all persons providing services to the Crown) or employed by or providing services to the Post Office Group" in the second line shall be replaced with "employed by or providing services to DSS or the Post Office Group or acting on their behalf" and the reference to "Her Majesty's Service or the Post Office Group (as appropriate)" in the eighth line shall be replaced with "DSS or the Post Office Group (as appropriate)";

(d) in Clause 1001.1.2, the words "on Her Majesty's Service or employed by the Post Office Group" shall be replaced with "employed by the AUTHORITIES or acting on their behalf"; and

(f) in Clause 1001.2, the words "with the Post Office Group or for Her Majesty's Service" shall be replaced with "with the Post Office Group or

POL00028118

DSS".

604.5 POCL shall be entitled to assign, novate or otherwise dispose of its rights and obligations under the AUTHORITIES' Agreement or any part thereof (including, where appropriate, requiring the grant by the CONTRACTOR or its licensors of a direct licence of any Software other than Third Party Software, and requiring the CONTRACTOR to use all reasonable endeavours to procure the grant of a direct licence of any Third Party Software) to any other body which performs any of the functions that previously had been performed by POCL, provided that any such assignment, novation or other disposal shall not increase the burden of the CONTRACTOR's obligations pursuant to the AUTHORITIES' Agreement.

604.6 The AUTHORITIES shall be entitled to disclose, to the extent necessary for the purposes of the Related Agreements, to any transferee any Confidential Information of the CONTRACTOR which relates to the performance of the Services hereunder by the CONTRACTOR. In such circumstances the AUTHORITIES shall authorise the transferee to use such Confidential Information only for purposes relating to the performance of the Services hereunder and for no other purposes and, for the avoidance of doubt, the transferee shall be bound by the confidentiality undertaking contained herein in relation to such Confidential Information.

Clause 605: Time

POL00028118

605.1 Timetable

The CONTRACTOR shall perform the Services hereunder in accordance with any timescales specified in Schedule B7 and elsewhere herein as "contractual milestones" and shall use all reasonable endeavours to perform the Services hereunder in accordance with any other timescales specified in Schedule B7 and elsewhere herein, which shall be treated as "target dates". In the event of any failure to meet any target date, the CONTRACTOR shall provide the AUTHORITIES with a method statement showing how it intends to recover any lost time. For the avoidance of doubt, time shall not be of the essence in relation to any contractual milestone unless notice is served in accordance with Clause 605.4.

605.2 Extension of Time

605.2.1 If the performance of the Related Agreements by the CONTRACTOR be delayed by reason of Default by either AUTHORITY or by its employees or authorised agents, the CONTRACTOR shall be entitled to a reasonable extension of time and to any reasonable additional costs which it can show were directly incurred by the CONTRACTOR as a result of the delay. The CONTRACTOR shall notify the AUTHORITIES in writing within three (3) working days of becoming aware of such Default.

POL00028118

605.2.2 If the performance of the AUTHORITIES' Agreement by any party be delayed by reason of any force majeure event (as defined in Clause 605.3), all parties shall be entitled to a reasonable extension of time subject to there being no entitlement to any additional costs or expenses incurred as a result of the delay. The party so delayed shall notify the other parties in writing within one (1) working day of becoming aware of such force majeure event.

605.3 Force Majeure

605.3.1 For the purposes of the AUTHORITIES' Agreement the expression "Force Majeure" shall mean any cause affecting the performance by a party hereto of its obligations arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control including (but without limiting the generality thereof) (i) Governmental Regulations (subject to Clause 605.5), (ii) fire, (iii) flood, or (iv) any disaster or an industrial dispute affecting a third party. Any act, event, omission, happening or non-happening will only be considered Force Majeure if it is not attributable to the wilful act, neglect or failure to take reasonable precautions of the affected party, its agents or employees, and only if a substitute third party is not reasonably available (having regard, without limitation, to the cost and quality of such substitute) to perform the affected obligation. In no event shall any fraudulent act or omission by any party or third party relating to the Services hereunder for which the CONTRACTOR is liable under Clause 808 constitute Force Majeure.

POL00028118

605.3.2 No party hereto shall in any circumstances be liable to any other party hereto for any loss of any kind whatsoever including but not limited to any damages or abatement of Charges whether directly or indirectly caused to or incurred by the other party by reason of any failure or delay in the performance of its obligations under the AUTHORITIES' Agreement which is due to Force Majeure. Notwithstanding the foregoing, each party shall use all reasonable endeavours to continue to perform, or resume performance of, such obligations under the AUTHORITIES' Agreement for the duration of such Force Majeure event. In the case of the CONTRACTOR, the parties shall agree an orderly process for such continuation or resumption of performance (such agreement not to be unreasonably withheld or delayed), and the CONTRACTOR shall comply with such process.

605.3.3 If the CONTRACTOR shall become aware of circumstances of Force Majeure which give rise to or which are likely to give rise to any such failure or delay on its part it shall forthwith notify the other parties within one (1) working day and shall inform the other parties of the period which it is estimated that such failure or delay shall continue. If either AUTHORITY shall become aware of circumstances of Force Majeure which give rise to any such failure or delay on its part, it shall forthwith notify the other parties within one (1) working day and shall inform the other parties of the period which it is estimated that such failure or delay shall continue.

POL00028118

605.3.4 It is expressly agreed that any failure by the CONTRACTOR to perform, or any delay by the CONTRACTOR in performing, its obligations under the AUTHORITIES' Agreement which results from any failure or delay in the performance of its obligations by any person, firm or company with which the CONTRACTOR shall have entered into any contract, supply arrangement or sub-contract or otherwise shall be regarded as a failure or delay due to Force Majeure only in the event that such person firm or company shall itself be prevented from or delayed in complying with its obligations under such contract, supply arrangement or sub-contract or otherwise as a result of circumstances of Force Majeure and there is no substitute person, firm or company reasonably available to perform the affected obligation.

605.3.5 [Not used]

605.3.6 If any Force Majeure event prevents any party from performing its obligations hereunder for a period in excess of ninety (90) days, the AUTHORITIES may after consultation with the CONTRACTOR and taking into account the CONTRACTOR's views jointly terminate the AUTHORITIES' Agreement in accordance with Clause 902.1.4.

605.4 Time of the Essence

POL00028118

Where the AUTHORITIES after undue delay by the CONTRACTOR notify the CONTRACTOR that time is of the essence of the AUTHORITIES' Agreement and any of its obligations stated in such notice shall not have been performed by the CONTRACTOR by any reasonable date stated in the notice, the AUTHORITIES may terminate the AUTHORITIES' Agreement in accordance with Clause 902.2.3. In relation to the timescales specified herein. The AUTHORITIES may only give notice making time of the essence in relation to timescales specified herein as "contractual milestones".

605.5 Political Risk

Notwithstanding the provisions of Clause 605.3, a change of, or new, Governmental Regulation:

(a) shall not excuse the AUTHORITIES from performing their obligations to meet any minimum revenue guarantees applicable under Schedule A6 and, without limitation to the foregoing, if the due date for the application of such minimum revenue guarantees (or any agreed extension thereof) is delayed directly as a result of any change in, or new, Governmental Regulation, the AUTHORITIES agree to meet such minimum revenue guarantees from the date when they would have become payable but for such change in, or new, Governmental Regulation;

POL00028118

(b) shall not entitle the AUTHORITIES to terminate the AUTHORITIES' Agreement under Clause 605.3.6, and any such purported termination shall be treated as a termination for convenience in accordance with Clause 902.6; and

(c) shall not require the CONTRACTOR to perform any additional obligations without its agreement in accordance with Clause 101.3.

Clause 606. Confidentiality

606.1 Without prejudice to the application of the Official Secrets Acts 1911 to 1989 (where relevant) to any Confidential Information the CONTRACTOR acknowledges that any Confidential Information (other than its own Confidential Information) obtained from or relating to the Crown or POCL, or their respective servants or agents, is the property of the Crown or POCL, as appropriate.

606.2 The CONTRACTOR hereby agrees that (other than as required by law):

606.2.1 the CONTRACTOR (and any person employed or engaged by the CONTRACTOR in connection with the AUTHORITIES' Agreement in the course of such employment or engagement) shall only use Confidential Information of either AUTHORITY for the purposes of the Related Agreements;

606.2.2 the CONTRACTOR (and any person employed or engaged by the

POL00028118

CONTRACTOR in connection with the AUTHORITIES' Agreement in the course of such employment or engagement) shall not disclose any Confidential Information of either AUTHORITY to any third party (except its approved sub-contractors as listed in Schedule A10) or to the other AUTHORITY without the prior written consent of the relevant AUTHORITY, and each AUTHORITY shall from time to time notify the CONTRACTOR of the categories of that AUTHORITY's information which are not to be treated as Confidential Information in relation to the other AUTHORITY;

606.2.3 the CONTRACTOR shall take all necessary precautions to ensure that all Confidential Information of either AUTHORITY is treated as confidential and not disclosed (save as aforesaid) or used other than for the purposes of the Related Agreements by the CONTRACTOR's employees, servants, agents or sub-contractors including, without limitation, obtaining from any such agent or sub-contractor a signed confidentiality undertaking on substantially the same terms as are contained in this Clause; and

606.2.4 without prejudice to the generality of the foregoing neither the CONTRACTOR nor any person engaged by the CONTRACTOR whether as a servant or a consultant or otherwise shall use the Confidential Information of either AUTHORITY for the solicitation of business from the other AUTHORITY or from any third party by the CONTRACTOR or by such servant or consultant or by any third party.

POL00028118

606.3 The AUTHORITIES (other than as required by law):

606.3.1 shall treat as confidential all Confidential Information obtained from the CONTRACTOR, including but not limited to the Source Code of any Specially Written Software (as defined in the DSS Agreement or the POCL Agreement, as appropriate) ; and

606.3.2 shall not, subject to Clause 606.5, disclose to any third party without the prior written consent of the CONTRACTOR any Confidential Information obtained from the CONTRACTOR.

606.4 The provisions of Clauses 606.1, 606.2 and 606.3 shall not apply to any information which:

606.4.1 is or becomes public knowledge other than by breach of this Clause 606; or

606.4.2 is in the possession of the receiving party without restriction in relation to disclosure before the date of receipt from the disclosing party.

606.4.3 is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure.

POL00028118

606.4.4 is independently developed without access to the Confidential Information.

606.5 DSS and POCL may disclose any Confidential Information obtained from the CONTRACTOR to the extent necessary for purposes connected with the Related Agreements:

606.5.1 to any servant or agent of DSS (in DSS's case) or of the Post Office Group (in POCL's case) provided that DSS and POCL respectively have required that such information is treated as confidential by such servants or agents, including requiring such servants or agents to enter into a confidentiality undertaking where appropriate; and

606.5.2 subject to the prior written agreement of POCL and DSS, to any other third party (in which case the disclosing AUTHORITY shall notify the CONTRACTOR of such disclosure), provided that the relevant AUTHORITY shall have taken reasonable steps to ensure that the third party shall observe substantially the same terms as are contained in this Clause, including, without limitation, obtaining a signed confidentiality undertaking between the third party and the disclosing AUTHORITY or the CONTRACTOR.

606.6 Nothing in this Clause 606 shall prevent the CONTRACTOR or the AUTHORITIES from using data-processing techniques, ideas and know-how gained

POL00028118

during the performance of the Related Agreements in the furtherance of its normal business, to the extent that this does not relate to a disclosure of Confidential Information or an infringement by the AUTHORITIES or the CONTRACTOR of any Intellectual Property Right.

Clause 607. Health and Safety Hazards

607.1 The CONTRACTOR shall notify the relevant AUTHORITY of any health and safety hazards in relation to Premises owned by or leased to that AUTHORITY which may arise in connection with the performance of the AUTHORITIES' Agreement.

607.2 The relevant AUTHORITY shall notify the CONTRACTOR of any known health and safety hazards which may exist or arise at the Premises owned by or leased to that AUTHORITY and which may affect the CONTRACTOR. The CONTRACTOR shall draw these hazards to the attention of its employees and sub-contractors or any persons engaged by the CONTRACTOR in the performance of the AUTHORITIES' Agreement at such Premises.

607.3 The CONTRACTOR shall inform all persons engaged in the performance of the AUTHORITIES' Agreement at the Premises owned by or leased to the relevant AUTHORITY of all such hazards and shall instruct such persons in connection with any necessary associated safety measures.

POL00028118

Clause 608. Protection of Personal Data and Social Security Administration Act

608.1 The CONTRACTOR's attention is hereby drawn to the Data Protection Act 1984.

608.2 All parties warrant that they will duly observe all their obligations under the Data Protection Act which arise in connection with the AUTHORITIES' Agreement.

608.3 Section 123 of the Social Security Administration Act 1992 shall apply to this AUTHORITIES' Agreement. It is an offence for any person to disclose any information obtained while carrying out administrative work where that information relates to a particular person. All parties warrant that they will duly observe all their obligations under the Social Security Administration Act 1992 which arise in connection with the AUTHORITIES' Agreement.

POL00028118

Clause 609. Publicity

609.1 Except with the written consent of both AUTHORITIES (which shall not be unreasonably withheld or delayed), the CONTRACTOR shall not make any press announcements about or publicise the AUTHORITIES' Agreement in any way. The AUTHORITIES shall consult the CONTRACTOR before making any press announcement about or publicising the AUTHORITIES' Agreement, other than pursuant to any legal obligation or in any internal publication of DSS or the Post Office Group.

609.2 The CONTRACTOR shall take all reasonable steps to ensure the observance of the provisions of Clause 609.1 by all its servants, employees, agents, consultants and sub-contractors.

609.3 The CONTRACTOR shall have no right to use the brand or logo of any Post Office Group member without POCL's prior written consent, nor to use the brand or logo of any part of DSS without DSS's prior written consent nor to use the AUTHORITIES' joint brands and logos (if any) without the AUTHORITIES' prior written consent. The CONTRACTOR shall do nothing to injure such logos and brands or the reputation of the AUTHORITIES and, if it uses such brands and logos, shall take all reasonable steps to enable the AUTHORITIES to protect such logos and brands and the reputation of the AUTHORITIES but in no event less than the steps it would take in relation to its own logos, brands and reputation.

POL00028118

609.4 The AUTHORITIES shall have no right to use the brand or logo of the CONTRACTOR or its sub-contractors without the CONTRACTOR's prior written consent. The AUTHORITIES shall do nothing to injure such logo and brands or the reputation of the CONTRACTOR or its sub-contractors and, if either AUTHORITY uses such brands or logos, it shall take all reasonable steps to enable the CONTRACTOR and its sub-contractors to protect such logo and brands and the reputation of the CONTRACTOR and its sub-contractors, but in no event less than the steps they would take in relation to their own logos, brands and reputations.

Clause 610. CONTRACTOR's Personnel

610.1 The AUTHORITIES reserve the right under the AUTHORITIES' Agreement to refuse to admit (a) (in DSS's case) to any premises occupied by or on behalf of the Crown (which term shall in this Clause include all persons employed or engaged by the Crown and all persons other than the CONTRACTOR and its sub-contractors providing services to the Crown) or (b) to any premises occupied by or on behalf of any member of the Post Office Group or to any post office (in POCL's case) any person employed or engaged by the CONTRACTOR, or by a sub-contractor, whose admission would be, in the reasonable opinion of the relevant AUTHORITY, undesirable.

610.2 If and when directed by the relevant AUTHORITY, the CONTRACTOR shall provide a list of the names and addresses of all persons who it is expected may require admission in connection with the performance of the AUTHORITIES' Agreement to any

POL00028118

premises occupied by or on behalf of the Crown or by or on behalf of any member of the Post Office Group or to any post office (as appropriate), specifying the capacities in which they are concerned with the AUTHORITIES' Agreement and giving such other particulars as the relevant AUTHORITY may reasonably require. The CONTRACTOR shall comply with any reasonable directions issued by the designated representative of the relevant AUTHORITY as to which persons may be admitted to such premises and at what times.

610.3 If and when directed by the relevant AUTHORITY, the CONTRACTOR shall secure that any person employed or engaged by the CONTRACTOR or by a sub-contractor, who is specified in the direction or is one of a class of persons who may be so specified, shall sign a statement that he understands that the Official Secrets Acts 1911 to 1989 apply to him both during the term of and after the expiry or termination of the AUTHORITIES' Agreement.

610.4 The CONTRACTOR's representatives, engaged within the boundaries of a Crown or Post Office Group establishment or post office, shall comply with such rules, regulations and requirements (including those relating to security arrangements) as may be in force from time to time for the conduct of personnel when at that establishment or post office and when outside that establishment or post office.

610.5 The decision of the relevant AUTHORITY as to whether any person is to be refused admission to any premises occupied by or on behalf of the Crown or the Post Office Group or to a post office (as appropriate) shall be final and conclusive.

POL00028118

Clause 611. Waiver

611.1 The failure of any party to insist upon strict performance of any provision of the AUTHORITIES' Agreement, or the failure of any party to exercise any right or remedy to which it is entitled hereunder, shall not constitute a waiver thereof and shall not cause a diminution of the obligations established by the AUTHORITIES' Agreement.

611.2 A waiver of any Default in relation to the AUTHORITIES' Agreement shall not constitute a waiver of any subsequent Default.

611.3 No waiver of any of the provisions of the AUTHORITIES' Agreement shall be effective unless it is expressly stated to be a waiver and communicated to the other parties in writing in accordance with the provisions of Clause 603.

Clause 612. Access to Premises

612.1 Any land or premises (including temporary buildings) made available to the CONTRACTOR by the AUTHORITIES in connection with the AUTHORITIES' Agreement shall be made available to the CONTRACTOR on such terms and conditions as may be agreed between the CONTRACTOR and the relevant AUTHORITY. The CONTRACTOR shall have the use of such land or premises as licensee and shall vacate the same upon the termination or expiry of the AUTHORITIES' Agreement or at such earlier date as the relevant AUTHORITY may reasonably determine.

POL00028118

612.2 The relevant AUTHORITY shall be responsible for maintaining the security of such land or premises in accordance with its standard security requirements. The CONTRACTOR shall comply with all reasonable security requirements of the relevant AUTHORITY while on the premises, and shall procure that all of its employees, agents and subcontractors shall likewise comply with such requirements. The relevant AUTHORITY shall provide the CONTRACTOR upon request copies of its written security procedures and shall afford the CONTRACTOR upon request with an opportunity to inspect its physical security arrangements.

Clause 613. Security Requirements

The CONTRACTOR shall comply with the security requirements as set out in Schedule A2.

Clause 614. CONTRACTOR's Key Personnel

The parties acknowledge that the CONTRACTOR's key personnel specified in Schedule A12 are essential to the fulfilment of its obligations hereunder. The CONTRACTOR undertakes to use all reasonable endeavours to ensure that such key personnel are not removed or replaced during the term hereof. However, in the event that any of its key personnel becomes unavailable for any reason (including without limitation death, injury, sickness promotion or resignation), the CONTRACTOR shall have the right upon giving thirty (30) days' notice in writing (or such shorter period of notice as may be reasonably practicable) to the AUTHORITIES to replace such

POL00028118

an individual with another individual whose abilities and qualifications are appropriate for the services to be performed by such individual.

PART 7 : WARRANTIES AND STANDARDS

Clause 701. Authority and Approval

The CONTRACTOR warrants and represents that it has full capacity and authority and all necessary consents (including but not limited to, where its procedures so require, the consent of its Parent Company) to enter into and to perform the AUTHORITIES' Agreement and that the AUTHORITIES' Agreement is executed by a duly authorised representative of the CONTRACTOR.

Clause 702. Performance of Services

The CONTRACTOR warrants and represents that:

702.1 the Services hereunder shall be supplied and rendered by appropriately experienced, qualified and trained personnel with all reasonable skill, care and diligence;

702.2 the CONTRACTOR shall discharge its obligations under the AUTHORITIES' Agreement with all reasonable skill, care and diligence including but not limited to good

POL00028118

industry practice and (without limiting the generality of this Clause) in accordance with the best of its own established internal procedures;

702.3 the Services hereunder shall be performed in compliance with all applicable laws, enactments, orders, regulations, and other similar instruments;

702.4 the Services hereunder shall be fully integrated within the Service Architecture;

702.5 the Services hereunder shall be performed in accordance with all applicable provisions of the Service Architecture Design Document;

702.6 the Services hereunder shall be compatible with the Service Environment as at the date hereof, as set out in Schedule 1;

702.7 the Services hereunder shall be performed in such a way as to cause a minimum of disruption to the business of the AUTHORITIES and the End Users.

Clause 703. Performance of Products

The CONTRACTOR warrants and represents that:

703.1 at the Operational Trial Acceptance Date the Operational Trial System shall meet the Operational Trial Criteria and the regulations and standards specified in Schedule A2;

POL00028118

703.2 at the Operational Trial Acceptance Date and thereafter during the term of the AUTHORITIES' Agreement all components of the Service Infrastructure shall operate in accordance with their respective technical specifications, except that, for the avoidance of doubt, it is agreed that the AUTHORITIES shall have no remedy for breach of this warranty in relation to errors or interruptions to Services covered by paragraph 4.1.3(a) of Schedule A6 of the DSS Agreement or POCL Agreement (as appropriate); and

703.3 the Service Infrastructure will be compatible with the Service Environment as at the date hereof, as specified in Schedule 1.

Clause 704. Intellectual Property Rights

The CONTRACTOR warrants and represents that:

704.1 neither AUTHORITY's use and operation of the Service Architecture and the provision of the Services hereunder shall infringe any Intellectual Property Rights of any third party;

704.2 the CONTRACTOR has the full capacity and authority to grant the licences referred to in Clause 502;

704.3 it is able to comply with Clauses 903.1.2 and 903.1.3.

POL00028118

Clause 705. Industry Standards

The CONTRACTOR warrants and represents that the Services hereunder and the Service Infrastructure shall comply with, and be provided in accordance with, all relevant applicable industry standards as specified in Schedule A2.

Clause 706. Statements and Representations

The CONTRACTOR warrants and represents that all statements and representations made to the AUTHORITIES in connection with tendering for and entering into the AUTHORITIES' Agreement are, to the best of its knowledge, information and belief, true and accurate at the time of making such statements and representations and that, from the date of execution hereof, it will advise the AUTHORITIES of any fact, matter or circumstance of which it may become aware which would render any such statement or representation to be false or misleading.

Clause 707. Disclaimer of Implied Terms

Except as expressly stated in the AUTHORITIES' Agreement, all terms, warranties and conditions, whether express or implied by statute, common law or otherwise (including but not limited to satisfactory quality and fitness for purpose) are hereby excluded to the extent permitted by law.

PART 8 : REMEDIES

POL00028118

Clause 801. Audit

801.1 The CONTRACTOR shall keep or cause to be kept the Records.

801.2 The CONTRACTOR shall grant or procure the grant to the AUTHORITIES, any statutory or regulatory auditors of the AUTHORITIES and their respective authorised agents the right of reasonable access to the Records and shall provide all reasonable assistance at all times for six (6) years after the creation of the relevant Records for the purposes of carrying out an audit of the CONTRACTOR's compliance with the AUTHORITIES' Agreement including all activities, Charges, performance, security and integrity in connection therewith. Each party shall bear its own expenses incurred pursuant to this Clause. On termination, the CONTRACTOR shall within a reasonable time to be agreed by the parties transfer the Records to the AUTHORITIES or a replacement contractor, as instructed by the AUTHORITIES. The CONTRACTOR shall thereafter be relieved from any further liabilities under this Clause in relation to such Records.

801.3 Without prejudice to the foregoing, in the event of an investigation into suspected fraudulent activity or other impropriety by the CONTRACTOR or any third party the AUTHORITIES reserve for themselves, any statutory or regulatory auditors of the AUTHORITIES and their respective authorised agents or (in the case of DSS) any Crown body the right of immediate access to the Records described in Clause 801.1 and Clause 801.2 above and the CONTRACTOR agrees to render all necessary assistance to the

POL00028118

conduct of such investigation at all times during the currency of the AUTHORITIES' Agreement or at any time thereafter.

801.4 Whenever DSS requires it, and solely for the purposes of enabling DSS's accounting officer to meet his obligations under the Exchequer and Audit Departments Act 1866, the CONTRACTOR:

801.4.1 shall disclose to DSS whatever information DSS requires concerning the prices DSS has paid or may have to pay under the AUTHORITIES' Agreement; and

801.4.2 shall produce whatever evidence DSS requires in support of the information provided under Clause 801.4.1 above.

For the avoidance of doubt, such information shall not include information concerning prices paid by the CONTRACTOR to its sub-contractors or suppliers.

801.5 In connection with the AUTHORITIES' Agreement, the CONTRACTOR must not enter into any other contract or agreement with any person unless that contract or agreement contains a provision equivalent to Clause 801.4 allowing DSS to obtain price information and evidence (as described in Clause 801.4) from that person. This Clause 801.5 does not apply if the CONTRACTOR has entered into a contract or agreement

POL00028118

following a competitive tendering exercise in which the CONTRACTOR accepted the tender with the lowest price.

801.6 DSS must use information provided under Clauses 801.4 and 801.5 for the purposes of the Exchequer and Audit Departments Act 1866 and for no other purpose.

801.7 The CONTRACTOR shall provide the AUTHORITIES at no additional cost with copies of the annual and interim audited accounts of the CONTRACTOR and its approved subcontractors within fourteen (14) days of such accounts having been lodged at Companies House or its local equivalent to Companies House.

801.8 Without in any way limiting the application of the other Clauses of this AUTHORITIES' Agreement, the CONTRACTOR acknowledges that for the purpose of examining and certifying DSS's accounts or for examining (pursuant to Section 6(1) of the National Audit Act 1983) the economy, efficiency and effectiveness with which DSS has used its resources, the Comptroller and Auditor General may examine such documents as he may reasonably require which are owned, held or are otherwise within the control of the CONTRACTOR and may require the CONTRACTOR to produce such oral and written explanations as he considers necessary.

801.9 The CONTRACTOR shall ensure that the terms of its contracts with its sub-contractors require the sub-contractors to permit examination by, and provide explanation to, the Comptroller and Auditor General in the manner described in Clause 801.8.

POL00028118

801.10 All information obtained by DSS or POCL pursuant to this Clause or Schedule A3 shall be treated as Confidential Information.

801.11 The parties shall comply with the provisions of Schedule A3.

Clause 802. Liquidated Damages and Delay

802.1 In the event that:

802.1.1 the CONTRACTOR fails to make available the Operational Trial System or any part thereof for the Operational Trial pursuant to Clause 402.1; or

802.1.2 the Operational Trial is not recorded as successful pursuant to the relevant provisions of the AUTHORITIES' Agreement, and the AUTHORITIES elect to extend the relevant testing period in accordance with the relevant provisions hereof,

the CONTRACTOR shall, at the option of the relevant AUTHORITY either credit against the Charges or pay to the relevant AUTHORITY liquidated damages calculated in accordance with Schedule C5. Unless the relevant AUTHORITY exercises its option to recover such liquidated damages as a payment to it, the relevant AUTHORITY shall be deemed to have exercised its option to recover such liquidated damages as a credit against the Charges.

POL00028118

802.2 The CONTRACTOR shall credit the relevant AUTHORITY with, or pay to the relevant AUTHORITY, the liquidated damages within thirty (30) days of receipt of a valid claim by the AUTHORITY.

802.3 The parties acknowledge that the liquidated damages specified in Schedule C5 are a genuine pre-estimate of the loss likely to be suffered by the relevant AUTHORITY and that the figures therein are reasonable.

802.4 The liquidated damages specified in this Clause are without prejudice to any other rights and remedies of the AUTHORITIES, except where they are specified in Schedules A8 and C5 to be the AUTHORITIES' exclusive remedy in damages, in which case such credit or payment of the relevant liquidated damages shall be in full and final settlement of the CONTRACTOR's liability in respect of the Default to which they relate. Except in accordance with Schedules A8 and C5, the AUTHORITIES shall have no right of termination in relation to any such Default.

802.5 The provisions of Schedule A8 shall apply in relation to liquidated damages and service credits under all the Related Agreements.

Clause 803. Additional Resources

In the event that the Services hereunder are not provided in accordance with all applicable provisions hereof as a result of the Default of the CONTRACTOR, the CONTRACTOR shall,

POL00028118

at the request of the AUTHORITIES and without prejudice to the AUTHORITIES' other rights and remedies, arrange all such additional resources as are reasonably necessary to correct the said failure as early as practicable thereafter and at no additional charge to the AUTHORITIES.

Clause 804. Recovery of Sums Due

If any sum of money shall be due from the CONTRACTOR, the same may be deducted from any sum then due or which at any time thereafter may become due to the CONTRACTOR under the Related Agreements or under any other agreement between the CONTRACTOR and the relevant AUTHORITY or (in the case of sums due to DSS) with any department, office or agency of the Crown or (in the case of sums due to POCL) with any member of the Post Office Group.

Clause 805. Intellectual Property Rights Indemnity

805.1 Subject always to the AUTHORITIES' proper observance of their obligations under this Clause 805, the CONTRACTOR shall indemnify the AUTHORITIES against all claims, demands, actions, costs, expenses (including but not limited to legal costs and disbursements on a solicitor and client basis), losses and damages arising from or incurred by reason of any infringement or alleged infringement (including but not limited to the defence of such alleged infringement) in the United Kingdom of any Intellectual Property Right by the use or possession of the Products, Services hereunder or Service Architecture by or on behalf of the AUTHORITIES or in connection with the Services hereunder.

POL00028118

805.2 The CONTRACTOR shall promptly notify the AUTHORITIES if any claim or demand is made or action brought against the CONTRACTOR to which this Clause applies.

805.3 The AUTHORITIES shall promptly notify the CONTRACTOR if any claim or demand is made or action brought against the AUTHORITIES to which Clause 805.1 may apply. The CONTRACTOR shall at its own expense conduct any litigation arising therefrom and all negotiations in connection therewith and the AUTHORITIES hereby agree to grant to the CONTRACTOR exclusive control of any such litigation and such negotiations. The CONTRACTOR shall consult with and pay due regard to the interests (including the commercial interests of the Post Office Group and the public interest) and views of the AUTHORITIES in the conduct of any defence to any claim or demand hereunder, and shall, where it is reasonable to do so, comply with such interests and views.

805.4 The AUTHORITIES shall at the request of the CONTRACTOR afford to the CONTRACTOR all reasonable assistance for the purpose of contesting any claim or demand made or action brought against the AUTHORITIES to which Clause 805.1 may apply or any claim or demand made or action brought against the CONTRACTOR to which Clause 805.2 may apply. The CONTRACTOR shall reimburse the AUTHORITIES for all costs and expenses (including but not limited to legal costs and disbursements on a solicitor and client basis) incurred in so doing.

POL00028118

805.5 The AUTHORITIES shall not make any admissions which may be prejudicial to the defence or settlement of any claim, demand or action for infringement or alleged infringement of any Intellectual Property Right to which Clause 805.1 may apply or any claim or demand made or action brought against the CONTRACTOR to which Clause 805.2 may apply.

805.6 If a claim or demand is made or action brought to which Clause 805.1 may apply or in the reasonable opinion of the CONTRACTOR is likely to be made or brought, the CONTRACTOR may at its own expense either:

805.6.1 modify any or all of the Products, the Service Architecture or the Services hereunder without reducing the performance and functionality of the same, or substitute alternative products, service architecture or services of equivalent performance and functionality for any or all of the Products, the Service Architecture or the Services hereunder, so as to avoid the infringement or the alleged infringement but without disrupting the performance of the Services hereunder, provided that the terms herein shall apply mutatis mutandis to such modified or substituted items or services and such modified or substituted items shall be acceptable to the AUTHORITIES (whether by passing any form of acceptance testing or otherwise), such acceptance not to be unreasonably withheld or delayed, and shall reimburse the AUTHORITIES' all reasonable costs directly incurred by them; or

POL00028118

805.6.2 procure a licence to use the Products, Service Architecture and Services hereunder on terms which afford to the AUTHORITIES no more extensive rights than those originally applicable hereunder and which are acceptable to the AUTHORITIES, and shall reimburse the AUTHORITIES' all reasonable costs directly incurred by them.

805.7 The foregoing provisions of this Clause 805 shall not apply insofar as any such claim or demand or action is in respect of:

805.7.1 any use by or on behalf of the AUTHORITIES of the Products, the Service Architecture or Services hereunder in combination with any item not supplied or approved (such approval not to be unreasonably withheld or delayed) by the CONTRACTOR where such use of the Products, Service Architecture or Services hereunder directly gives rise to the claim, demand or action; or

805.7.2 any modification carried out by or on behalf of the AUTHORITIES to any item supplied by the CONTRACTOR under the AUTHORITIES' Agreement if such modification is not authorised by the CONTRACTOR in writing; or

805.7.3 any use by the AUTHORITIES of the Products, Service Architecture or Services hereunder in a manner not reasonably to be inferred from the specification or requirements of the AUTHORITIES.

POL00028118

805.8 If the CONTRACTOR has availed itself of its rights to modify the Products, Service Architecture or the Services hereunder or to supply substitute products, service architecture or services pursuant to Clause 805.6.1 (or the AUTHORITIES have unreasonably withheld their acceptance of such substitute products, service architecture or Services) or to procure a licence under Clause 805.6.2 and such exercise of the said rights has avoided any claim, demand or action for infringement or alleged infringement, or if the AUTHORITIES have unreasonably withheld their acceptance of any items modified or substituted by the CONTRACTOR in accordance with Clause 805.6, then the CONTRACTOR shall have no further liability thereafter under this Clause 805 in respect of the said claim, demand or action.

805.9 If a modification or substitution in accordance with Clause 805.6.1 above is not possible so as to avoid the infringement and the CONTRACTOR has been unable to procure a licence in accordance with Clause 805.6.2 Clause 805.1 shall apply.

805.10 The AUTHORITIES hereby warrant and represent that any instructions given in relation to the CONTRACTOR's use of any third party item supplied directly or indirectly by the AUTHORITIES shall not cause the CONTRACTOR to infringe any third party's Intellectual Property Rights in such item. The AUTHORITIES shall, to the extent reasonably possible, assign to the CONTRACTOR any indemnity in their favour in relation to the Intellectual Property Rights in such third party items.

POL00028118

805.11 The foregoing states the entire liability of the CONTRACTOR with regard to the infringement of any Intellectual Property Right by the use or possession of the Products and Service Architecture by or on behalf of the AUTHORITIES or in connection with the receipt of the Services hereunder.

Clause 806. Remedies Cumulative

Except as otherwise expressly provided in the AUTHORITIES' Agreement, all remedies available to the CONTRACTOR or to the AUTHORITIES for breach of the AUTHORITIES' Agreement are cumulative and may be exercised concurrently or separately and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

Clause 807. Alternative Dispute Resolution Procedure

807.1 All disputes between either or both of the AUTHORITIES and the CONTRACTOR arising out of or relating to the AUTHORITIES' Agreement shall be referred, by any party involved in the dispute, to the contracts steering group (as specified in Schedule A4) for resolution.

807.2 If any dispute cannot be resolved by the contracts steering group within a maximum of fourteen (14) days after it has been referred under Clause 807.1, that dispute

POL00028118

shall be referred to the [ ] of DSS and/or the [ ] of POCL (as appropriate) and the [ ] of the CONTRACTOR for resolution.

807.3 If the dispute cannot be resolved by the relevant parties' representatives nominated under Clause 807.2 within a maximum of fourteen (14) days after it has been referred under Clause 807.2 the dispute may be referred:

807.3.1 if the dispute is of a technical nature or is expressed by the AUTHORITIES' Agreement to be subject to expert determination, by agreement between the relevant parties it may be referred for final determination to an expert (the "Expert") who shall be deemed to act as expert and not as arbitrator; and

807.3.2 in all other aspects it shall be determined pursuant to Clause 104.1.

807.4 The Expert shall be selected by mutual agreement or, failing agreement, within fourteen (14) days after a request by one relevant party to the other(s), shall be chosen at the request of any party by the President for the time being of the Institution of Electrical Engineers who shall be requested to choose a suitably qualified and experienced Expert for the dispute in question.

807.5 Fourteen (14) days after the Expert has accepted the appointment the relevant parties shall submit a written report on the dispute to the Expert and to each other and

POL00028118

seven (7) days thereafter shall submit any written replies they wish to make to the Expert and to each other.

807.6 The relevant parties will then afford the Expert all necessary assistance which the Expert requires to consider the dispute including but not limited to full access to the Service Environment and any documentation or correspondence relating to the Service Environment.

807.7 The Expert shall be instructed to deliver his determination to the relevant parties within fourteen (14) days or such other period as may be agreed between the relevant parties after the submission of the written reports pursuant to Clause 807.5.

807.8 Decisions of the Expert shall be final and binding and not subject to appeal.

807.9 The Expert shall have the same powers to require any relevant party to produce any documents or information to him and the other relevant parties as an arbitrator and each relevant party shall in any event supply to him such information which it has and is material to the matter to be resolved and which it could be required to produce on discovery.

807.10 The fees of the Expert shall be borne by the relevant parties in the proportions determined by the Expert having regard (amongst other things) to the conduct of the relevant parties in relation to the dispute in question.

POL00028118

807.11 Work and activity to be carried out under the AUTHORITIES' Agreement shall not cease or be delayed by this alternative dispute resolution procedure. However, during the currency of any alternative dispute resolution procedure, the AUTHORITIES shall not be entitled to exercise any right of termination which would otherwise arise in respect of the dispute which forms the subject matter of such procedure.

Clause 808. Liability

808.1 Except as otherwise specified in Schedule B8 in relation to benefit payment, the CONTRACTOR shall be liable for all losses and shall indemnify the AUTHORITIES against all costs, expenses, losses and damages incurred (including any legal costs) as a result of:

(a) use of copied, altered or forged Cards;

(b) any unauthorised third party access to the Service Architecture;

(c) any impersonation of Card holders;

(d) any "hacking" into systems used by the CONTRACTOR to provide the Services (whether or not constituting an offence under the Computer Misuse Act 1990)

POL00028118

(e) drawing of any benefit payments by Card holders or their proxies where at the time of payment notification had been given by DSS to the CONTRACTOR to withhold payment or cancel a proxy authorisation;

(f) any other form of fraud (in relation to any of the Services).

808.2 Except as otherwise specified in Schedule B8 in relation to benefit payment, Clause 808.1 shall not apply if and to the extent that any of the matters referred to therein have been caused by the AUTHORITIES' non-performance of any obligation under the AUTHORITIES' Agreement upon the performance of which the CONTRACTOR's obligations under the AUTHORITIES' Agreement in respect of risk for fraud are expressed to depend. The foregoing is in place of the general rule stated in Clause 101.5.6.

808.3 In any case where either or both of the AUTHORITIES incur any costs, expenses, losses or damages as referred to in Clause 808.1, Clause 808.1 shall be presumed to apply unless the CONTRACTOR proves that Clause 808.2 applies.

808.4 In relation to benefit payment only, the responsibilities of the parties for the investigation of fraudulent losses and the agreed apportionment of costs under this AUTHORITIES' Agreement are defined in Schedule B8.

Clause 809. Injury to Persons; Loss of Property

POL00028118

809.1 Subject always to the AUTHORITIES' proper observance of their obligations under this Clause, the CONTRACTOR shall fully indemnify the AUTHORITIES in respect of any personal injury or loss of or damage to Property incurred by the AUTHORITIES or their respective employees and authorised agents to the extent that such personal injury or loss of Property is directly caused by any Default of the CONTRACTOR, its employees or agents, in connection with the performance or purported performance of the AUTHORITIES' Agreement.

809.2 In the event of any claim or demand being made or action brought to which Clause 809.1 applies, the CONTRACTOR shall be promptly notified thereof and the CONTRACTOR shall at its own expense conduct all negotiations for settlement of the same and any legal proceedings that may arise therefrom. The CONTRACTOR shall consult with and pay due regard to the interests (including the commercial interests of the Post Office Group and the public interest) and views of the AUTHORITIES in the conduct of any defence to any claim or demand hereunder, and shall, where it is reasonable to do so, comply with such interests and views. The AUTHORITIES, their employees and agents, shall at the request of the CONTRACTOR afford all reasonable assistance for the purpose of contesting any such claim or demand or action and shall be repaid any reasonable expense incurred in so doing and shall not make any admissions which may be prejudicial to the defence of such claim or demand or action.

Clause 810. Limitation of Liability

POL00028118

810.1 No party hereto excludes or limits its liability to any other party for death or personal injury or any breach of any obligations implied by Section 12 of the Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982.

810.2 Subject always to Clause 810.1, the liability of each party for Defaults shall be subject to the financial limits set out in this Clause 810.2.

810.2.1 The aggregate liability for all Defaults resulting in direct loss of or damage to the Property of any other party under all the Related Agreements shall in no event exceed:

810.2.1.1 ten million pounds (£10,000,000), in the case of POCL's liability to the CONTRACTOR;

810.2.1.2 one million pounds (£1,000,000) in the case of DSS's liability to the CONTRACTOR;

810.2.1.3 fifty million pounds (£50,000,000), in the case of the CONTRACTOR's liability to DSS; and

810.2.1.4 ten million pounds (£10,000,000) per Year in relation to such Defaults arising during that Year, in the case of the CONTRACTOR's liability to POCL.

POL00028118

810.2.2 The aggregate liability of each party for all Defaults resulting in direct loss of or damage to the Property of any other party under the AUTHORITIES' Agreement shall in no event exceed:

810.2.2.1 one million pounds (£1,000,000), in the case of POCL's liability to the CONTRACTOR;

810.2.2.2 one hundred thousand pounds (£100,000) in the case of DSS's liability to the CONTRACTOR;

810.2.2.3 five million pounds (£5,000,000), in the case of the CONTRACTOR's liability to DSS; and

810.2.2.4 one million pounds (£1,000,000) per Year in relation to such Defaults arising during that Year, in the case of the CONTRACTOR's liability to POCL.

810.2.3 The aggregate liability per Year under all the Related Agreements of the AUTHORITIES for all Defaults (other than a Default governed by Clauses 810.2.1 and 810.2.2) arising during that Year shall in no event exceed:

810.2.3.1 five million pounds (£5,000,000) in the case of DSS's liability to the CONTRACTOR;

POL00028118

810.2.3.2 five million pounds (£5,000,000) in the case of POCL's liability to the CONTRACTOR.

810.2.4 The aggregate liability per Year of the AUTHORITIES for all Defaults (other than a Default governed by Clauses 810.2.1 and 810.2.2) arising during that Year under the AUTHORITIES' Agreement shall in no event exceed:

810.2.4.1 five hundred thousand pounds (£500,000) in the case of DSS's liability to the CONTRACTOR;

810.2.4.2 five hundred thousand pounds (£500,000) in the case of POCL's liability to the CONTRACTOR.

810.2.5 The aggregate liability under all the Related Agreements of the CONTRACTOR for all Defaults (other than a Default governed by Clauses 810.2.1 and 810.2.2) shall in no event exceed:

810.2.5.1 two hundred million pounds (£200,000,000) in the case of the CONTRACTOR's liability to the AUTHORITIES.

810.2.6 [Not used]

810.2.7 [Not used]

POL00028118

810.2.8 Subject to Clause 810.2.9, the financial limits specified in Clause 810.2 apply to all claims for monetary relief which any party may have against the other parties either under the Related Agreements or otherwise in relation to the subject matter of the Related Agreements, including all claims for liquidated damages pursuant to Clause 802, all claims to be indemnified pursuant to Clauses 805 and 809 and all other claims or costs which are compensable in money or money's worth.

810.2.9 The financial limits applicable to the AUTHORITIES under Clause 810.2 shall be exclusive of and additional to any liability of the AUTHORITIES for failure to pay any Charge, any Termination Charge, any Transfer Payment or any amount payable under Clause 201.9 which may become properly due and payable to the CONTRACTOR in accordance with the provisions hereof.

810.3 Subject always to Clause 810.1, in no event shall any party be liable to any other party for indirect or consequential loss or damage. For the avoidance of doubt, this Clause 810.3 shall not be deemed or construed to affect the CONTRACTOR's liability under Clause 808.

810.4 The provisions of Clause 810.3 shall not be taken as limiting the right of either AUTHORITY to claim from the CONTRACTOR for:

810.4.1 additional operational and administrative costs and expenses; and/or

POL00028118

810.4.2 expenditure or charges rendered unnecessary as a result of any Default by the CONTRACTOR.

810.5 The parties expressly agree that should any limitation or provision contained in this Clause be held to be invalid under any applicable statute or rule of law it shall to that extent be deemed omitted but if any party thereby becomes liable for loss or damage which would otherwise have been excluded such liability shall be subject to the other limitations and provisions set out herein.

PART 9 : TERM AND TERMINATION

Clause 901. Term

The term of the AUTHORITIES' Agreement shall, unless terminated earlier in accordance with the provisions of Clause 902, be for a period commencing on the date hereof and ending five (5) years from the Roll-Out Completion Date.

Clause 902. Termination of AUTHORITIES' Agreement

902.1 The AUTHORITIES may jointly at any time by notice in writing terminate the AUTHORITIES' Agreement with effect from the date of service of such notice or such later date as may be specified therein if:

POL00028118

902.1.1 there is a change of control, as defined by Section 416 of the Income and Corporation Taxes Act 1988, in the CONTRACTOR or its GUARANTOR; or

902.1.2 the CONTRACTOR or the GUARANTOR, being an individual, or where the CONTRACTOR or the GUARANTOR is a firm, any partner or partners in that firm who together are able to exercise direct or indirect control, as defined by Section 416 of the Income and Corporation Taxes Act 1988, shall at any time become bankrupt or shall have a receiving order or administration order made against him or shall make any composition or arrangement with or for the benefit of his creditors, or shall make any conveyance or assignment for the benefit of his creditors, or shall purport to do so, or appears unable to pay or to have no reasonable prospect of being able to pay a debt within the meaning of Section 268 of the Insolvency Act 1986 or he shall become apparently insolvent within the meaning of the Bankruptcy (Scotland) Act 1985 as amended by the Bankruptcy (Scotland) Act 1993 or any application shall be made under any bankruptcy or insolvency act for the time being in force for sequestration of his estate, or a trust deed shall be granted by him for behoof of his creditors; or any similar event occurs under the law of any other jurisdiction; or

902.1.3 the CONTRACTOR, being a company, passes a resolution, or the Court makes an order that the CONTRACTOR or the GUARANTOR be wound up otherwise than for the purpose of a bona fide reconstruction or amalgamation,

POL00028118

or a receiver, manager or administrator on behalf of a creditor is appointed in respect of the business or any part thereof (which for the avoidance of doubt shall not include any subsidiary company of the CONTRACTOR or of the GUARANTOR) of the CONTRACTOR or the GUARANTOR, or circumstances arise which entitle the Court or a creditor to appoint a receiver, manager or administrator or which entitle the Court otherwise than for the purpose of a bona fide reconstruction or amalgamation to make a winding-up order, or the CONTRACTOR or the GUARANTOR is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 or any similar event occurs under the law of any other jurisdiction; or

902.1.4 the circumstances in Clause 605.3.6 arise and either the obligation in question is not capable of being performed again, or, if it is so capable, is not so performed again within thirty (30) days of written notice to the CONTRACTOR specifying the obligation in question and requiring it to be performed or within such other period as may be requested by the CONTRACTOR and agreed by the AUTHORITIES, such agreement not to be unreasonably withheld or delayed; or

902.1.5 any provision hereof other than Clause 902 expressly entitles the AUTHORITIES to terminate the AUTHORITIES' Agreement.

POL00028118

902.2 The AUTHORITIES may jointly at any time by notice in writing terminate the AUTHORITIES' Agreement with effect from the date of service of such notice or such later date as may be specified therein, if the CONTRACTOR is in Default of any obligation (other than an obligation under Clauses 402.6, or 402.7, 402.8 or 402.9) under the AUTHORITIES' Agreement and:

902.2.1 the Default is capable of remedy and the CONTRACTOR shall have failed to remedy the Default within thirty (30) days of written notice to the CONTRACTOR specifying the Default and requiring its remedy or within such other period as may be requested by the CONTRACTOR and agreed by the AUTHORITIES, such agreement not to be unreasonably withheld or delayed;

902.2.2 the Default is not capable of remedy (and for the purposes of this Clause, failure to comply with a timescale shall not of itself be considered a Default not capable of remedy except pursuant to Clause 605.4); or

902.2.3 notice has been served pursuant to Clause 605.4 making time of the essence and all or any of the obligations specified in the notice have not been performed by the time limit stated in the notice.

902.3 In the event that the circumstances detailed in Clauses 402.6, 402.7, 402.8 or 402.9 arise, the AUTHORITIES may jointly terminate the AUTHORITIES' Agreement

POL00028118

by notice in writing with effect from the date of service of such notice or such later date as may be specified therein.

902.4 In the event of any termination of the AUTHORITIES' Agreement pursuant to Clause 902.1, Clause 902.2 or Clause 902.3, the AUTHORITIES shall return the Service Infrastructure or any part thereof (other than any part in relation to which either or both of the AUTHORITIES has exercised an option to purchase under the Related Agreements), in which case the CONTRACTOR shall, at no additional cost to the AUTHORITIES, remove such parts of the Service Infrastructure and shall make good any damage to the Premises occasioned by such removal.

902.5 The AUTHORITIES shall only be permitted to exercise their rights pursuant to Clause 902.1.1 for three (3) months after each such change of control and shall not be permitted to exercise such rights where the AUTHORITIES have agreed in advance in writing to the particular change of control and such change of control takes place as proposed. The CONTRACTOR shall notify the AUTHORITIES in advance of any change of control taking place, if legally possible, or if not so possible as soon as reasonably practicable, and in any event no later than one (1) month after such change of control taking place.

902.6

POL00028118

902.6.1 The AUTHORITIES may jointly terminate the AUTHORITIES' Agreement by giving the CONTRACTOR not less than twelve (12) months' notice.

902.6.2 [Not used]

902.6.3 In the event of such notice being given, the AUTHORITIES shall on termination hereof pay to the CONTRACTOR the Termination Charge (calculated in accordance with Schedule A9).

902.6.4 [Not used]

902.6.5 [Not used]

902.7 Termination shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to either party.

902.8 The provisions of Clauses 101, 102, 104, 502, 606, 608, 609, 801, 804, 805, 810, 902, 903 and 904 and the provisions of Schedules A1 and A9 shall survive the termination of this AUTHORITIES' Agreement by the AUTHORITIES.

902.9 In the event of notice of termination of the AUTHORITIES' Agreement being given hereunder, DSS shall have the option exercisable at any time up to six (6) months

POL00028118

after such notice to terminate the AUTHORITIES' Agreement to give notice to terminate the DSS Agreement pursuant to Clause 902.1.4 thereof and POCL shall have the option exercisable at any time up to six (6) months after such notice to terminate the AUTHORITIES' Agreement to give notice to terminate the POCL Agreement pursuant to Clause 902.1.4 thereof.

902.10 If either POCL terminates the POCL Agreement, or DSS terminates the DSS Agreement or all the DSS Services:

902.10.1 the terminating AUTHORITY shall have no further rights or obligations under the AUTHORITIES' Agreement, and none of the provisions of the AUTHORITIES' Agreement other than the provisions of Clauses 101, 102, 104, 301, 606, 608, 609, 801, 805, 810, 902, 903 and 904 and of Schedules A1, A3, A6 and A9 shall survive in relation to the terminating AUTHORITY; and

902.10.2 the non-terminating AUTHORITY shall have the option of terminating the AUTHORITIES' Agreement pursuant to Clause 902.1.5, provided that, if the terminating AUTHORITY terminated the POCL Agreement or the DSS Agreement (as appropriate) pursuant to Clause 902.6 of the POCL Agreement or the DSS Agreement (as appropriate), or terminated all the DSS Services (in the case of DSS) pursuant to Clause 903.5 of the DSS Agreement, then termination in accordance with this Clause 902.10 shall be treated as a termination for convenience in accordance with Clause 902.6.

POL00028118

902.11 In the event of the termination of any DSS Services or POCL Application Services or of any Related Agreement, the parties shall negotiate in good faith to make any necessary consequential amendments to the surviving Related Agreements in accordance with Clause 101.3. Until such consequential amendments have been made, the CONTRACTOR shall not be liable for any delay or failure in the performance of its obligations under the surviving Related Agreements which is directly caused by the termination of any DSS Services, POCL Services or Related Agreement.

Clause 903. Rights on Termination of AUTHORITIES' Agreement

903.1 In the event of termination hereunder, in circumstances where the AUTHORITIES do not intend inviting the CONTRACTOR to continue to provide the Services hereunder or to provide services equivalent to the Services hereunder, DSS or POCL shall, without prejudice to the AUTHORITIES' other rights and remedies, have the option, exercisable at any time within four (4) months after notice of termination:

903.1.1 to acquire from the CONTRACTOR a non-exclusive licence to use (or authorise a replacement contractor to use) for the continuation of services equivalent to the Services hereunder in respect of any necessary Intellectual Property Rights which are owned by the CONTRACTOR and used in connection with the performance of the AUTHORITIES' Agreement. Such licence shall:

903.1.1.1 not be subject to payment other than pursuant to Clause 903.1.5;

POL00028118

903.1.1.2 be perpetual and irrevocable (subject to Clause 903.3); and

903.1.1.3 [Not used]

903.1.1.4 [Not used]

903.1.1.5 [Not used]

903.1.1.6 permit use by members of the Post Office Group and End Users.

903.1.2 to require that the CONTRACTOR shall assign or novate, or (if assignment or novation is not possible) arrange for the benefit thereof to be transferred, in favour of the AUTHORITIES or to any person as may be designated for the purpose by the AUTHORITIES any sub-contracts, equipment rental or lease agreements and all other (non-employment) agreements entered into by the CONTRACTOR which are necessary to the performance of the Services hereunder as the AUTHORITIES may designate;

903.1.3 to require that the CONTRACTOR shall at no cost to the AUTHORITIES (or a replacement contractor) forthwith release to the AUTHORITIES (or a replacement contractor) a copy of all the Software and all other software, data, tools, utilities, documentation and any other item necessary to provide the Services hereunder. Such software (other than any in respect of

POL00028118

which the AUTHORITIES have exercised their option under Clause 903.1.1) shall be subject to any applicable licence terms, provided that such terms shall not detract from the AUTHORITIES' or a replacement contractor's ability to perform services equivalent to the Services.

903.1.4 Notwithstanding the generality of Clauses 903.1.1 to Clause 903.1.3 the AUTHORITIES agree only to exercise their rights under such Clauses when and only to the extent that it is necessary for the AUTHORITIES either to fulfil the purposes of the AUTHORITIES' Agreement themselves or to engage a third party so to do.

903.1.5 In the event that the AUTHORITIES' exercise any of the options in Clause 903.1, the AUTHORITIES shall pay to the CONTRACTOR the Transfer Payment calculated in accordance with Schedule A9.

903.1.6 If the AUTHORITIES' Agreement expires and the AUTHORITIES do not recompete the Services hereunder, they shall be obliged to exercise all of the options in this Clause, unless the CONTRACTOR elects to relieve the AUTHORITIES of this obligation in whole or in part.

903.2 In the event that the AUTHORITIES' Agreement is terminated as provided for herein:

POL00028118

903.2.1 the CONTRACTOR shall repay forthwith to the relevant AUTHORITIES all monies paid in relation to Services hereunder up to and including such date of termination other than monies in respect of any Services or part thereof properly performed in accordance with the AUTHORITIES' Agreement;

903.2.2 the CONTRACTOR shall return to POCL all Post Office Group Property in its possession and shall return to DSS all Property of DSS in its possession;

903.2.3 the CONTRACTOR shall render all practicable assistance to the AUTHORITIES, if requested, to the extent necessary to effect an orderly assumption by the AUTHORITIES or a replacement contractor of the services theretofore performed by the CONTRACTOR under the AUTHORITIES' Agreement and the AUTHORITIES shall reimburse the CONTRACTOR for such assistance at the rates then prevailing for customers of the CONTRACTOR for the same or similar services;

903.2.4 the AUTHORITIES shall be entitled on termination to offer any employee or sub-contractor (being an individual) of the CONTRACTOR who has during the six (6) months prior to such offer been involved for at least seventy-five per cent (75%) of his contracted working time in performing the CONTRACTOR's obligations under the AUTHORITIES' Agreement

POL00028118

employment or an agreement for services with the AUTHORITIES and the CONTRACTOR agrees that if such person accepts such offer the CONTRACTOR shall release such person from any breach of contract with it (other than in relation to such person's obligations of confidentiality and notice of termination) which such acceptance may otherwise involve; and

903.2.5(a) as soon as possible following any notice of termination being given (in the case of an early termination of the AUTHORITIES' Agreement) and no later than three (3) months prior to the expiry of the AUTHORITIES' Agreement (in the case of the termination of the AUTHORITIES' Agreement through the effluxion of time) the CONTRACTOR shall at the request of the AUTHORITIES provide to the AUTHORITIES or to a replacement contractor nominated by the AUTHORITIES details of the terms of employment of all CONTRACTOR personnel who are then employed in the performance of the Services hereunder as reasonably required by the AUTHORITIES in order to permit compliance with the Transfer of Undertakings (Protection of Employment) Regulations 1981 by the AUTHORITIES or a replacement contractor;

(b) subject always to the AUTHORITIES' proper observance of their obligations under Clause 903.2.5(c), the CONTRACTOR shall fully indemnify the AUTHORITIES from and against any and all liabilities which the AUTHORITIES may incur in connection with or as a result of any claim or demand whatsoever by any employee or former employee of the CONTRACTOR

POL00028118

or of any of the CONTRACTOR's sub-contractors or agents in respect of his employment with the CONTRACTOR or such sub-contractor or agent (or, pursuant to the application of the Transfer of Undertakings (Protection of Employment) Regulations 1981, with either AUTHORITY or any replacement contractor) and/or its termination save to the extent such claim or demand both (i) is made by an employee identified within the relevant employment details referred to in Clause 903.2.5(a) as transferring pursuant to the Regulations and (ii) relates to employer's obligations accruing after the said transfer of employment which are clearly identified within the relevant employment details;

(c) in the event of any claim or demand being made or action brought to which Clause 903.2.5(b) applies, the CONTRACTOR shall be promptly notified thereof and the CONTRACTOR shall at its own expense conduct all negotiations for settlement of the same and any legal proceedings that may rise therefrom. The AUTHORITIES, their sub-contractors, agents and employees shall at the request of the CONTRACTOR afford all reasonable assistance for the purpose of contesting any such claim or demand or action and shall be repaid any reasonable expense incurred in so doing and shall not make any admissions which may be prejudicial to the defence of any such claim or demand or action.

903.3 The CONTRACTOR may at any time by notice in writing terminate any licence granted under Clause 903.1.1 if the relevant AUTHORITY is in Default of its obligations under Clause 903.1.1 in relation to such licence and the relevant AUTHORITY shall fail

POL00028118

to remedy such Default within thirty (30) days of written notice to the relevant AUTHORITY specifying the Default and requiring its remedy, provided that if the Default in question is caused by an Agent, such licence shall only be terminated in relation to Use by such Agent.

903.4 The AUTHORITIES shall only be entitled to exercise the options in Clause 903.1 and 903.2.4 to the extent that such exercise does not affect the CONTRACTOR's ability to perform any DSS Services or POCL Services.

Clause 904. Transfer Services

In the event of termination of the AUTHORITIES' Agreement pursuant to Clause 902, the CONTRACTOR shall perform the Transfer Services as set out in Schedule A9.

PART 10 : MISCELLANEOUS

Clause 1001. Corrupt Gifts and Payments of Commission

1001.1 The CONTRACTOR shall neither:

1001.1.1 offer or give or agree to give any person on Her Majesty's Service (which term shall in this Clause 1001 include all persons employed or engaged by the Crown and all persons providing services to the Crown) or employed by

POL00028118

or providing services to the Post Office Group any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or performance of the AUTHORITIES' Agreement or any other agreement with Her Majesty's Service or the Post Office Group (as appropriate) or for showing or forbearing to show favour or disfavour to any person in relation to the AUTHORITIES' Agreement; nor

1001.1.2 enter into the AUTHORITIES' Agreement if in connection with it commission has been paid or agreed to be paid to any person on Her Majesty's Service or employed by the Post Office Group by the CONTRACTOR or on the CONTRACTOR's behalf or to the CONTRACTOR's knowledge, unless before the AUTHORITIES' Agreement are made particulars of any such commission and of the terms and conditions of any agreement for the payment thereof have been disclosed in writing to the AUTHORITIES.

1001.2 In the event of any breach of this Clause 1001 by the CONTRACTOR or by anyone employed by the CONTRACTOR or acting on the CONTRACTOR's behalf (whether with or without the knowledge of the CONTRACTOR) or the commission of any offence by the CONTRACTOR or by anyone employed by the CONTRACTOR or acting on behalf of the CONTRACTOR under the Prevention of Corruption Acts, 1889 to 1916 in relation to this or any other contract with the Post Office Group or for Her Majesty's Service, the AUTHORITIES may terminate the AUTHORITIES' Agreement by notice in

POL00028118

writing to the CONTRACTOR pursuant to Clause 902.1.5. Provided always that such termination shall not prejudice or affect any right of action or remedy which shall have accrued or shall accrue thereafter to the AUTHORITIES and provided always that the AUTHORITIES may recover from the CONTRACTOR the amount or value of any such gift, consideration or commission.

1001.3 The decision of the AUTHORITIES shall be final and conclusive in any dispute, difference or question arising in respect of:

1001.3.1 the interpretation of this Clause (except so far as the same may relate to the amount recoverable from the CONTRACTOR under Clause 1001.2 in respect of any loss resulting from such termination of the AUTHORITIES' Agreement); or

1001.3.2 the right of the AUTHORITIES under this Clause 1001 to terminate the AUTHORITIES' Agreement; or

1001.3.3 the amount or value of any such gift, consideration or commission.

Clause 1002. Discrimination

POL00028118

1002.1 The CONTRACTOR shall not unlawfully discriminate within the meaning and scope of any law, enactment, order, regulation or other similar instrument relating to discrimination (whether in relation to race, gender, religion or otherwise) in employment.

1002.2 The CONTRACTOR shall take all reasonable steps to ensure the observance of the provisions of Clause 1002.1 by all servants, employees, agents and consultants of the CONTRACTOR and all sub-contractors.

Clause 1003. Guarantee

The CONTRACTOR shall procure that the GUARANTOR shall within five (5) days after the date hereof enter into and maintain a guarantee in the form set out in Schedule A11. Breach of this Clause shall constitute a Default not capable of remedy.

Clause 1004. Insurance

The CONTRACTOR shall to the extent reasonably possible insure or make provision for self-insurance against all losses and damages which are the result of its fault or negligence in performing the Services hereunder, including workman's compensation, public liability, product liability, property damage and professional indemnity. The CONTRACTOR will, if requested in writing by either AUTHORITY, produce to the relevant AUTHORITY a certificate of insurance showing the applicable coverage currently in force, and will also give the

POL00028118

AUTHORITIES' prior written notice of (where possible), or written notice no later than thirty (30) days after, alteration or cancellation of such insurance.

IN WITNESS WHEREOF this Agreement has been executed on behalf of the parties as follows:

Signed for and on behalf of the Secretary of State for Social Security

By .....

Name .....

Title .....

Date .....

POL00028118

Signed for and on behalf of POCL

By .....

Name .....

Title .....

Date .....

Signed for and on behalf of the CONTRACTOR

By .....

Name .....

Title .....

Date .....

POL00028118

SCHEDULE 2

EXTRAPOLATION AND TRANSPOSITION OF SCHEDULES

(Clause 201)

A. Schedules in the Related Agreements transposed from Schedule 3

DSS Agreement

3

POCL Agreement

3

B. Schedules in the Related Agreements extrapolated from Schedule A6

DSS Agreement

D7 and E7

POCL Agreement

D7, E7, F7 and G9

C. Schedules in the Related Agreements transposed from Schedule B1

DSS Agreement

A15

POCL Agreement

A15

D. Schedules in the Related Agreements extrapolated from Schedule B1

AUTHORITIES' Agreement

1, B6, C1 and C3

DSS Agreement

POL00028118

1, B5, B6, B8, D1, D2, D4, D9, E1, E2, E4, E9, F1 and F3

POCL Agreement

1, B5, B6, B8, C1, D1, D2, D4, D9, E1, E2, E4, E9, F1, F2, F4, F9, G1, G2, G3, G4, G6, G11, H1 and H3

E. Schedules in the Related Agreements transposed from Schedule B2

DSS Agreement

A16

POCL Agreement

A16

F. Schedules in the Related Agreements extrapolated from Schedule B2

AUTHORITIES' Agreement

B6, C2 and C4

DSS Agreement

B1, B2, B3, B4, B5, B6, B8, D1, D2, D3, D9, E1, E2, E3, E9, F2 and F4

POCL Agreement

B1, B2, B3, B4, B5, B6, B8, C1, D1, D2, D3, D9, E1, E2, E3, E9, F1, F2, F3, F9, G1, G2, G3, G4, G5, G11, H2 and H4

G. Schedules in the Related Agreements extrapolated from Schedule B3

DSS Agreement

D8 and E8

POCL Agreement

D9 and E9

H. Schedules in the Related Agreements extrapolated from Schedule B4

AUTHORITIES' Agreement

POL00028118

1, B6, C1 and C3

DSS Agreement

1, B5, B6, B8, D1, D2, D4, D9, E1, E2, E4, E9, F1 and F3

POCL Agreement

1, B5, B6, B8, C1, D1, D2, D4, D9, E1, E2, E4, E9, F1, F2, F4, F9, G1, G2, G3, G4, G6, G11, H1 and H3

I. Schedules in the Related Agreements extrapolated from Schedule B5

AUTHORITIES' Agreement

B6, C2 and C4

DSS Agreement

B1, B2, B3, B4, B5, B6, B8, D1, D2, D3, D9, E1, E2, E3, E9, F2 and F4

POCL Agreement

B1, B2, B3, B4, B5, B6, B8, C1, D1, D2, D3, D9, E1, E2, E3, E9, F1, F2, F3, F9, G1, G2, G3, G4, G5, G11, H2 and H4

J. Schedules in the Related Agreements extrapolated from Schedule B8

DSS Agreement

B10

POCL Agreement

B10

K. Schedules in the related Agreements extrapolated from Schedule C5

DSS Agreement

F5

POCL Agreement

H5

POL00028118

SCHEDULE 3- ASSUMPTIONS

Version reference	Reason for change	Frozen/issue date
1.0/ITT 2.0	ready for ITT	29-Feb-96

1. ASSUMPTIONS

1.1. **[DN: First draft, issued as a blank placeholder Schedule.]**

POL00028118

SCHEDULE A1- INTERPRETATIONS

Version reference	Reason for change	Frozen/issue date
0A	First draft ready for internal review	
OC	Updated following first set of requirement schedules	3-Oct-95
1.0	Issued following workshop	6-Oct-95
1.1	First revision post-issue	3-Nov-95
1.2	Subsequent issue	06/11/95 14:39
1.3	revised 13-15 Dec 95 by Patrick Sedgwick with reference to Requirements Catalogue.	15-Dec-95
1.4	revised in light of comments from Dave Pryce and of lawyers' interpretations in Clauses	3-Jan-96 by Patrick Sedgwick
1.5	feedback from Requirements Team	5-Jan-96
1.6	more feedback	11-Jan-96
1.7	evolution	12-Jan-96
1.8	evolution	15-Jan-96
1.9	further evolved and ready for issue to SPs and Sponsors	17-Jan-96
2.0	Issued to SPs and Sponsors	17-Jan-96
2.1	Available internally	19-Jan-96
2.2	working version	
3.0	Issued to Sponsors and SPs	2-Feb-96
3.1	working version	
4.0	Issued to Sponsors and SPs	9-Feb-96
4.1	working version	
5.0	Issued to Sponsors and SPs	16-Feb-96
5.1	working version	
6.0	ready for ITT	27-Feb-96
ITT Version 2.0	for issue in ITT	29-Feb-96

1. DEFINITION OF TERMS

1.1. As used in the Related Agreements, the following terms have the following meanings.

Acceptance Criteria:

The criteria for Acceptance of Deliverables and Services as specified in the relevant Related Agreement, or as otherwise agreed in writing by the relevant AUTHORITY and

POL00028118

CONTRACTOR, including the DSS Acceptance Criteria, the DSS Operational Trial Criteria, the POCL Acceptance Criteria, the POCL Operational Trial Criteria, the Operational Trial Criteria and the Acceptance Specifications.

Acceptance Incident:
Any unusual or undesirable occurrence, or request for advice and guidance, which has been reported in writing by the AUTHORITIES to the CONTRACTOR for analysis in respect of an Acceptance Test.

Acceptance Period:
A period of time which is identified in the appropriate Acceptance Specification as the allowable time for an Acceptance Test, including the Roll Out Acceptance Period, the DSS Acceptance Procedures Period, the DSS Operational Trial Period, the Operational Trial Period, the POCL Acceptance Procedures Period and the POCL Operational Trial Period.

Acceptance Procedures:
The procedures, specified in the Related Agreements, for Acceptance of Deliverables and Services provided under the terms of the Related Agreements, including the DSS Acceptance Procedures, the DSS Operational Trial Procedures, the POCL Acceptance Procedures, the POCL Operational Trial Procedures, the Operational Trial Procedures, and the Roll Out Acceptance Procedures.

Acceptance Review:
A component of an Acceptance Test, used to test the acceptability of Deliverables or Services.

Acceptance Specification:
A document prepared in accordance with the Acceptance Procedures describing the details of an Acceptance Test.

Acceptance Test Condition:
A specific element of an Acceptance Test, defined in an Acceptance Specification, that contributes to establishing that an Acceptance Criterion has been met.

Acceptance Test:
A process, defined in the Acceptance Procedures, for determining whether a Deliverable or Service meets the relevant Acceptance Criteria, and which includes one or more Acceptance Trials, or one or more Acceptance Reviews, or at least one of each of these.

POL00028118

Acceptance Trial:
A component of an Acceptance Test, used to test the acceptability of Services.

Acceptance:
Acceptance in accordance with the Acceptance Procedures.

Additional DSS Service:
Any DSS Service to be supplied pursuant to Clause 203 of the DSS Agreement.

Additional POCL Service:
Any POCL Service to be supplied pursuant to Clause 203 of the POCL Agreement.

Additional Product:
Means, in the DSS and POCL Agreements, any Product to be supplied pursuant to Clause 206 of the DSS Agreement or POCL Agreement (as appropriate).

Advertisement:
The advertisement placed by the AUTHORITIES in the Official Journal of the European Communities on 30 August 1994 for the supply of the Service Infrastructure and the Services.

Agents:
Any person authorised to operate a franchise post office or sub-post office, including without limitation sub-post masters on a non-franchise contract, and franchisees of post offices or sub post offices.

Alternative Payee:
An Authorised Person who for certain benefits can be nominated by the Beneficiary, to collect the benefit on his or her behalf.

AP Client Specification:
A document describing an AP Client Service Type.

AP:
Automated payment, effected by the Automated Payment Service.

APACS:
The Association for Payment and Clearing Services.

Application:
A Service delivered through and dependent upon the medium of the POCL Service Infrastructure.

POL00028118

Appointee:
A person appointed by DSS to act as an Authorised Person on behalf of a Beneficiary who is unable to manage his or her own affairs because of some disability.

approve:
To approve in writing, and related terms shall be construed accordingly.

APS Generic Rules:
A document describing generic rules for APS.

APS:
Automated Payment Service (q.v.).

APT:
The Automated Payment Terminal used to provide the APS.

Associated Collateral Material:
Information provided to a Beneficiary, through media such as leaflets and displays in post offices or DSS offices, including without limitation arrangements for Card security and access to benefits.

Attachable Computer System:
A computer system (provided either by the CONTRACTOR under the Related Agreements, or by any other party authorised by POCL and agreed with the CONTRACTOR), authorised by POCL for connection to the POCL Service Infrastructure.

Authorised Payment Id:
A means of uniquely identifying an Authorised Payment.

Authorised Payment:
A single amount of a particular benefit type authorised by the DSS as being due to a specified Beneficiary on a specified date.

Authorised Person's Agent:
A person authorised by a Beneficiary, or the Beneficiary's Appointee, to collect that Beneficiary's benefit payments on his or her behalf.

Authorised Person:
A person authorised by DSS, or the relevant Beneficiary or an Appointee, to collect an Authorised Payment.

Authorising Officer:
A representative of the relevant AUTHORITY who has authority to raise orders, authorise invoices, and may make

POL00028118

decisions on specified areas on behalf of the relevant AUTHORITY.

AUTHORITIES' Agents:
Any person(s) or organisation(s) authorised to act on behalf of the AUTHORITIES.

AUTHORITIES' Agreement:
The agreement between DSS, POCL and the CONTRACTOR, consisting of the Clauses and the Schedules (including the Annexes to the Schedules).

AUTHORITIES' Data:
The DSS Data and the POCL Data.

AUTHORITIES' Responsibilities:
The responsibilities of each of the AUTHORITIES listed in Schedules B2 and B5 of the AUTHORITIES' Agreement.

AUTHORITIES' Trial Responsibilities:
The responsibilities of the AUTHORITIES listed in Schedule C4 of the AUTHORITIES' Agreement.

AUTHORITY's Agent:
Any person(s) or organisation(s) authorised to act on behalf of an AUTHORITY.

AUTHORITY's Responsibilities:
The responsibilities of each AUTHORITY, as listed in Schedules B2 and B5 of the AUTHORITIES' Agreement.

Automated Payment Service:
The automated payment service supplied by the CONTRACTOR pursuant to Clause 405.2 of the POCL Agreement.

Basic DSS Products:
The Products to be supplied pursuant to Clause 204 of the DSS Agreement.

Basic DSS Services:
The DSS Services to be supplied pursuant to Clause 201 of the DSS Agreement.

Basic POCL Products:
The Products to be supplied pursuant to Clause 204 of the POCL Agreement.

Basic POCL Services:
The POCL Services to be supplied pursuant to Clause 201 of the POCL Agreement.

POL00028118

Basic Products:
The Products to be supplied pursuant to Clause 204 of the DSS Agreement or the POCL Agreement (as appropriate).

Beneficiary:
A person entitled to receive, and in receipt of, benefit.

Benefit Encashment Service:
The benefit encashment service supplied by the CONTRACTOR pursuant to Clause 405.1 of the POCL Agreement.

Benefit Payment Service:
The end-to-end service provided by the combination of BES, PAS and CMS.

Benefits Advice Notes:
Information supplied to Authorised Persons, explaining (i) the rules for claiming benefits, and (ii) Authorised Persons' legal requirement to report any change of circumstances that may or may not affect a Beneficiary's entitlement to benefit.

BES:
Benefit Encashment Service (q.v.).

BPS:
Benefit Payment Service (q.v.)

CAPS Release Strategy:
The plan for the implementation of CAPS.

CAPS:
The Customer Accounting and Payment Strategy of DSS.

Card Authentication Method:
The method, and any associated technology, used to verify that the Card presented in support of a benefit payment Transaction is genuine and valid.

Card Management Service:
The card management service supplied by the CONTRACTOR pursuant to Clause 405.1 of the DSS Agreement.

Card Termination:
A process whereby the CONTRACTOR invalidates a hitherto valid Card in accordance with the terms of the DSS Agreement, so that it can no longer be used to support benefit payments.

POL00028118

Card:
A card or other token to be issued by or on behalf of DSS for the payment of benefits and allowances and other related benefit and social security purposes, as provided and managed under the Card Management Service.

Cardholder Verification Method:
The method, and any associated technology, used to verify that the person presenting a Card in support of a benefit payment Transaction is the Authorised Person authorised to receive that benefit payment.

Casual Agent:
A person authorised by the Beneficiary to collect benefit on his or her behalf on a one-off basis.

Change Control Board:
The body described charged with overall responsibility, on behalf of the AUTHORITIES or the relevant AUTHORITY, for the Change Control Procedure.

Change Control Note:
A document used in the Change Control Procedure and defined in Schedule A5 of the relevant Related Agreement.

Change Control Procedure:
The procedure defined in Schedule A5 of the relevant Related Agreement.

Charges:
The charges payable under any of the Related Agreements by either of the AUTHORITIES.

Client Service Type:
A variant of a standard Service with detailed aspects of that Service customised to meet a specific Client's needs.

Client:
An organisation on behalf of which POCL provides a service to Customers at Outlets.

CMS:
Card Management Service (q.v.).

Commit:
in relation to a Transaction, means to execute a Transaction Committal for that Transaction.

Common Charging Mechanism:
The means by which the CONTRACTOR shall charge for all

POL00028118

Basic and Optional DSS and POCL Services, as defined in Schedule A6 of the AUTHORITIES' Agreement.

Confidential Information:
All information designated as such by any party to the relevant Related Agreement in writing together with all other information which relates to the business, affairs, Products, developments, trade secrets, know-how, personnel, customers and suppliers of any party or information which may reasonably be regarded as the confidential information of the disclosing party.

Contention:
A situation in which two or more devices simultaneously seek communication with another device, which itself can communicate with only one device at a time.

Contract Manager:
A person appointed by the AUTHORITIES, or by the relevant AUTHORITY, or by the CONTRACTOR, to manage and monitor the operation of the relevant Related Agreements, as required in Schedule A4 of the relevant Related Agreement.

Contract Variation:
Any change to the Services which requires a change to the Related Agreements.

Contractor Consumables:
Means (i) in the DSS Agreement, the consumables which are required for the performance of the DSS Services by the CONTRACTOR, other than consumables so used on the DSS Premises, and (ii) in the POCL Agreement, the consumables which are required for the performance of the POCL Services by the CONTRACTOR, other than consumables so used on the POCL Premises.

CONTRACTOR's Software:
Means (i) in the DSS Agreement, the software identified as such in Schedule B1 of the DSS Agreement and which is supplied by the CONTRACTOR as part of the DSS Service Infrastructure pursuant to Clause 204 of the DSS Agreement, or as an Optional Product or Additional Product, and (ii) in the POCL Agreement, the software identified as such in Schedule B1 of the POCL Agreement and which is supplied by the CONTRACTOR as part of the POCL Service Infrastructure pursuant to Clause 204 of the POCL Agreement, or as an Optional Product or Additional Product.

POL00028118

Counter Clerk:
Any person who serves Customers at a Counter Position in a post office.

Counter Position:
A serving position in a post office, where a Customer transacts business with a Counter Clerk.

CPCS:
The Customer Payment Computer System operated by DSS.

Customer Session:
A set of contiguous Transactions recording business transacted by a single Customer.

Customer Statement Request:
A request by a Customer for a DSS Statement Of Account.

Customer:
A person transacting, or seeking to transact, business with either AUTHORITY through any of the Services, either on his or her own behalf, or on someone else's behalf.

Data File:
A set of electronic data, contained within a single file and held or used within, or transmitted over, any of the Services provided by the CONTRACTOR.

Declaration of Entitlement:
A statement, in a form specified by DSS, signed by a person stating that he or she is entitled to receive benefit.

Default:
Means (i) in the DSS Agreement and the POCL Agreement, any breach of the obligations of any party (including but not limited to fundamental breach or breach of a fundamental term) or any default, act, omission, negligence or statement of any party, its employees, agents or sub-contractors in connection with or in relation to the subject matter of the DSS Agreement or the POCL Agreement (as appropriate) and in respect of which such party is liable to the other, and (ii) in the AUTHORITIES' Agreement, any breach of the obligations of any party (including but not limited to fundamental breach or breach of a fundamental term) or any default, act, omission, negligence or statement of any party, its employees, agents or sub-contractors in connection with or in relation to the subject matter of the Related Agreements (as appropriate) and in respect of which such party is liable to either or both of the other parties.

POL00028118

Deliverable:
An item which the CONTRACTOR is required to provide under the terms of the Related Agreements, including without limitation Products.

Deposited Software:
All software designated as such in Schedule B1 of the DSS Agreement or the POCL Agreement (as appropriate).

Development Services:
The development services to be performed by the CONTRACTOR under the AUTHORITIES' Agreement.

Documentation:
The documentation listed in Schedule B3 of the DSS Agreement or the POCL Agreement (as appropriate).

Double Key Requirements:
The requirements set out in Schedule B4 of the AUTHORITIES' Agreement.

Double Key Solutions:
The solutions to the Double Key Requirements as set out in Schedule B5 of the AUTHORITIES' Agreement.

DSS Acceptance Criteria:
The criteria for acceptance of the Products and DSS Consumables specified in Schedule B5 of the DSS Agreement.

DSS Acceptance Procedures Period:
The period (defined in Schedule A11 of the DSS Agreement) within which the DSS Acceptance Procedures must be performed.

DSS Acceptance Procedures:
The inspections, tests and trials specified in Schedule A11 of the DSS Agreement.

DSS Acceptance Test:
The acceptance test specified in Schedule A11 of the DSS Agreement.

DSS Agreement:
The agreement between DSS and the CONTRACTOR, comprising the Clauses and the Schedules (including the Annexes to the Schedules).

DSS Consumables:
The consumables to be supplied pursuant to Clause 207 of

POL00028118

the DSS Agreement, as listed in Schedule B4 of the DSS Agreement.

DSS Contingency Services:
The contingency services specified in Schedules D9 and E9 of the DSS Agreement, to be performed pursuant to Clause 409 of the DSS Agreement.

DSS Data:
Means all data, information, text, drawings, diagrams, images or sounds which are embodied in any electronic or tangible medium, and which are supplied or in respect of which access is granted to the CONTRACTOR by DSS pursuant to the Related Agreements, or which the CONTRACTOR is required to generate for DSS under the Related Agreements but excludes the DSS Service Architecture Design Document, the Service Architecture Design Document and Documentation.

DSS Day:
08:00 to 18:00 Monday to Saturday inclusive, excluding bank holidays.

DSS Development Services:
The development services to be performed by the CONTRACTOR under the DSS Agreement.

DSS Operational Trial Acceptance Date:
The date of final acceptance of the DSS Operational Trial System in accordance with Clause 403 of the DSS Agreement, as set out in Schedule F2 of the DSS Agreement.

DSS Operational Trial Commencement Date:
The commencement date of the DSS Operational Trial Procedure, as set out in Schedule F2 of the DSS Agreement.

DSS Operational Trial Criteria:
The trial criteria for the DSS Operational Trial, as set out in Schedule F1 of the DSS Agreement.

DSS Operational Trial Period:
The period for performance of the DSS Operational Trial Procedures, starting on the DSS Operational Trial Commencement Date and ending on the DSS Operational Trial Acceptance Date.

DSS Operational Trial Procedures:
The acceptance test procedures of the DSS Operational Trial System, as described in Schedule A11 of the DSS Agreement.

POL00028118

DSS Operational Trial System:
The trial system to be delivered to be tested under the DSS Operational Trial Procedures, as described in Schedule F1 of the DSS Agreement, to enable the functionality and performance of the DSS Service Infrastructure and the DSS Services within the DSS Service Architecture to be assessed.

DSS Operational Trial:
The operational trial to be carried out pursuant to Clause 403 of the DSS Agreement.

DSS Premises:
All premises of DSS from time to time.

DSS Responsibilities:
The responsibilities of DSS listed in Schedule D3 and E3 of the DSS Agreement.

DSS Service Architecture Design Document:
The document showing the DSS Service Architecture developed pursuant to Clause 402.1.4 of the DSS Agreement, as amended from time to time to reflect Optional and Additional Products and Optional and Additional DSS Services.

DSS Service Architecture:
The architecture of the DSS Steady State Services, the DSS Service Infrastructure and the DSS Service Environment.

DSS Service Environment:
DSS's existing computer, telecommunication and business operating systems and services, which are to be integrated with the DSS Service Infrastructure and the DSS Steady State Services to form the DSS Service Architecture.

DSS Service Infrastructure:
Means the Hardware, the Software and all other electronic, computer and telecommunications equipment, which form the infrastructure to be utilised by the CONTRACTOR for the provision of the DSS Services but does not include the DSS Service Environment.

DSS Services:
The Card Management Service, the Payment Authorisation Service and all other obligations of the CONTRACTOR under the DSS Agreement.

DSS Steady State Services:
The Card Management Service, the Payment Authorisation

POL00028118

Service and the DSS Contingency Services, and any relevant Optional DSS Services.

DSS Trial Responsibilities:
The responsibilities of DSS listed in Schedule F4 of the DSS Agreement.

EFTPOS:
Electronic Funds Transfer at Point of Sale: a term used to describe the debiting of customers' accounts, usually through EPOS systems, for goods or services they purchase.

Encashment Id:
A means of uniquely identifying an individual encashment.

End User:
Any employee of the Post Office Group and any Agent or employee thereof.

EPOS:
Electronic Point of Sale: a term used to describe the systems typically used in retail shops and stores, at the point of customer service, for recording sales transactions.

EPOSS:
The EPOS Service supplied by the CONTRACTOR pursuant to Clause 405.3 of the POCL Agreement.

Equipment:
Any physical hardware (including but without limitation supply cords, interface cables and cords, User-installable components and peripherals) forming part of the Service Infrastructure, or supplied under the DSS Agreement or the POCL Agreement (as appropriate) as an Optional Product or an Additional Product.

Event:
A recorded and auditable instance of business administration activity, such as the registration of a new User, or the running of a Report.

extrapolate:
In relation to the contents of Schedules of the AUTHORITIES' Agreement, to develop and re-format them into appropriate Schedules in the DSS Agreement and the POCL Agreement, and related terms shall be construed accordingly.

POL00028118

Failed Acceptance:
The outcome of an Acceptance Test in the circumstances defined in paragraph 9 of Schedule A7 of the AUTHORITIES' Agreement and of Schedule A11 of the DSS and POCL Agreements.

Foreign Encashment:
An encashment of an Authorised Payment which occurs at a post office other than the Nominated Post Office.

Governmental Regulation:
Any United Kingdom primary legislation and any United Kingdom secondary legislation.

GUARANTOR:
[...]

Hardware:
Any hardware used by the CONTRACTOR to provide DSS Services under the DSS Agreement or POCL Services under the POCL Agreement (as appropriate), including hardware supplied as a Basic Product or as an Optional Product or Additional Product.

Help Desk:
The sole initial point of call for Users in need of support relating to the Services.

HMG:
Her (or His) Majesty's Government.

IMS:
The inventory management system used by POCL.

Incident Resolution Time:
The time elapsed between the logging of an Incident by the CONTRACTOR's Help Desk, and the Incident Resolution.

Incident Resolution:
The re-establishment of Service following an Incident.

Incident:
Any perceived abnormal or undesirable occurrence relating to a Service.

Intellectual Property Rights:
Patents, trade marks, service marks, design rights (whether registerable or otherwise), applications for any of the foregoing, moral rights, copyright, trade or business names and other similar rights or obligations whether

POL00028118

registerable or not in any country (including but not limited to the United Kingdom).

Internal Code:
Machine readable software supplied as an integral part of the Hardware and not listed herein.

Invoice:
A request for payment, submitted by the CONTRACTOR, to the relevant AUTHORITY.

Invoicing Period:
The period specified in Schedule A10 of the DSS Agreement and Schedule A10 of the POCL Agreement.

IPR:
Intellectual Property Rights (q.v.).

IT:
Information Technology.

LAN:
Local Area Network.

Local Sensitivity:
A classification ascribed at local level by DSS to certain classes of Beneficiary requiring that they be treated in a particular way.

Message:
A set of electronic data for transportation from one computer system to another.

Method of Payment:
The form of payment recorded against a Customer Transaction.

Milestone:
A date on which a Deliverable or other event in an agreed plan is due.

Minimum Acceptable Threshold:
for a Service is the minimum level of service at or above which the relevant AUTHORITY accepts that the Service may be provided by the CONTRACTOR without incurring service credits or liquidated damages.

MIS:
Management Information Systems.

POL00028118

NAO:
National Audit Office.

National Sensitivity:
A classification ascribed at national level by DSS to certain classes of Beneficiary requiring that they be treated in a particular way.

NCC:
The National Computing Centre Ltd, Manchester.

NINO:
A National Insurance Number issued to any natural person.

Nominated Post Office:
A specific post office at which a Beneficiary has elected to receive benefit payments.

Non-value Stock:
Stock which has no intrinsic value but for which records are maintained of the levels on hand.

OBCS:
Order Book Control Service (q.v.).

Office Balance:
The aggregate balance across all the Stock Units in a post office.

Operational Trial Acceptance Date:
The date of final acceptance of the Trial System in accordance with Clause 402 of the AUTHORITIES' Agreement, as set out in Schedule C2 of the AUTHORITIES' Agreement.

Operational Trial Commencement Date:
The commencement date of the Operational Trial Procedure, as set out in Schedule C2 of the AUTHORITIES' Agreement.

Operational Trial Criteria:
The trial criteria for the Operational Trial Procedures, as set out in Schedule C1 of the AUTHORITIES' Agreement.

Operational Trial Period:
The period for performance of the Operational Trial Procedures, starting on the Operational Trial Commencement Date and ending on the Operational Trial Acceptance Date.

Operational Trial Procedures:
The Acceptance Test procedures for the Operational Trial System, as described in Schedule A7 of the AUTHORITIES' Agreement.

POL00028118

Operational Trial System:
The trial system to be delivered to be tested under the Operational Trial Procedures, as described in Schedule C1 of the AUTHORITIES' Agreement, to enable the functionality and performance of the Service Infrastructure and the Services within the Service Architecture to be assessed.

Operational Trial:
The operational trial to be performed pursuant to Clause 402 of the AUTHORITIES' Agreement.

OPS:
The Office Platform Service described in Schedule G1 of the POCL Agreement.

Optional DSS Products:
Any Products to be supplied pursuant to Clause 205 of the DSS Agreement.

Optional POCL Products:
Any Products to be supplied pursuant to Clause 205 of the POCL Agreement.

Optional POCL Service:
Any POCL Service to be supplied pursuant to Clause 202 of the POCL Agreement.

Optional Product:
Any Optional Product to be supplied pursuant to Clause 205 of the DSS Agreement or the POCL Agreement (as appropriate).

Order Book Control Service:
An Optional DSS Service or Optional POCL Service which may be provided by the CONTRACTOR until the completion of the migration of benefit encashment from an order book basis to a Card basis, and which provides: facilities to support the control of the use of order books (whether barcoded or not); stop notice facilities; and encashment procedures at automated post offices.

Other Stock:
All Stock other than Retail Stock, Security Stock and Value Stock, including leaflets, forms and various general consumables and supplies.

Outlet:
A post office or any other location where POCL (whether directly or by means of Agents) transacts business with Customers.

POL00028118

P80MA:
A POCL form which allows a Beneficiary to notify DSS of changes to his or her personal details and requirements relating to benefit payments.

PACE:
Police and Criminal Evidence Act 1984.

Parent Company:
Any holding company (as defined in Section 736 of the Companies Act 1985).

PAS:
Payment Authorisation Service (q.v.).

Payment Authorisation Service:
The payment authorisation Service supplied by the CONTRACTOR pursuant to Clause 405.2 of the DSS Agreement.

PCE(NI) Order 1989:
Police and Criminal Evidence (Northern Ireland) Order 1989.

Permanent Agent:
A person authorised by the Beneficiary to collect benefit on his or her behalf on a permanent basis (until revocation of that authorisation).

person:
Includes a partnership, a corporation or association (whether incorporated or unincorporated), as well as a natural person.

POCL Acceptance Criteria:
The criteria for acceptance of the Products and POCL Consumables specified in Schedule B5 of the POCL Agreement.

POCL Acceptance Procedures Period:
The period (defined in Schedule A11 of the POCL Agreement) within which the POCL Acceptance Procedures must be performed.

POCL Acceptance Procedures:
The inspections, tests and trials specified in Schedule A11 of the POCL Agreement.

POCL Acceptance Test:
The acceptance test specified in Schedule A11 of the POCL Agreement.

POL00028118

POCL Agreement:
The agreement made between POCL and the CONTRACTOR, comprising the Clauses and the Schedules (including the Annexes to the Schedules).

POCL Application Services:
The Benefit Encashment Service, the Automated Payment Service and OBCS (if POCL exercises its option in Clause 202 of the POCL Agreement).

POCL Consumables:
The consumables to be supplied pursuant to Clause 207 of the POCL Agreement, as listed in Schedule B4 of the POCL Agreement.

POCL Core Services:
EPOSS and the POCL Infrastructure Services.

POCL Contingency Services:
The contingency services specified in Schedules D9, E9, F9 and G11 of the POCL Agreement, to be performed pursuant to Clause 410 of the POCL Agreement.

POCL Data:
Means all data, information, text, drawings, diagrams, images or sounds which are embodied in any electronic or tangible medium, and which are supplied or in respect of which access is granted to the CONTRACTOR by POCL pursuant to the Related Agreements, or which the CONTRACTOR is required to generate for POCL under the Related Agreements, but excludes the Service Architecture Design Document and Documentation.

POCL Core Day:
08:00 to 20:00 Monday to Saturday inclusive, excluding bank holidays.

POCL Development Services:
The development services to be performed by the CONTRACTOR under the POCL Agreement.

POCL Infrastructure Services:
The POCL Infrastructure Services supplied by the CONTRACTOR pursuant to Clause 405.4 of the POCL Agreement.

POCL Leased Assets:
Any items to be leased to the CONTRACTOR pursuant to Clause 401 of the POCL Agreement, as listed in Schedule A9 of the POCL Agreement.

POL00028118

POCL Operational Trial Acceptance Date:
The date of final acceptance of the POCL Operational Trial System in accordance with Clause 403 of the POCL Agreement, as set out in Schedule H2 of the POCL Agreement.

POCL Operational Trial Commencement Date:
The commencement date of the POCL Operational Trial Procedure, as set out in Schedule H2 of the POCL Agreement.

POCL Operational Trial Criteria:
The trial criteria for the POCL Operational Trial, as set out in Schedule H1 of the POCL Agreement.

POCL Operational Trial Period:
The period for performance of the POCL Operational Trial Procedures, starting on the POCL Operational Trial Commencement Date and ending on the POCL Operational Trial Acceptance Date.

POCL Operational Trial Procedures:
The acceptance test procedures of the POCL Operational Trial System, as described in Schedule A11 of the POCL Agreement.

POCL Operational Trial System:
The trial system to be delivered to be tested under the POCL Operational Trial Procedures, as described in Schedule H1 of the POCL Agreement, to enable the functionality and performance of the POCL Service Infrastructure and the POCL Services within the POCL Service Architecture to be assessed.

POCL Operational Trial:
The operational trial to be carried out pursuant to Clause 403 of the POCL Agreement.

POCL Premises:
All post offices, sub post offices, and other premises of POCL from time to time.

POCL Product:
An item, provided by POCL, for sale from Stock - or characterising a service provided - in an Outlet.

POCL Responsibilities:
The responsibilities of POCL set out in Schedules D3, E3, F3 and G5 of the POCL Agreement.

POCL Service Architecture Design Document:
The document showing the POCL Service Architecture

POL00028118

developed pursuant to Clause 402.1.7 of the POCL Agreement, as amended from time to time to reflect Optional and Additional Products and Services.

POCL Service Architecture:
The architecture of the POCL Steady State Services, the POCL Service Infrastructure and the POCL Service Environment.

POCL Service Environment:
POCL's existing computer, telecommunication and business operating systems and services, which are to be integrated with the POCL Service Infrastructure and the POCL Steady State Services to form the POCL Service Architecture.

POCL Service Infrastructure:
Means the Hardware and the Software and all other electronic, computer and telecommunications equipment which form the infrastructure to be utilised by the CONTRACTOR for the provision of the POCL Services, but does not include the POCL Service Environment.

POCL Services:
The Benefits Payment Service, the Automated Payment Service, EPOS, the POCL Infrastructure Services and all the other obligations of the CONTRACTOR under the POCL Agreement.

POCL Steady State Services:
The POCL Infrastructure Services, the Transaction Management Service, the Benefit Encashment Service, EPOSS and the POCL Contingency Services and any relevant Optional Services.

POCL Trial Responsibilities:
The responsibilities of POCL listed in Schedule H4 of the POCL Agreement.

Post Office Group:
The Post Office and its subsidiary companies.

Post Shop:
A separate retail unit within a post office operated directly by POCL.

Premises:
The DSS Premises and the POCL Premises.

Products:
Means in the Related Agreements any products to be supplied

POL00028118

under the relevant Related Agreement, including, where appropriate, the Basic Products and any Optional Products and Additional Products and any DSS Consumables or POCL Consumables to be supplied under the relevant Related Agreement.

Property:

Means tangible property (including without limitation buildings and land) and:

(i) in the DSS Agreement, does not include the DSS Service Infrastructure or any part thereof before it has been accepted in accordance therewith;

(ii) in the POCL Agreement, does not include the POCL Service Infrastructure or any part thereof before it has been accepted in accordance therewith;

(iii) in the AUTHORITIES' Agreement, does not include the Service Infrastructure or any part thereof before it has been accepted in accordance therewith.

Proposal:

The CONTRACTOR's Proposal, in response to the Statement of Service Requirements. The Proposal has been superseded by the Schedules to the Related Agreements.

PUN:

Pick Up Notice: notification to an Authorised Person that a Card is ready for collection by him or her.

Recitals:

Means in the Related Agreements, the recitals of the relevant Related Agreement.

Records:

Full and accurate records relating to the performance of (i) in the case of the DSS Agreement, the DSS Services, (ii) in the case of the POCL Agreement, the POCL Services, and (iii) in the case of the AUTHORITIES' Agreement, the Services thereunder.

Recovery:

The act of re-establishing Service following a Service Failure.

Reference Data:

A set of parameters and relationships controlling the operation of Services.

POL00028118

Refund:
A repayment of money to a Customer, by means of a Reversal.

Regular Payment:
A payment authorised by PAS, with a due date from which it must be available for collection at a post office.

Related Agreements:
The AUTHORITIES' Agreement, the DSS Agreement and the POCL Agreement.

Release:
A documented collection of software and/or data provided by the CONTRACTOR to deliver a Service.

Report:
A physical document; or, information held electronically in such a way that it can be processed readily to produce a physical document.

Reporting Period:
A calendar month.

Representative:
A representative of DSS, POCL or the CONTRACTOR as appropriate.

Restricted Post Office:
A term denoting restricted availability of Authorised Payments to an Authorised Person, such that they may not be encashed at any post office other than the relevant Nominated Post Office.

Retail Stock:
Items sold in Outlets through POCL's retail accounting scheme.

Reversal:
A Transaction which nullifies a previous Transaction.

Roll Out Acceptance Period:
The period within which the Roll Out Acceptance Procedures must be performed.

Roll Out Acceptance Procedures:
The inspections, trials and tests specified in Schedule A7 of the AUTHORITIES' Agreement.

POL00028118

Roll Out Acceptance Test:
The acceptance test to be performed in accordance with Clause 403 of the AUTHORITIES' Agreement.

Roll Out:
The implementation of a Service in accordance with the timetable in, and provisions of, the Roll Out and Implementation Schedule relevant to that Service.

Roll-Out Completion Date:
The due date for completion of the roll out of Steady State Services, as specified in (i) in the case of the AUTHORITIES' Agreement, Schedule B7 of the AUTHORITIES' Agreement, (ii) in the case of the DSS Agreement, Schedule B9 of the DSS Agreement, and (iii) in the case of the POCL Agreement, Schedule B9 of the POCL Agreement.

Roll-Out:
Roll Out (q.v.).

Rollout:
Roll Out (q.v.).

Security Stock:
Stock products which have no cash account value until sold, any item the loss of which would result in loss to POCL.

Service Architecture Design Document:
The document showing the Service Architecture developed pursuant to Clause 401.1.1, as amended from time to time to reflect optional and additional Products and Services supplied and performed under the POCL Agreement and the DSS Agreement.

Service Architecture:
The overall structure of the Steady State Services, the Service Infrastructure and the Service Environment.

Service Break:
The duration of a Service Failure.

Service Credits:
Payment, discount or credit given by the CONTRACTOR to the relevant AUTHORITY resulting from delay in provision of Services, or from Services' failure to meet the required Service Levels.

Service Environment:
The AUTHORITIES' existing computer, telecommunication and business operating systems and services, as defined in

POL00028118

Schedule 1 of the AUTHORITIES' Agreement, which are to be integrated with the Service Infrastructure and the Steady State Services to form the Service Architecture.

Service Failure:
An unplanned interruption of a Service.

Service Infrastructure:
means the hardware, software and other electronic, computer and telecommunications equipment, which form the infrastructure to be utilised by the CONTRACTOR for the provision of the Services, but does not include the Service Environment.

Service Level:
A quantified and measurable standard, as defined in the Related Agreements, required for a specified Service.

Service Manager:
The person appointed by the CONTRACTOR to manage the provision of a Service.

Service Ready-for-use Date:
The date on which a Service, which has achieved Acceptance, is first made available by the CONTRACTOR for use by Users.

Service RFU Date:
Service Ready-for-use Date (q.v.).

Services:
All the services to be performed by, and all the other obligations of, the CONTRACTOR under the Related Agreements.

Severity Code:
A code assigned to an Incident by the Help Desk, indicating the seriousness of the Incident's effect, and used to determine priority for resolution.

Signing Agent:
A local authority official authorised by a Beneficiary resident in a local authority home to collect his or her benefit on his or her behalf.

Smart Key:
A type of Token which uses on-board integrated circuit technology.

POL00028118

Smart Token:
A type of Token which uses on-board integrated circuit technology.

Software:
Means (i) in the DSS Agreements and the POCL Agreements, the CONTRACTOR's Software, the Specially Written Software, Internal Code and the Third Party Software, and (ii) in the AUTHORITIES' Agreement, any Software provided under the DSS Agreement and the POCL Agreement.

Source Code:
Software in eye-readable form and in such form that it can be compiled or interpreted into equivalent object code together with all technical information and documentation necessary for the use, reproduction, modification and enhancement of such software.

Specially Written Software:
means (i) in the DSS Agreement, any software identified as such in Schedule B1 of the DSS Agreement and written by or on behalf of the CONTRACTOR for DSS and supplied by the CONTRACTOR hereunder pursuant to Clause 204 of the DSS Agreement or as an Optional Product or Additional Product, and (ii) in the POCL Agreement any software identified as such in Schedule B1 of the POCL Agreement and written by or on behalf of the CONTRACTOR for POCL and supplied by the CONTRACTOR hereunder pursuant to Clause 204 of the POCL Agreement or as an Optional Product or Additional Product.

Steady State Services:
The DSS Steady State Services to be performed under the DSS Agreement and the POCL Steady State Services to be performed under the POCL Agreement.

Stock Item:
A unit - of Stock - which can be ordered separately.

Stock Unit:
An individual unit of accountability, mandatory within a main (branch) post office and optional within a sub post office, for which an individual (or a group of individuals) is accountable. It may contain: (i) Transaction Vouchers for a designated period, (ii) Value Stock, and/or (iii) Cash.

Stock:
Items held in Outlets and classified as Retail Stock, Security Stock, Value Stock, and Other Stock.

POL00028118

Stopped Payment:
A previously Authorised Payment which is the subject of a stop request issued by CAPS.

sub-contractor:
A person to whom any obligations of the CONTRACTOR expressly specified in the Related Agreements are delegated in accordance with the provisions of the relevant Related Agreement, but shall not (for the avoidance of doubt) include any supplier of products or services which are not expressly specified as obligations of the CONTRACTOR under the relevant Related Agreement, and related expressions shall be construed accordingly.

subsidiary company:
Shall have the meaning ascribed thereto in Section 736 of the Companies Act 1985.

Temporary Token:
A Token that permits an Authorised Person to encash one or more Authorised Payments.

Termination Charge:
(i) in the DSS Agreement and the POCL Agreement, the termination charge calculated in accordance with Schedule A7 of the DSS Agreement or the POCL Agreement (as appropriate); and (ii) in the AUTHORITIES' Agreement, the termination charge calculated in accordance with Schedule A9 of the AUTHORITIES' Agreement.

Termination Review Threshold:
for a Service is the level of Service below which the relevant AUTHORITY's operations will be seriously compromised, so that the AUTHORITY will have the right to terminate the Service or the relevant Agreement.

termination:
Of any of the Related Agreements includes the expiry or early termination of such Related Agreement in accordance with the provisions hereof, and related expressions shall be construed accordingly.

Third Party Software Owner:
The ultimate licensor of any Third Party Software.

Third Party Software:
Means (i) in the DSS Agreement, any software identified as such in Schedule B1 of the DSS Agreement and which is supplied by the CONTRACTOR pursuant to Clause 204 of the DSS Agreement or as an Optional Product or Additional

POL00028118

Product, and (ii) in the POCL Agreement, any software identified as such in Schedule B1 of the POCL Agreement and which is supplied by the CONTRACTOR pursuant to Clause 204 of the POCL Agreement or as an Optional Product or Additional Product.

TIP:
The Transaction Information Processing system planned by POCL.

TMS:
The Transaction Management Service provided by the CONTRACTOR as part of the POCL Infrastructure Service.

Token Technology Specification:
A document specifying the technology used by a particular APS Token.

Token:
For the Automated Payment Service, a Token is a magnetic stripe card, smart card, smart key, or other physical device, bearing information about a Customer.

For Services relevant to the payment of benefits, a Token is a voucher, such as a milk Token, valid for the goods or services nominated on the Token.

Transaction Committal:
The point at which a Transaction is irreversibly recorded in the audit trail.

Transaction Session:
A set of contiguous Transactions of the same type.

Transaction Voucher:
A document used by POCL as evidence of a Transaction; including as an example, and without limitation, a telephone bill.

Transaction:
A recorded and auditable instance of business activity, involving service provision or stock movement across organisational or Service boundaries.

Transaction ID:
A means of uniquely identifying a Transaction.

Transfer Date:
[...].

POL00028118

Transfer Payment:
The sum payable pursuant to:

(i) in the DSS Agreement, Clauses 904 and 905 of the DSS Agreement, as calculated in accordance with the provisions of Schedule A7 of the DSS Agreement;

(ii) in the POCL Agreement, Clauses 904 and 905 of the POCL Agreement, as calculated in accordance with the provisions of Schedule A7 of the POCL Agreement;

(iii) in the AUTHORITIES' Agreement, Clause 903.1.5 of the AUTHORITIES' Agreement, as calculated in accordance with the provisions of Schedule A9 of the AUTHORITIES' Agreement.

Transfer Services:
(i) in the AUTHORITIES' Agreement, the services set out in Schedule A9 of the AUTHORITIES' Agreement, (ii) in the POCL Agreement, the services set out in Schedules A7, D6, E6, F6 and G8 of the POCL Agreement, and (iii) in the DSS Agreement, the services set out in Schedules A7, D6 and E6 of the DSS Agreement.

Transfer:
Means (i) in the context of transfer of post office stock or money, the transfer of Value Stock, and/or money, either between Stock Units within an Outlet, or between Outlets; and (ii) in the context of transfer to the CONTRACTOR, the transfer to the CONTRACTOR pursuant to Clause 401 of the POCL Agreement.

Transferred Assets:
The assets to be transferred by POCL to the CONTRACTOR pursuant to Clause 401 of the POCL Agreement, as listed in Schedule A9 of the POCL Agreement.

Transferred Support Agreements:
The agreements to be transferred by POCL to the CONTRACTOR pursuant to Clause 401 of the POCL Agreement, as listed in Schedule A9 of the POCL Agreement.

transpose:
Mans, in relation to the contents of Schedules of the AUTHORITIES' Agreement, to move them without substantive change to appropriate Schedules in the DSS Agreement and the POCL Agreement, and related expressions shall be construed accordingly.

POL00028118

Urgent Payment:

An Authorised Payment that must be available for collection at a post office within 30 minutes of its authorisation by CAPS.

Use:

(i) in the POCL Agreement, the right of POCL in connection with the Services and for no other purposes to load, execute, store, transmit, display, copy (for the purposes of loading, execution, storage, transmission or display) or otherwise to utilise the Software for purposes of processing POCL Data. To the extent permitted by law, such right of Use shall not include the right to reverse assemble, reverse compile, decode or otherwise translate the Software, (ii) in the DSS Agreement, the right of DSS in connection with the Services and for no other purposes to load, execute, store, transmit, display, copy (for the purposes of loading, execution, storage, transmission or display) or otherwise to utilise the Software for purposes of processing DSS Data. To the extent permitted by law, such right of Use shall not include the right to reverse assemble, reverse compile, decode or otherwise translate the Software, and (iii) in the AUTHORITIES' Agreement, the right of the AUTHORITIES in connection with the Services and for no other purposes to load, execute, store, transmit, display, copy (for the purposes of loading, execution, storage, transmission or display) or otherwise to utilise the Software for purposes of processing AUTHORITIES' Data. To the extent permitted by law, such right of Use shall not include the right to reverse assemble, reverse compile, decode or otherwise translate the Software.

User:

A person authorised by the relevant AUTHORITY to use a Service.

Value Stock:

Stock products which have a "stock value" shown on the cash account.

Void Transaction:

A Transaction which is cancelled before Transaction Committal.

WAN:

Wide Area Network.

POL00028118

Working Day:

For an individual post office or DSS office, means any day on which that office is open for normal business.

Working Hours:

For an individual post office or DSS office, means the hours during which that office is open for normal business.

Year:

A period of twelve (12) months commencing on the date of execution hereof and on each anniversary of such date thereafter, or in the event of termination hereof, the period from the immediately preceding such anniversary or (if there has been no such anniversary) the date of execution hereof to the date of termination hereof.

POL00028118

SCHEDULE A2 - POLICIES AND STANDARDS

Version reference	Reason for change	Frozen/issue date
0.1	Based on Schedule A3 which was issued on 16 October 1995 (under old single contract structure)	
0.2	Some revisions	
1.0	Issued to SPs and Sponsors	17-Jan-96
2.0	revised in light of feedback received, and issued to SPs and Sponsors	26-Jan-96
2.1	being revised	
3.0	issued to SPs and Sponsors	2-Feb-96
3.1	working version	
4.0	issued to SPs and Sponsors	9-Feb-96
5.0	issued to SPs and Sponsors	16-Feb-96
5.1	working version	
6.0/ITT 2.0	ready for ITT	29-Feb-96

1. INTRODUCTION

1.1. The policies and standards defined in this Schedule shall apply to all relevant aspects of the Services unless amended in accordance with Clause 101.3.

1.2. The CONTRACTOR shall not knowingly undertake any activity which would prevent the AUTHORITIES from, or hinder them in, complying with these policies and standards, without the prior written consent of the AUTHORITIES.

2. GENERAL AND HEALTH AND SAFETY STANDARDS

2.1. General

2.1.1. Without limitation to the specific areas identified below, which shall not limit the generality of this paragraph 2.1.1., all Services, and all Equipment, shall comply to the extent required by law with all relevant legislation, including all relevant UK Regulations and, from the due date of UK implementation, EC Directives. The CONTRACTOR shall ensure that Services and Equipment are maintained in compliance with any subsequent legislation throughout the term of the AUTHORITIES' Agreement, and shall

POL00028118

perform any modifications necessary to ensure such continued compliance, subject to Clause 410 of the DSS Agreement and Clause 409 of the POCL Agreement.

2.1.2. The CONTRACTOR shall, on request by the AUTHORITIES, establish to the AUTHORITIES' satisfaction the compliance of Services or Equipment with legislation or specified policies and standards. In the event that the CONTRACTOR and the AUTHORITIES fail to agree that compliance has been demonstrated satisfactorily, the matter shall be treated in accordance with Clause 807.

2.1.3. The CONTRACTOR shall ensure that, where the installation of Equipment or the delivery of Services involves the alteration or extension of existing building services, such work complies with the standards set out in *British Standards and Approved Codes of Practice* which are deemed therein to satisfy the relevant regulations, including without limitation:

(a) the Electricity at Work Regulations, 1989 and BS 7671:1992, Requirements for Electrical Installation;

and

(b) the Environmental Protection Act 1990 and the publication *Waste Management: The Duty of Care - A Code of Practice*.

2.2. Health and Safety

2.2.1. The CONTRACTOR shall ensure that any Equipment installed at the Premises does not prevent the AUTHORITIES and the AUTHORITIES' Agents from meeting their legal health and safety responsibilities as employers, including without limitation those defined in:

(a) the Provision and Use of Work Equipment Regulations 1992, and

(b) the Workplace (Health, Safety and Welfare) Regulations 1992.

2.2.2. The Equipment shall not interfere with the health or safety of work of Users, office staff or others in the vicinity, including but without limitation as a result of emission of acoustic noise, vibrations, heat, fumes or other radiation, or as a result of its construction.

POL00028118

3. EQUIPMENT STANDARDS

3.1. The CONTRACTOR shall ensure that all Equipment is rated for continuous operation, and capable of functioning safely and reliably for an unlimited period, attended or unattended, in the installed environment.

3.2. The CONTRACTOR shall ensure that all information technology, telecommunications or electrical business Equipment complies with BS EN60950:1992 (BS7002:1992) and any subsequent amendments, and that Equipment comprising AC power adapters complies with EN60065:1993.

3.3. The CONTRACTOR shall ensure that workstation aspects of the Equipment shall comply with The Health and Safety (Display Screen Equipment) Regulations 1992, which implement Council Directive 90/270/EEC on working with display screen Equipment.

3.4. The CONTRACTOR shall ensure that any Equipment containing laser emitters (including without limitation laser printers and laser barcode scanners) complies with BS EN 60825:1992.

3.5. The CONTRACTOR shall ensure that all telecommunications Equipment shall conform to Council Directive 91/263/EEC (the Telecommunication Terminal Equipment Directive) and have a current BABT certificate or equivalent for connection to the public telephone network.

3.6. The CONTRACTOR shall ensure that all machinery in the Equipment complies with the Supply of Machinery (Safety) Regulations 1992, which implement the Machine Directive 89/392/EEC as amended by 91/368/EEC.

3.7. The CONTRACTOR shall ensure that all electrical Equipment complies with:

(a) the Electrical Equipment (Safety) Regulations 1994, which implement the Low Voltage Directive 73/23/EEC as amended by 93/68/EEC, and

(b) the requirements of BS7671:1992 in relation to the method of connection to the main supply and associated equipment earth leakage currents.

3.8. The CONTRACTOR shall ensure that any Equipment connected, or intended for connection, to weighing devices meets the requirements of the Non-automatic

POL00028118

Weighing Instruments (EEC Requirements) Regulations 1992 Schedule 3 Applications.

3.9. The CONTRACTOR shall ensure that all visual display terminal Equipment (including without limitation keyboards) complies with the relevant requirements of either BS 7179:1990 or ISO 9241:1992.

3.10. The CONTRACTOR shall ensure that all Equipment that falls within the scope of The Electromagnetic Compatibility (EMC) Regulations 1992, which implement Council Directive 89/336/EEC (as amended by 92/31/EEC), complies with these regulations, specifically, but without limitation, to the minimum EMC requirements of both residential and commercial installations, including compliance with BS EN 50081 and BS EN 50082 with the following amended test severity levels and with no degradation of performance:

(a) IEC 801 part 2 class 3, 6kV contact discharge;

(b) IEC 801 part 3 3V/m;

(c) IEC 801 part 4 +/- 1kV injected onto mains AC supply;

(d) IEC 801 part 5 +/- 2kV.

3.11. The CONTRACTOR shall ensure that Equipment covered by EN45501:1992 complies with clause A4.5 (voltage variations) and Annex B of that standard.

3.12. The CONTRACTOR shall ensure that the acoustic noise emission of any item of Equipment does not materially add to average background noise levels within the environment in which it is installed, and shall in no event exceed 60dB(A) measured at a distance of 1 metre.

3.13. The CONTRACTOR shall ensure that all items of Equipment to which BS EN 60529:1992 applies, have an Index of Protection rating of IP3X as defined in BS EN 60529:1992.

4. AUTHORITIES' POLICIES AND STANDARDS

4.1. Security

4.1.1. The CONTRACTOR shall adhere to the relevant parts of the AUTHORITIES' security standards and requirements listed below, and co-operate with the AUTHORITIES to

POL00028118

assist the AUTHORITIES in complying with those standards and requirements:

(a) 'Social Security IT Security Standards' (reference DITSG\ITSS\0001.03, version 6.1 dated July 1995);

(b) 'Post Office Counters Information Systems Security Policy' (as provided in Appendix 4-1 of the BA/POCL SSR issued in April 1995);

(c) 'A Code of Practice for Post Office Information Systems Security' (Version 1.5 dated 28/10/94, as provided in Appendix 4-2 of the BA/POCL SSR issued in April 1995);

(d) the 'BPS Security Statement', version 01, dated 30 November 1995 and issued to Service Providers in that month.

4.1.2. Any changes to the list in paragraph 4.1.1. shall be made in accordance with Clause 101.3.

4.2. Audit

4.2.1. The CONTRACTOR shall comply with the audit standards described in Schedule A3.

4.3. Training and Training Material

4.3.1. The CONTRACTOR shall prepare all training events and training material - and, where required by the AUTHORITIES' Agreement to provide them, shall provide such training events - used to train the AUTHORITIES' staff or agents and the AUTHORITIES' Agents and their staff or agents, in conformance with:

(a) either the Kirkpatrick structured training evaluation methodology (levels 1 to 4 for all training events; levels 1 and 2 for all training documentation), or

(b) any alternative structured training evaluation methodology which the CONTRACTOR may propose, subject to obtaining the prior written agreement of the relevant AUTHORITY.

POL00028118

4.4. Documentation

4.4.1. The CONTRACTOR shall ensure that all documentation, whether paper-based or electronically produced, relating to the POCL Services, harmonises with the design principles identified in the *POCL Visual Identity Design Applications Guideline*, unless prior written consent to the contrary has been obtained from POCL.

4.4.2. The CONTRACTOR shall ensure that all materials which are used for producing documentation relating to the POCL Services, conform to relevant parts of POCL's *Environmental Policy Summary*.

5. CONTRACTOR'S POLICIES AND STANDARDS

5.1. Quality Management System

5.1.1. The CONTRACTOR shall operate a quality management system which complies with BS EN ISO 9001:1994 for all its activities within the scope of the AUTHORITIES' Agreement.

5.1.2. The quality management system shall be applied to all aspects of the delivery of Services hereunder.

5.1.3. The quality management system shall to be audited and certified by a BSI accredited auditor, who is independent of both the CONTRACTOR and of the AUTHORITIES:

(a) in any event, at intervals of not longer than twelve (12) months, and

(b) in addition, within twenty (20) Working Days of any such request.

5.1.4. The CONTRACTOR shall within one (1) month of each audit (i) provide the AUTHORITIES with copies of all reports produced by the auditor on the quality management system, and (ii) notify the AUTHORITIES of and carry out the CONTRACTOR's proposed follow up actions where required.

5.2. Human-Computer Interface

5.2.1. The CONTRACTOR shall create and maintain, as a controlled document and to the documentation standards

POL00028118

referenced in 4.4.1. above, a Human-Computer Interface specification.

5.2.2. This specification shall set out general guidelines for the Human-Computer Interface, including without limitation details of screen layouts, system navigation routes and help and manual entry facilities.

5.2.3. The CONTRACTOR shall use reasonable endeavours to specify a Human-Computer Interface which is intuitive and easy to use by Users, including Counter Clerks, to minimise errors and delays.

5.2.4. The CONTRACTOR shall ensure that the Human-Computer Interface provides a consistent look and feel across all Applications delivered by the CONTRACTOR over the POCL Service Infrastructure, and that it is easily adapted to facilitate the introduction of new Applications.

POL00028118

SCHEDULE A3- AUDIT

Version reference	Reason for change	Frozen/issue date
0A	First draft ready for internal review	
0B	Minor tidying ready for supplier issue	
0C	Re-drafted for new contract structure	22/12/95
0D	New numbering for contract map (formerly B2), not re-issued	
1.0	Issued to Service Providers and Sponsors	17/01/96
1.1	Revised following comments from Service Providers and Sponsors	25/01/96
2.0	Issued to Service Providers and Sponsors	26/01/96
3.0	Issued to Service Providers and Sponsors following comments on Version 2.0	2 February 1996
4.0	Issued to Service Providers and Sponsors following comments on Version 3.0	9 February 1996
5.0	Issued to Service Providers and Sponsors following comments on Version 3.0	16 February 1996
6.0/ITT v2.0	Version for Sponsor QA	25 February 1996

1. SCOPE

1.1. This Schedule identifies the audit requirements with which the CONTRACTOR and its sub-contractors shall comply.

2. AUTHORITIES' AGENTS

2.1. For the purpose of this Schedule, the AUTHORITIES' Agents shall mean:

a) the AUTHORITIES;

b) statutory or regulatory auditors of either or both of the AUTHORITIES;

POL00028118

c) external auditors appointed by either or both of the AUTHORITIES;

d) (in the case of the DSS) any Crown bodies;

e) the National Audit Office;

f) authorised agents or sucessors of the persons listed in paragraphs 2.1 (a), 2.1 (b),2.1 (c) and 2.1 (d).

3. RECORD KEEPING

3.1. The CONTRACTOR shall maintain or shall cause to be maintained an audit trail of all Transactions and Events in strict conformance to the relevant standards contained in the DSS IT Security Standards (compatible with the BA generic audit trail requirements), the "POCL Information Systems Security Policy" and the code of practice entitled, "A Code of Practice for Post Office Information Systems Security".

4. ACCESS

4.1. The CONTRACTOR shall provide the AUTHORITIES' Agents access to such additional material required to support the Records. Such access shall include:

a) premises;

b) facilities;

c) services;

d) documentation;

e) information (magnetic or otherwise);

f) staff;

g) procedures;

h) timesheets and other data used directly as a basis for charging, belonging to the CONTRACTOR, which relate to the provision of the Services.

4.2. The CONTRACTOR shall ensure that POCL or the AUTHORITIES' Agents relevant to POCL can gain access to the POCL Data held by the CONTRACTOR in Outlets to enable internal POCL audit requirements to be met.

POL00028118

4.3. The CONTRACTOR shall provide reasonable assistance at all times during the currency of the Related Agreements and for six (6) years after the date of termination or expiry of the Related Agreements, for the purposes of allowing the AUTHORITIES to obtain such information as is necessary to fulfil the AUTHORITIES' obligations to supply information for parliamentary, judicial, or administrative purposes.

4.4. The AUTHORITIES shall pay the CONTRACTOR its reasonable costs directly incurred in providing such assistance after termination of the Related Agreements provided that the CONTRACTOR proves such costs to the reasonable satisfaction of the AUTHORITIES.

4.5. On notification of an audit as specified in section 6 of this Schedule the CONTRACTOR shall provide the AUTHORITIES' Agents with reasonable access to the audit trail in paragraph 3.1 of this Schedule and the facility to interrogate that audit trail using reasonably selected criteria.

4.6. The AUTHORITIES shall require the AUTHORITIES' Agents to comply with the CONTRACTOR's reasonable security requirements whilst on the CONTRACTOR's premises, the scope of which the CONTRACTOR shall notify to the AUTHORITIES' Agents directly on notification of audit.

5. AUDIT STANDARDS

5.1. Without prejudice or limit to the AUTHORITIES' general rights to audit, audits by the AUTHORITIES' Agents shall be conducted from time to time in accordance with the standards laid down in the HM Treasury Government Internal Audit Manual, the HM Treasury Government Information Systems Audit Manual and the Post Office Counters Limited Internal Audit Standards.

5.2. Not withstanding the foregoing, the National Audit Office shall be permitted to conduct their audits in accordance with their NAO standards.

6. NOTIFICATION OF AUDIT

6.1. Subject to Clause 801.3, the CONTRACTOR and the AUTHORITIES shall from time to time agree arrangements (such agreement not to be unreasonably withheld or delayed), including timescales, for audits required by the AUTHORITIES.

POL00028118

6.2. With respect to Clause 801.3 where the investigations find no evidence of fraudulent activity or other impropriety by the CONTRACTOR or the CONTRACTOR's agents, then at the discretion of the AUTHORITIES, the CONTRACTOR may be paid reasonable additional charges for its assistance.

7. RESPONSE TO AUDITS

7.1. General

7.1.1. The AUTHORITIES' Agents may produce reports to the AUTHORITIES indicating areas of non-compliance with the Related Agreements or any other reports they deem appropriate. The AUTHORITIES' Agents may also make recommendations.

7.1.2. Following each audit the AUTHORITIES shall provide, to the CONTRACTOR, a report approved by the AUTHORITIES' Agents indicating:

a) any areas of non-compliance with the Related Agreements which the CONTRACTOR is required to rectify;

b) any audit recommendation with which the AUTHORITIES request the CONTRACTOR to comply.

7.1.3. The AUTHORITIES shall give the CONTRACTOR a minimum of thirty (30) days to review the factual issues relevant to the CONTRACTOR which are raised by the audit reports and to comment upon the recommendations.

7.1.4. In the event that the CONTRACTOR disputes the findings of any audit then the Alternative Disputes Resolution Procedure in Clause 807 shall be invoked.

7.2. Action on agreed Non-Compliance

7.2.1. Any agreed non-compliance shall constitute a Default and the CONTRACTOR shall at the CONTRACTOR's own expense, implement, any changes necessary to remedy areas of non-compliance with the terms of the Related Agreements as identified by the AUTHORITIES' Agents.

7.3. Action On Recommendations

7.3.1. The AUTHORITIES may request the CONTRACTOR to implement audit recommendations in accordance with the provisions of the Change Control Procedures.

POL00028118

7.4. Evidence

7.4.1. The CONTRACTOR shall provide, in accordance with the timescales agreed in the implementation plan for any change arising from an audit, evidence, either documentary or demonstrative of changes required by the AUTHORITIES in accordance with paragraphs 7.2.1 and 7.3.1, and shall, if required, provide access to the representatives of the AUTHORITIES, to permit the AUTHORITIES' Agents, to monitor and confirm the implementation of such changes.

POL00028118

SCHEDULE A4 - CONTRACT MANAGEMENT

Version reference	Reason for change	Frozen/issue date
0A	First draft ready for internal review	
0B	Re-order of sections after internal review	
1.0	Post review by Bird and Bird/CNT	17 January, 1996
2.0	Comments from sponsors and service providers	26 January, 1996
ITT 2.0	Post further B&B review	28 February 1996

[DN: this schedule must be read in conjunction with the letter of 27th February 1996 on contract and project management]

1. OBJECTIVES OF CONTRACT MANAGEMENT

1.1. The objectives of Contract Management in the AUTHORITIES' Agreement are to monitor and manage the relationship between the three parties to the Related Agreements, and to authorise actions which affect the interests of both AUTHORITIES.

1.2. The sections below detail (without limitation) the specific objectives of key activities that will be undertaken. The significance of the detailed tasks may vary over the life of the Related Agreements.

2. ORGANISATION

2.1. General

2.1.1. The CONTRACTOR and AUTHORITIES shall establish a Contracts Steering Group to co-ordinate this AUTHORITIES' Agreement. The specific individuals to fulfil the roles identified in the group shall be communicated in writing between the parties.

2.1.2. Any changes to the organisation of the Contracts Steering Group as defined in this Schedule shall be made in accordance with the Change Control procedures defined in Clause 101.3 and Schedule A5.

POL00028118

3. CONTRACTS STEERING GROUP

3.1. Attendees

3.1.1. The Contracts Steering Group shall be constituted of the [DSS Senior Nominee], the [POCL Senior Nominee], the CONTRACTOR's director responsible for the Related Agreements (as a non-voting member), and a secretariat function provided by the AUTHORITIES. Each AUTHORITY or the CONTRACTOR shall invite other attendees if required to address specific items on the agenda.

3.2. Agenda

3.2.1. A typical agenda for the meeting shall include, but not be limited to:

a) Operational Trial review (during period of Operation Trial only)

During the period of the Operational Trial, the Contracts Steering Group shall monitor and direct the conduct of the Operational Trial, and shall be the authority for final acceptance of the completion of the Operational Trial.

b) Review of Services

The objective of the Services review shall be to monitor the successful delivery of the AUTHORITIES' business cases, and to take any corrective actions required to optimise them.

c) Planning review

The objective of the planning review is to establish the parameters for the Contract Administration Groups in the DSS Agreement and the POCL Agreement for the next twelve (12) months, and to resolve any planning issues referred from those Contract Management functions. The Contracts Steering Group shall take account of, and resolve, any conflicting resource demands across the AUTHORITIES.

d) Contract Variation and review of Contract Changes

The Contract Steering Group shall take the role of the Change Control Board for any Contract amendments requiring the approval of both AUTHORITIES as defined in Clauses 101.3 and 101.4, and may meet more

POL00028118

frequently than the full steering group if required. At the Contract Steering Group meetings, they shall also review all Change Controls (i.e. those requiring a single AUTHORITY's approval) authorised during the previous period.

e) Joint issues referred from the DSS and/or POCL Agreements.

The Contract Steering Group shall act as the escalation point for issues raised by the Contract Administration Groups in the DSS Agreement and the POCL Agreement which cannot be resolved at that level. Levels and nature of materiality for such decisions will be defined and agreed between all parties.

f) Plan and manage recompetition (as necessary during later stages)

When required the Contract Steering Group shall be responsible for initiating and steering procurement activities to replace the Related Agreements, or any Services within the scope of the Related Agreements.

3.2.2. The meetings will receive reports from AUTHORITY Representatives responsible for the DSS Agreement and the POCL Agreement to inform the above topics.

3.3. Frequency

3.3.1. From the date of execution hereof until the end of the Operational Trial, the Contract Steering Group shall meet every month unless otherwise decided by the AUTHORITIES. After successful conclusion of the Operational Trial the Contract Steering Group shall meet every six (6) months or more frequently as decided by the AUTHORITIES.

POL00028118

SCHEDULE A05 -CHANGE CONTROL

Version reference	Reason for change	Frozen/issue date
0A	First draft ready for internal review	
0B	Revised for new contract structure	22/12/95
0C	Basic restructure to take account of the contract clauses v1.6.	
0D	Revised following legal advice	25/01/96
0E	Revised following further legal consideration	26/01/96
1.0	Issued to Service Providers and Sponsors	26/01/96
2.0	Issued to Service Providers and Sponsors following comments on Version 1.0	2 February 1996
3.0	Issued to Service Providers and Sponsors following comments on Version 2.0	9 February 1996
4.0	Issued to Service Providers and Sponsors following comments on Version 3.0	16 February 1996
4.1	Further tidying up prior to sponsor review.	25 February 1996
5.0	Issued to Sponsors for final QA (Issue outstanding from Bird & Bird)	28 February 1996
6.0	Further revisions	29 February 1996
ITT Version 2.0		

1. INTRODUCTION

1.1. Amendments and changes as specified by Clause 101.3 and Clause 101.4 of the AUTHORITIES' Agreement shall be made in accordance with the provisions of this Schedule.

1.2. Within the context of the following sections of this Schedule the term "change" includes both amendments and changes.

POL00028118

2. PRINCIPLES

2.1. Where either of the AUTHORITIES or the CONTRACTOR identifies the need for a change, then the AUTHORITIES or the relevant AUTHORITY may at any time request a change or the CONTRACTOR may at any time recommend a change. Such a request or recommendation may only be made in accordance with the procedures set out below.

2.2. Neither of the AUTHORITIES nor the CONTRACTOR shall unreasonably withhold or delay their agreement to any change or proposal in relation thereto.

2.3. Until such time as a change has been fully authorised in accordance with the procedures in this Schedule, the AUTHORITIES and the CONTRACTOR shall continue as if the change had not been made.

2.4. Any discussions which may take place between the AUTHORITIES or the relevant AUTHORITY and the CONTRACTOR on a change before its authorisation shall be without prejudice to the rights and obligations of any party to the AUTHORITIES' Agreement. Emergency situations resulting in the AUTHORITIES or the relevant AUTHORITY requesting a change shall be dealt with by exception and procedures to be agreed between the AUTHORITIES or the relevant AUTHORITY and the CONTRACTOR (such agreement not to be unreasonably witheld or delayed).

2.5. No change shall be valid until it is authorised in writing by the appropriate level of authority of the AUTHORITIES and the CONTRACTOR in accordance with the procedures specified below. No change shall be made in accordance with Clause 103 and the provisions of this Schedule.

2.6. Any purported change provided by the CONTRACTOR, that has not been otherwise agreed in accordance with the provisions of paragraph 2.5 above shall be undertaken entirely at the expense and liability of the CONTRACTOR. If so required by the AUTHORITIES, the CONTRACTOR shall at its own expense promptly take all steps necessary to reverse and remove the effects of such purported change.

2.7. The CONTRACTOR shall have the right to reject a change pursuant to Clause 101.3.3.

POL00028118

3. PROCEDURES

3.1. Change Procedures

3.1.1. Discussions between the AUTHORITIES or the relevant AUTHORITY and the CONTRACTOR in relation to a change shall result in any one of the following:

(a) no further action;

(b) a request to make a change by the AUTHORITIES' Change Control Board (CCB) or the relevant AUTHORITY's CCB;

(c) a recommendation to make a change by the CONTRACTOR.

3.1.2. Where the CONTRACTOR receives a written request for amendment from the AUTHORITIES' CCB or from the CCB of the relevant AUTHORITY, the CONTRACTOR shall unless otherwise agreed in writing submit to the AUTHORITIES' CCB three (3) signed copies of the Change Control Note (CCN), within three (3) weeks of the date of receipt of such written request.

3.1.3. If the CONTRACTOR considers that the preparation of a CCN, requested by the AUTHORITIES, would necessitate significant allocation of resources over and above those stated in the Related Agreements, the CONTRACTOR shall notify the AUTHORITIES accordingly and, on agreement by the AUTHORITIES, the CONTRACTOR will make a proposal for a paid study of the cost and implications of producing the required CCN. Pending the AUTHORITIES' acceptance of that proposal or in the event that the AUTHORITIES do not agree that such proposal should be submitted, the CONTRACTOR shall be relieved of the CONTRACTOR's obligations to produce such CCN.

3.1.4. A recommendation to make a change by the CONTRACTOR shall be submitted directly to the AUTHORITIES' CCB in the form of three (3) copies of the CCN signed by the CONTRACTOR at the time of such recommendation.

3.1.5. Further impact analysis of the CCN may be carried out by the AUTHORITIES' CCB.

3.1.6. For each CCN submitted, the AUTHORITIES' CCB shall evaluate the CCN and, as appropriate during the period of validity:

POL00028118

(a) request further information;

(b) notify the CONTRACTOR of its rejection of the CCN;

(c) confirm to the CONTRACTOR its acceptance of the CCN

(d) suggest modifications to the CCN.

3.1.7. Once the AUTHORITIES' CCB has indicated its acceptance of a CCN, the CONTRACTOR shall arrange for the approval in writing of the CCN by the appropriate parties in accordance with Clauses 101.3 and 101.4. The CONTRACTOR shall provide a copy of the CCN for each signatory, and each party shall sign each copy of the CCN.

3.1.8. The CONTRACTOR shall arrange for the distribution, within three (3) weeks of signing, of an original signed CCN to all of the parties having signed it.

3.1.9. A CCN signed by each of the parties to the AUTHORITIES' Agreement shall constitute a change pursuant to Clause 101.3 or Clause 101.4 (as appropriate).

3.2. Content of Change Control Note

3.2.1. Each CCN shall contain:

(a) the change control number;

(b) the title of the change;

(c) a specification of the approvals required for the CCN in accordance with Clause 101.

(d) the name of the originator and the date of the request or recommendation for the change;

(e) the reason for the change;

(f) full details of the change, including any specifications and user facilities;

(g) a statement of the cost, if any, to each AUTHORITY of the change including all non-recurring Charges and any new or amended Charges;

(h) a timetable for implementation together with any proposals for acceptance in accordance with the provisions of Schedule A7;

POL00028118

(i) a statement of the impact, if any, of the change on other aspects of the Related Agreements or Services including but not limited to:

i. Deliverables;

ii. personnel involved;

iii. existing timetable;

iv. implementation plans;

v. security;

vi. system support;

vii. system management;

viii. standards;

ix. accommodation/location;

x. documentation;

xi. Charges and charging mechanism;

xii. Service delivery criteria;

xiii. the AUTHORITIES' Responsibilities;

xiv. contractual issues;

xv. risk;

xvi. Service Levels;

(j) proposed revised wording to the AUTHORITIES' Agreement;

(k) the date for expiry of validity of the CCN subject to approval by the AUTHORITIES or relevant AUTHORITY;

(l) provision for the AUTHORITIES or relevant AUTHORITY to record the progress with dates of the CCN for each stage as follows:

i. submitted;

ii. evaluated;

iii. further information requested;

POL00028118

iv. further information received;

v. modified CCN received;

vi. modified CCN evaluated;

vii. approved;

viii. rejected;

(m) provision for signature by each of the AUTHORITIES and by the CONTRACTOR.

3.3. Record Keeping

3.3.1. The CONTRACTOR shall retain a record of all Change Control Notes (CCN) raised.

3.3.2. The CONTRACTOR shall make the CCN record available on demand to the AUTHORITIES or the relevant AUTHORITY.

3.3.3. The CONTRACTOR's CCN record shall include without limitation the following information:

(a) the CCN number;

(b) date CCN raised;

(c) CCN originator(i.e. DSS, POCL or CONTRACTOR);

(d) the approvals required for the CCN in accordance with Clauses 101.3 and 101.4;

(e) changes made pursuant to the CCN.

4. EMERGENCY PROCEDURES

4.1. If the CONTRACTOR considers that any change is necessary in order for it to comply with its obligations under the Related Agreements and there is insufficent time to comply with the procedures described above, the CONTRACTOR shall be entitled to proceed with such change, provided that it shall as soon as practicable provide the AUTHORITIES with a CCN for retrospective change. Such change shall be subject to the procedures described in this Schedule, and if the AUTHORITIES acting reasonably, do not agree to such change, such change shall be invalid and the CONTRACTOR shall at its own expense promptly take all steps

POL00028118

necessary to reverse and remove the effects of such change.

POL00028118

SCHEDULE A6- CHARGING MECHANISM

Version reference	Reason for change	Frozen/issue date
0A	First draft ready for internal review	1 February 1996
1.0	Issued to Service Providers and Sponsors	2 February 1996
1.1	Revised following further input from Charterhouse and Bird & Bird	8 February 1996
2.0	Issued to Service Providers and Sponsors	9 February 1996
2.1	Further revisions	16 February 1996
3.0	Issued to Service Providers and Sponsors	16 February 1996
3.1	Following input from Charterhouse	27 February 1996
3.2	Further development reflecting changes from Sponsor	29 February 1996
4.0	Final version for sponsor QA	29 February 1996
ITT Version 2.0		

[DN: The classification of POCL Basic, Optional and Additional Services attached as a separate paper is provided to give Service Providers guidance on completing the Service Provider sections and annexes of this Schedule.]

1. PURPOSE

1.1. This Schedule sets out the terms of the Common Charging Mechanism which is the means by which the CONTRACTOR shall charge for, and each AUTHORITY shall pay for the relevant:

(a) Basic POCL Services;

(b) Basic DSS Services;

(c) Optional POCL Services (subject to the provisions of paragraph 10);

POL00028118

(d) Optional DSS Services (subject to the provisions of paragraph 10).

1.2. The Common Charging Mechanism is each AUTHORITY's preferred method for paying for the relevant:

(a) Additional POCL Services;

(b) Additional DSS Services;

(c) Additional POCL Products;

(d) Additional DSS Products.

and therefore the principles and procedures set out in this Schedule shall apply.

1.3. Where an AUTHORITY decides not to pay for the services or products in paragraph 1.2 by means of the Common Charging Mechanism, then the charging mechanism for each such particular service or product shall be agreed between the relevant AUTHORITY and the CONTRACTOR on the basis of the principles set out in paragraph 2 below.

2. PRINCIPLES

2.1. Each AUTHORITY requires that the Common Charging Mechanism be a fair charging mechanism whereby each AUTHORITY pays for the Services it uses according to the CONTRACTOR's total cost of delivering that Service.

2.2. Subject to the guarantees set out in paragraph 5 and 7.2, each AUTHORITY shall only be charged by the CONTRACTOR according to the level of usage by the relevant AUTHORITY of the Services.

2.3. The CONTRACTOR shall only be entitled to commence charging following the Operational Trial Acceptance Date.

3. COMPONENTS OF THE COMMON CHARGING MECHANISM

3.1. Transactions

3.1.1. The CONTRACTOR shall charge each AUTHORITY for the Services on the basis of Chargeable Transactions as agreed with the AUTHORITIES using the Services provided to that AUTHORITY. The list of Chargeable Transactions

POL00028118

and the definition of each such Chargeable Transaction is attached as Annex 1 hereto.

3.1.2. Such definitions of the Chargeable Transactions are for the purposes of the Common Charging Mechanism only.

3.1.3. Chargeable Transaction shall not include any Transaction which is the subject of a Default by the CONTRACTOR or for which the CONTRACTOR is liable under Clause 808 and Clause 809 of the DSS Agreements and the POCL Agreement.

3.2. Score Card

3.2.1. The CONTRACTOR's Score Card is attached as Annex 2 hereto. The Score Card shall comprise a grid containing a list of all Chargeable Transactions (as rows of the grid) and a number of Service Components relating to such Chargeable Transactions (as columns of the grid).

3.2.2. The Score Card shall indicate which Service Components are to be utilised by each Chargeable Transaction.

3.2.3. The Score Card shall be arranged so that each Service Component on the Score Card shall relate to one (and only one) of the following:

(a) the Payment Authorisation Service;

(b) the Card Management Service;

(c) the POCL Services.

[DN: The Score Card may be broken down into the DSS and POCL Agreements after ITT.]

3.2.4. Each Chargeable Transaction that utilises a Service Component relating to the POCL Services shall be assigned to one (and only one) of the following:

(a) Benefit Encashment Service;

(b) Other POCL Services.

Such transaction assignment shall be agreed by the AUTHORITIES and the CONTRACTOR.

3.2.5. The Score Card shall identify separately Chargeable Transactions which are to be provided as part of Basic

POL00028118

Services and Chargeable Transactions which are to be provided as part of Optional Services.

3.3. Servicepoints

3.3.1. The CONTRACTOR's Score Card shall assign a fixed number of points to each Service Component (Servicepoints), on the basis of fair and reasonable allocation of costs. The CONTRACTOR's description of the costs assigned to each Service Component is attached as Annex 3 hereto.

3.4. Scoring

3.4.1. Each Chargeable Transaction shall be scored using the Score Card. The score for each Chargeable Transaction shall comprise the sum of the Servicepoints assigned to the Service Components utilised by the relevant Chargeable Transaction. Where a Chargeable Transaction utilises Service Components that are related to two or more of the POCL Services, Payment Authorisation Service and the Card Management Service, then the score for such Chargeable Transaction shall be separately totalled for each such Service.

3.5. Servicepoint Prices

3.5.1. The CONTRACTOR shall charge the following Basic Servicepoint Price for the relevant Service:

For periods up to the year ending 28/29 February	Card Management Service	Payment Authorisation Service	POCL Services
2000			
2001			
2002			
2003			
2004			
2005			

POL00028118

3.6. Limits

3.6.1. The CONTRACTOR's Servicepoint prices, as set out in this Schedule, are fixed provided that none of the physical, technical or service limits set out in Annex 4 to this Schedule and taken as an average for the Year are exceeded. In the event that any limit is exceeded then the CONTRACTOR may initiate a price review under Change Control procedures, unless they have been caused by volumes up to the high-line forecast.

3.6.2. Each AUTHORITY may initiate a price review under Change Control procedures in the event that any of the limits, taken as an average for any year (ended 28/29 February), for any Service Component column on the Score Card is exceeded by more than 40%.

4. CHARGES

4.1. Charge Calculation for Quarters 1,2 and 3

4.1.1. The gross Charges payable to the CONTRACTOR by either AUTHORITY for each of the first three (3) quarters of each financial year shall be calculated by multiplying:

(a) the number of Chargeable Transactions during the relevant period; by

(b) the Servicepoint score for the relevant Chargeable Transaction and the relevant Service: by

(c) the Basic Servicepoint price for the relevant year and the relevant Service as set out in paragraph 3.5.1 of this Schedule.

4.1.2. The net Charges payable to the CONTRACTOR by either AUTHORITY for each of the first three (3) quarters of each financial year shall be reached by calculating the gross Charges figure in accordance with paragraph 4.1.1 and applying any adjustments in accordance with paragraph 5.7 of Schedule A10 of the DSS Agreement or paragraph 5.7 of Schedule 10 of the POCL Agreement.

4.1.3. The Charges payable to the CONTRACTOR for the final quarter of each financial year shall be calculated in accordance with paragraphs 5 and 6 of this Schedule.

POL00028118

4.2. Usage

4.2.1. For each invoice period the CONTRACTOR shall record and identify separately the count of each Chargeable Transaction for each DSS Service and the count of each Chargeable Transaction incurred for each POCL Service.

4.2.2. In addition to the provisions of paragraph 4.2.1, benefit payments authorised during any invoice period for the DSS Services provided to Benefits Agency, War Pensions Agency, Social Security Agency (Northern Ireland) and such other Agency or Department that DSS may specify, shall be separately identified.

4.2.3. With respect to Chargeable Transactions incurred during any invoice period for POCL Services provided to the DSS, benefit payments authorised provided to Benefits Agency, War Pensions Agency, Social Security Agency (Northern Ireland) and such other Agency or Department that DSS may specify, shall be separately identified.

4.3. Period

4.3.1. The CONTRACTOR shall calculate the Charges on a monthly basis and shall submit an invoice for such charges on quarterly basis in accordance with the periods set out in Schedule A10 of the POCL Agreement and Schedule A10 of the DSS Agreement.

4.4. Adjustments

4.4.1. Servicepoint price discounts and guarantee adjustments shall be made annually in accordance with paragraphs 5 and 6 of this Schedule.

4.4.2. In the final year of the term of the Related Agreements an amount equal to 20% of the total value (excluding VAT) of each invoice for the first three (3) quarterly periods of such year shall be credited to an interest bearing account in the name of the CONTRACTOR. The total amount so credited shall be taken into account when the final adjustment calculation in respect of guarantees, discounts and remedies is made to the final invoices. Following such final calculation the AUTHORITIES shall consent to the release of the escrow amounts in payment to the CONTRACTOR and if applicable in refund to the either AUTHORITY or both AUTHORITIES.

POL00028118

5. STEADY STATE GUARANTEES

5.1. POCL Guarantees

5.1.1. POCL shall be liable to pay minimum guaranteed amounts to the CONTRACTOR, in respect of usage charges under the Common Charging Mechanism, for each of:

(a) the provision of the Benefit Encashment Service (the "POCL BES Guarantees");

(b) the combined provision of the EPOSS, Automated Payments and POCL Infrastructure Services (the "Other POCL Services Guarantees") and Optional POCL Services;

(c) the Additional Services guarantees to be agreed at the time;

in respect of each year of Steady State operation. Such amounts are as set out in paragraph 5.4 of this Schedule.

5.1.2. No guarantees will be provided in respect of any usage of the Order Book Control Service and any Chargeable Transactions associated with such Service.

5.2. DSS Guarantees

5.2.1. DSS shall be liable to pay minimum guaranteed amounts to the CONTRACTOR in respect of usage charges under the Common Charging Mechanism, for the combined provision of the Payment Authorisation Service and the Card Management Service (the "DSS Guarantees"), in respect of each year of Steady State operation. Such amounts are as set out in paragraph 5.4 of this Schedule.

5.2.2. No guarantees will be provided in respect of any usage of the Order Book Control Service and any Chargeable Transactions associated with such Service.

5.3. Severability Of Guarantees

5.3.1. POCL shall not be liable to the CONTRACTOR in respect of the DSS Guarantees.

5.3.2. DSS shall not be liable to the CONTRACTOR in respect of either the POCL BES Guarantees or the Other POCL Services Guarantees.

POL00028118

5.4. Guarantee Amounts

5.4.1. For the purposes of this Schedule the first full year of Steady State Services shall commence on 1 March 1999. In the event that the AUTHORITIES decide to amend this date then the Change Control Procedures shall apply.

5.4.2. The following table sets out the annual amounts of the POCL BES Guarantees, Other POCL Services Guarantees and DSS Guarantees for each full year of Steady State operation:

Year ending 28/29 February	POCL BES Guarantees £m	Other POCL Services Guarantees £m	DSS Guarantees £m
2000			
2001			
2002			
2003			
2004			
2005			

5.4.3. The above guarantee amounts shall be reduced pro rata for the actual period of the final year of the term of the Related Agreements.

5.5. Adjustment To The DSS Guarantees

5.5.1. In the event that the Payment Authorisation Service is terminated then the DSS Guarantees shall be reduce such as to exclude the amount contributed by the Payment Authorisation Service to the DSS Guarantees. The revised amounts, for each then remaining full financial year of the DSS Agreement shall be as set out below.

Year ending 28/29 February	DSS Guarantees (excluding PAS) £m
2000	
2001	
2002	
2003	

POL00028118

2004	
2005	

5.5.2. The DSS Guarantee amount for the year in which the Payment Authorisation Service is terminated shall be calculated as follows:

guarantee in 5.4.2 X guarantee in 5.5.1 X 12

no of months no of months

5.5.3. In the event that the Card Management Service is terminated then the DSS Guarantee shall be reduce such as to exclude the amount contributed by the Card Management Service to the DSS Guarantees. The revised amounts, for each then remaining full financial year of the DSS Agreement shall be as set out below.

Year ending 28/29 February	DSS Guarantees (excluding CMS)
2000	
2001	
2002	
2003	
2004	

5.5.4. The DSS Guarantee amount for the year in which the Card Management Service is terminated shall be calculated as follows:

guarantee in 5.4.2 X guarantee in 5.5.3 X 12

no of months no of months

5.6. Adjustment to the POCL Guarantees

5.6.1. In the event of a POCL Service being terminated then the POCL Guarantees shall be reduce such as to exclude the amount contributed by that Service to the POCL Guarantees.

5.6.2. The POCL Guarantee amount for the year in which the POCL Service is terminated shall be calculated as follows:

guarantee in 5.4.2 X guarantee in 5.6.1 X 12

POL00028118

no of months no of months

5.7. Application Of Guarantees

5.7.1. For each year of the term of the Related Agreements ending 28/29 February and commencing with the year ending 29 February 2000 the fourth quarter's invoices shall include details of the gross Charges calculated in accordance with paragraph 4.1.1 for the previous three quarters of such year for each of the following Services:

(a) the Benefit Encashment Service;

(b) the EPOSS, Automated Payments, Other POCL Services and POCL Infrastructure Services; and

(c) the Payment Authorisation Service and the Card Management Service.

5.7.2. For the purpose of sections 5 and 6, (a) and (b) above shall constitute a "POCL Service Group" and (c) the "DSS Service Group".

5.7.3. In relation to each of the two POCL Service Groups the gross Charges will be calculated for the fourth quarter of each year in accordance with paragraph 4.1.1 of this Schedule. Such gross Charges shall be added to the relevant gross Charges calculated for the previous three quarters. In the event that the total of the four quarterly gross Charges so calculated, in any year and in respect of each of the two POCL Service Groups, is less than the relevant POCL guarantee amount (BES or Other POCL Services as appropriate) then the Charges for the fourth quarter shall be increased such that the total of the four quarterly gross Charges payable for such year, for the relevant POCL Service Group, shall equal the relevant POCL guarantee amount(BES or Other POCL Services as appropriate).

5.7.4. The net Charges for the fourth quarter shall be reached by applying any adjustments in accordance with paragraph 5.6 of Schedule 10 of the POCL Agreement.

5.7.5. In relation to the DSS Service Group the fourth quarter's Charges shall first take account of any Servicepoint price discounts available as calculated in accordance with paragraphs 6.2.3 and 6.2.4 of this Schedule.

POL00028118

5.7.6. In the event that the sum of the figures calculated in accordance with paragraphs 6.2.3 and 6.2.4 and the gross Charges calculated in accordance with paragraph 4.1.1 for the first three quarters for the Payment Authorisation Service and the Card Management Service is less than the DSS Guarantee amount then the gross Charge for the fourth quarter for the DSS Service Group shall be increased such that the total of the four quarterly gross Charges for the DSS Service Group payable for such year, shall equal the relevant DSS Guarantee amount.

5.7.7. The net Charges for the fourth quarter shall be reached by applying any adjustments in accordance with paragraph 5.6 of Schedule 10 of the DSS Agreement.

6. DISCOUNTS

6.1. General

6.1.1. For each year of the Related Agreements ending 28/29 February and commencing with the year ending 29 February 2000 the gross Charges calculated for the first three quarters of such financial year in accordance with paragraphs 4.1.1 and for the fourth quarter in accordance with paragraph 5.7 of this Schedule shall be further adjusted to reflect the discounted Servicepoints prices set out hereunder.

6.1.2. Each fourth quarter invoice shall include details of the total numbers of Servicepoints actually incurred in the previous three quarters and for the fourth quarter of such year, for each of:

(a) the POCL Services;

(b) Payment Authorisation Service; and

(c) Card Management Services.

6.1.3. For the purpose of this section 6, (a),(b) and (c) above shall each constitute a "Discount Group".

6.1.4. For the purposes of establishing whether any discounted Servicepoint prices are applicable in relation to the POCL Services the sum of the total number of Servicepoints for each POCL Service Group during any year shall be calculated

POL00028118

6.1.5. To calculate the figure in 6.1.4 the higher of:

(a) the aggregate number of actual Servicepoints incurred for the relevant year for the relevant POCL Service Group; or

(b) the number of Servicepoints at the relevant basic Servicepoint price that equates to the relevant guaranteed amount for the relevant year and the relevant POCL Service Group.

shall be taken into account.

6.1.6. The following Servicepoint discount bands shall apply in relation to the relevant Discount Groups:

Year ending 28/29 February	Servicepoint discount bands				
	1	2	3	4	[etc]
POCL Services					
2000	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2001	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2002	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2003	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2004	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
Card Management Service					
2000	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2001	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2002	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2003	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2004	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
Payment Authorisation Service					
2000	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2001	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2002	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]

POL00028118

2003	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]
2004	≥ 0 ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]	≥ [ ] ≤ [ ]

6.1.7. The following Servicepoint prices shall apply to the Servicepoint discount bands in paragraph 6.1.6:

Year ending 28/29 February	Servicepoint prices per discount bands				
	1	2	3	4	[etc]
POCL Services					
2000					
2001					
2002					
2003					
2004					
Card Management Service					
2000					
2001					
2002					
2003					
2004					
Payment Authorisation Service					
2000					
2001					
2002					
2003					
2004					

[DN: Discount bands and discount servicepoint prices will form part of CONTRACTOR's proposals]

6.2. Discount Calculation

6.2.1. For each year the total number of Servicepoints for such year for each Discount Group shall be allocated to the relevant discount bands and multiplied by the corresponding Servicepoint price (each a "Discounted Charge"). The total number of Servicepoints for the POCL Services shall be the sum of Servicepoints incurred for the Benefit Encashment Service and the Other POCL Services both as adjusted in accordance with paragraph 6.1.5 of this Schedule.

POL00028118

6.2.2. In the event that, for any year, the Discounted Charge for the POCL Services is less than the sum of the gross Charges for the two POCL Service Groups then the gross Charge for the fourth quarter of the relevant year shall be reduced such that the aggregate of the gross Charges payable for such year, for such Discount Group, shall equal the relevant Discounted Charge.

6.2.3. The gross Charge for the Payments Authorisation Service for the fourth quarter of any year shall be equal to:

(a) the Discounted Charge for such year calculated in accordance with 6.2.1; less

(b) the sum of the gross Charges calculated for the first three quarters of such year.

6.2.4. The gross Charge for the Card Management Service for the fourth quarter of any year shall be equal to:

(a) the Discounted Charge for such year calculated in accordance with 6.2.1; less

(b) the sum of the gross Charges calculated for the first three quarters of such year.

7. CHARGING DURING THE ROLL-OUT PERIOD

7.1. Calculation Of Charges

7.1.1. The amended charging terms set out in this paragraph 7 shall apply during the period (the "Roll-Out Charging Period") commencing from the Operational Trial Acceptance Date and ending Roll-Out Completion Date.

7.1.2. Charges shall be calculated in accordance with paragraphs 4, 5 and 6 of this Schedule except that:

(a) the first Invoice Period during the Roll-Out Charging Period shall commence on the day following the Operational Trial Acceptance Date and end on the next quarter end date as specified in Schedule A10 of the DSS Agreement or Schedule A10 of the POCL Agreement.

(b) the last full Invoice Period during the Roll-Out Charging Period shall commence on 28 November 1998 and end on 28 February 1999;

POL00028118

(c) there shall be a further invoice or adjustment for the period 1 March 1999 to/Roll-Out Completion Date;

(d) the Basic Servicepoint price shall be the Basic Servicepoint price applicable for the year ended 29 February 2000 as set out in paragraph 3.5.1 of this Schedule;

(e) the discounted Servicepoint prices and Servicepoint discount bands shall be the those applicable for the year ending 29 February 2000 as set out in paragraphs 6.1.6 and 6.1.7 of this Schedule;

(f) the amounts of the Roll-Out DSS Guarantees, POCL BES Guarantees and Other POCL Services Guarantees shall be calculated in accordance with paragraph 7.2 of this Schedule;

(g) the first invoice to be adjusted for the application of Roll-Out Guarantees and Servicepoint discount prices shall be for the quarter ended 28 February 1998. For the purposes of calculating any invoice discounts, all discount bands shall be adjusted pro rata to reflect the duration of the period commencing on the day following the Operational Trial Acceptance Date and ending on the year ended 28 February 1998. For the purposes of calculating any Charge adjustment for the application of Guarantees in accordance with paragraph 5.7 of this Schedule, the calculation of gross Charges shall be for the comparable period to which the relevant Guarantee amount relates;

(h) the second and last invoice to be adjusted for the application of Roll-Out Guarantees and Servicepoint discount prices shall be for the quarter ending 28 February 1999. For the purposes of calculating any invoice discounts, all discount bands shall be adjusted pro rata to reflect the duration of the period commencing on the 1 March 1998 and ending on the 28 February 1999. For the purposes of calculating any Charge adjustment for the application of Guarantees in accordance with paragraph 5.7 of this Schedule, the calculation of gross Charges shall be for the comparable period to which the relevant Guarantee amount relates.

POL00028118

7.2. Calculation Of Guarantees

7.2.1. No guarantees will be provided by either AUTHORITY in respect of usage for any period prior to the 1 July 1997 or six (6) months after the Operational Trial Acceptance Date, whichever is later. No guarantees will be provided in respect of any usage of the Order Book Control Service and any Chargeable Transactions associated with such Service.

7.2.2. Subject to amendment of the date in paragraph 7.2.1 above, the First Roll-Out Guarantee Period shall be the three quarters commencing 1 July 1997 and ending 28 February 1998. The Second Roll-Out Guarantee Period shall be the period commencing 1 March 1998 and ending 28 February 1999/Roll-Out Completion Date.

7.3. POCL BES Guarantees

7.3.1. The following calculation shall be carried out in order to determine the POCL BES Guarantee amounts for the First and Second Roll-Out Guarantee Periods:

(a) the calculation uses the 1995/96 total number of benefit payments at the relevant post office expressed as a percentage of the national total number of benefit payments at post offices in 1995/96 (as recorded by the POCL PIVOT MIS system). For the purpose of this Schedule, this shall be known as the historic benefit percentage for the office. For offices which were not open until after April 1995 the historic transaction volumes shall be agreed on the basis of a similar office when the detailed roll-out programme is established;

(b) for each month during the Roll-Out Guarantee Period, the guarantee contribution for offices automated in that month shall be calculated by adding together the historic benefit percentages for all the post offices at which the BES service is first accepted during that month. The guarantee contribution shall be zero for all months before 1 January 1997;

(c) The accumulated guarantee percentage level for any month shall then be calculated by adding together:

i. the guarantee contribution for the calendar month two calendar months previous multiplied by 10%,

POL00028118

ii. the guarantee contribution for the calendar month three calendar months previous multiplied by 20%,

iii. the guarantee contribution for the calendar month four calendar months previous multiplied by 30%,

iv. the guarantee contribution for the calendar month five calendar months previous multiplied by 40%,

v. the guarantee contribution for the calendar month six calendar months previous multiplied by 50%,

vi. the guarantee contribution for the calendar month seven calendar months previous multiplied by 60%, and

vii. the aggregate guarantee contribution for all calendar months eight calendar months or more previous multiplied by 70%.

(d) The guaranteed servicepoints in any month shall then be calculated by multiplying the accumulated guarantee percentage level by the Best View volume projection for the month taken from the table attached as Annex 5.

(e) the POCL BES Guarantee amounts for the First and Second Roll-Out Guarantee Periods, as applicable shall be calculated by multiplying the aggregate number of guaranteed servicepoints for all months of the relevant Roll-Out Guarantee Period by the Basic Servicepoint price applicable for the POCL Services for the year ended 29 February 2000 as set out in paragraph 3.5.1 of this Schedule.

7.4. Other POCL Services Guarantee

7.4.1. The following calculation shall be carried out in order to determine the other POCL Services Guarantee amounts.

7.4.2. The calculation uses:

(a) one twelfth of the total number of Automated Payment transactions at each post office in 1995/96 (as recorded by the POCL PIVOT MIS system). For the purpose of this Schedule, this shall be known as the historic APT transaction volume for each such office: and

POL00028118

(b) one twelfth of the total number of all transactions excluding benefit encashment and Automated Payment transactions at each post office in 1995/96 (as recorded by the POCL PIVOT MIS system). For the purposes of this Schedule, this shall be known as the historic EPOS transaction volume for each such office;

(c) for offices which were not open until after April 1995 the historic transaction volumes shall be agreed on the basis of a similar office when the detailed roll-out programme is established.

7.4.3. The calculation also uses:

(a) the minimum AP servicepoint score which is equal to the minimum Servicepoint score for any plastic card based automated payment transaction on the Scorecard: and

(b) the minimum EPOS servicepoint score which is equal to the minimum Servicepoint score for any transaction on the Scorecard that uses EPOS.

7.4.4. The guaranteed servicepoints in each month from 1 July 1997 to 28 February 1999/Roll-Out Completion Date shall be:

(a) 65% of the total of the historic EPOS transaction volumes at those post offices where both the EPOS and AP services were available throughout that month;

(b) multiplied by the minimum EPOS service point score;

(c) plus 65% of the total of the historic APT transaction volume at those post offices where both the EPOS and AP services were available throughout the month;

(d) multiplied by the minimum AP service point score.

7.4.5. The Other POCL Services Guarantee amounts for the First Roll-Out Guarantee Period and for the Second Roll-Out Guarantee period as applicable shall be calculated by multiplying the aggregate number of guaranteed servicepoints for all months of the relevant Roll-Out Guarantee Period by the Basic Servicepoint price applicable for the POCL Services for the year ended 29 February 2000 as set out in paragraph 3.5.1.

POL00028118

7.5. DSS Guarantees

7.5.1. The calculation of DSS Guarantees use the 1995/96 total number of benefit payments at each post office expressed as a percentage of the national total of benefit payments at post offices (as recorded by the POCL PIVOT MIS system). This shall be known as the percentage outlet benefit activity (b_{io}).

7.5.2. Outlets closed since 31 March 1995 shall be ignored for the purposes of calculating Guarantees. Outlets opened since 31 March 1995 or opened during the Roll-Out Charging Period or the installation of terminals in non-post office locations shall be treated for the purposes of calculating these amounts as having the same benefits or non-benefit activity contribution as the average over all outlets (for which volume data is available) with the same number of terminals as such opened outlets/locations.

7.5.3. For the purposes of the calculations in this paragraph 7.5 only outlets accepted by POCL as having been satisfactorily installed and operating at the beginning of the relevant period shall be included.

7.5.4. The relevant Roll-Out DSS Guarantee amounts shall equal the sum of the relevant PAS component and the relevant CMS component calculated in accordance with paragraphs 7.5.5 and 7.5.6 of this Schedule.

7.5.5. The PAS component of the Roll-Out DSS Guarantee amounts shall be calculated using the following formula:

$$S^* \sum_{i=m}^{n} v_i g_i$$

where:

n = the last month of the First Roll-Out Guarantee Period or the Second Roll-Out Guarantee Period, as applicable.

m = the first month of the First Roll-Out Guarantee Period or the Second Roll-Out Guarantee Period, as applicable.

POL00028118

S = the Basic Servicepoint price applicable to the Payment Authorisation Service for the year ended 29 February 2000 as set out in paragraph 3.5.1 of this Schedule.

v_i = the Best Guess volume projection, for month i of the Roll-Out Charging Period, for the regular benefit payment Chargeable Transaction expressed in Servicepoints (for the use of Service Components arranged under Payment Authorisation Services) as determined in accordance with paragraph 3.4.1 of this Schedule.

g_i = the total percentage guarantee level for all automated outlets, for month i of the Roll-Out Charging Period, for the regular benefit payment Chargeable Transaction as calculated using the following formula:

$$g_i = (b_{i0}*0\%) + (b_{i1}*0\%) + (b_{i2}*10\%) + (b_{i3}*20\%) + (b_{i4}*30\%) + (b_{i5}*40\%) + (b_{i6}*50\%) + (b_{i7}*60\%) + (b_{i8}*70\%)$$

where:

b_{i0} = the percentage outlet benefit activity covered by all outlets automated during month i.

b_{i1} = the percentage outlet benefit activity covered by all outlets automated in the one month prior to month i

b_{ik} = the percentage outlet benefit activity covered by all outlets automated in the k^{th} month prior to month i

b_{i8} = the percentage outlet benefit activity covered by all outlets automated in the 8^{th} month and higher, prior to month I.

7.5.6. The CMS component of the Roll-Out DSS Guarantee amounts shall be calculated using the following formula:

$$s * \sum_{i=o}^{p} c_i g_i$$

o = the first quarter of the First Roll-Out Guarantee Period or the Second Roll-Out Guarantee Period, as applicable

p = the final quarter of the First Roll-Out Guarantee Period or the Second Roll-Out Guarantee Period, as applicable (final quarter of the Second Roll-Out Period may not be a whole quarter)

POL00028118

S = the Basic Servicepoint price applicable to the Card Management Service for the year ended 29 February 2000 as set out in paragraph 3.5.1 of this Schedule.

c_i = the Best View volume projection, for quarter i of the Roll-Out Charging Period, for the Chargeable Transaction associated with the number of benefit cards in issue, expressed in Servicepoints as determined in accordance with paragraph 3.4.1 of this Schedule. Where the Best View volume projection of benefit cards in issue for quarter i shall be the Best View volume projection of the number of regular benefit payments for the middle month of quarter i divided by 3.5.

g_i = the total percentage guarantee level for all automated outlets, for the middle month of quarter i of the Roll-Out Charging Period, for the benefit cards in issue Chargeable Transaction as calculated using the following formula:

$$g_i = (b_{i0}*0\%)+(b_{i1}*0\%)+(b_{i2}*10\%)+(b_{i3}*20\%)+(b_{i4}*30\%)+(b_{i5}*40\%)+(b_{i6}*50\%)+(b_{i7}*60\%)+(b_{i8}*70\%)$$

where:

b_{i0} = the percentage outlet benefit activity covered by all outlets automated during the middle month of quarter i.

b_{i1} = the percentage outlet benefit activity covered by all outlets automated in the one month prior to the middle month of quarter i

b_{ik} = the percentage outlet benefit activity covered by all outlets automated in the k^{th} month prior to the middle month of quarter i

b_{i8} = the percentage outlet benefit activity covered by all outlets automated in the 8^{th} month and higher prior to the middle month of quarter i

8. FIRST STEADY STATE INVOICE

8.1. The calculation of invoice Charges during the period, if any, between the Roll-Out Completion Date and the commencement of the first full financial year of Steady State operation shall be in accordance with paragraphs 4, 5 and 6 of this Schedule except that:

POL00028118

(a) the first invoice period during this period shall commence on the day following the Roll-Out Completion Date and end on the next quarter end date;

(b) the last invoice period during this period shall end 28 February 1999 and commence on the later of the day following the Roll-Out Completion Date and the day following the end of the first preceding quarter end date;

(c) the Basic Servicepoint price shall be the Basic Servicepoint price applicable for the year ended 29 February 2000 as set out in paragraph 3.5.1 of this Schedule;

(d) the discounted Servicepoint prices and Servicepoint discount bands shall be the those applicable for the year ended 29 February 2000 as set out in paragraphs 6.1.5 and 6.1.6 of this Schedule;

(e) the amounts of the DSS Guarantees, POCL BES Guarantees and Other POCL Services Guarantees shall be the those applicable for the year ended 29 February 2000, as set out in paragraph 5.4.1 of this Schedule, pro rated according to the length of this period;

(f) the first and last invoice to be adjusted for the application of Guarantees and Servicepoint discount prices shall be for the period ended 28 February 1999. For the purposes of calculating any invoice discounts, all discount bands shall be reduced pro rata to reflect the duration of this period.

9. SERVICE CHARGING DURING TRANSFER

9.1. During the period commencing with the notice of termination and until termination of the Related Agreements. The AUTHORITIES shall not guarantee any of the volumes. The CONTRACTOR shall continue to charge the relevant Basic Servicepoint price for Chargeable Transactions for the year current at that time

10. REMEDIES - PRECEDENCE

10.1. In accordance with Schedule B03 and Clause 802.42, financial Remedies shall be reflected as Service Credits. Any such reductions shall be applied after

POL00028118

the calculation of Charges (excluding VAT) in accordance with paragraphs 4, 5 and 6.

11. OTHER CHARGING MECHANISMS FOR OPTIONAL SERVICES AND OPTIONAL PRODUCTS

[DN: The charging mechanism selected for each of these Optional Products/Services is yet to be fully defined as is the entire list, these are suggested mechanisms.]

11.1. POCL Services

11.1.1. Out of Hours Support - Hourly rate

11.1.2. Training post Roll-Out - price per course/candidate

11.1.3. Electrical Re-wiring - Measured Term

11.1.4. Customer Education/Marketing - Quotation

11.1.5. Electronic Operations Manual - Per issue per post office

POL00028118

ANNEX 5

Period	Best View of Potential Card Based BA Payments (millions)
1997	
January	0.146
February	1.171
March	2.34
April	4.53
May	7.3
June	10.5
July	16.04
August	22
September	27.62
October	33.33
November	39
December	43.44
1998	
January	47.92
February	49.7
March	51.72
April	52.78
May	56.94
June	60.98
July	65.25
August	69.51
September	70.07
October	70.3
November	71.13
December	71.41
1999	
January	71.42
February	71.44
March	71.45
April	71.45
May	71.45
June	71.45
July	71.45
August	71.45

POL00028118

SERVICE PROVIDER'S GUIDANCE PAPER

Classification of Basic, Optional and Additional Services

For the purpose of preparing the pricing structure, suppliers should take note of the following distinctions between basic, optional and additional services:

Basic services
are those which the Authorities definitely require either on day one or in the future. The requirement for these services has been specified in the Requirements register and related documents.

Optional services
are those which the Authorities may require at any time and must be provided by the Service Provider when given due notice. The requirement for these services has also been specified in the Requirements register and related documents.

Additional services
are those which the Authorities may require and which have been identified but not specified at present. They may also be services not yet identified.

Suppliers are required to include contracted prices in their tenders for all basic and optional services. Contracted prices are not required for Additional services, but where additional services have been indicated by the Authorities or proposed by the Service Provider, indicative pricing information should be provided for evaluation purposes.

For the POCL Services, the basic, optional and additional elements are defined in three dimensions, i.e.:

- The infrastructure facilities provided by the Service Provider to deliver the POCL services
- The service components
- The transactions using the services

The tables at Appendices A to C provide the classification of these three dimensions

Except for those items which are to be charged for separately (on a time and materials or other agreed basis) the Common Charging Mechanism and the scorecard should determine contracted prices for the following usage of the services. In all cases charges should be on the basis of the principles in Schedule A6.

Basic or Optional Services

Basic or Optional Transactions using Basic Infrastructure
The full price for these must be covered by the contracted pricing mechanism. Basic transactions include the implementation of any transaction using the EPOS service.

Basic or Optional Transactions using Optional or Additional Infrastructure

POL00028118

In addition to the contracted pricing mechanism, the introduction of such transactions would be expected to incur additional costs either as one or more fixed payments representing the cost of providing the hardware or the addition of one or more columns to the score-card grid to enable the Service Provide to charge for the use of the additional Infrastructure by specified transactions. In the case of Optional Infrastructure, Service Providers must specify the relevant fixed payments or service-point weightings of the additional columns. In the case of Additional Infrastructure, the price and method of charging will be determined through the change control mechanism.

Additional Transactions using Basic Infrastructure
Once the requirements for such transactions have been determined, the Service Provider will charge for their use of the existing Infrastructure through the contracted score-card mechanism. In addition there may be charges, to be determined through the change control process, for development, testing, integration and associated activities.

Additional Transactions using Optional or Additional Infrastructure
In cases where the optional infrastructure has already been introduced, charging will be as for Basic Infrastructure above. In other cases, there may be two additional charges covering (1) the introduction of the optional or additional infrastructure as at xxx above and (2) the development, testing, integration and associated activities for the introduction of the transaction as at yyy above.

Additional Services

These will be charged on bases to be agreed at the time through the change control mechanism.

Calculation of the Guarantee for POCL Other Services in the Steady State

The POCL guarantee for POCL Other Services after completion of roll-out shall be calculated as 65% of that charge for Basic transactions plus 65% of the charge for Optional transactions at the best view forecast transaction volumes and usage of the infrastructure. However, POCL may notify the supplier within [6 months] of the award of contract that on the basis of the suppliers prices and solutions it will not require certain optional transactions at any time in the contract. In that event, the guarantee shall be calculated without including those optional transaction so notified. Should such a transaction be required subsequently, its introduction would be on the basis of it being additional and subject to the change control procedures applicable.

POL00028118

POCL Infrastructure

Component	Basic	Optional	Additional
TMS	✓		
Endorse token	✓		
Token management	✓		
Signed receipt	✓		
Supplementary details capture	✓		
Outpayment	✓		
Inpayment	✓		
EPOS	✓		
Back-office printer	✓		
Receipt/Slip Printer	✓		
Pass-book printer			✓
Bar-code printer		✓	
Smart key charger	✓		
Smart card reader/writer	✓		
Magnetic stripe card reader	✓		
Scales link	✓		
PIN pad			✓
2-D Bar code printer			✓
OCR reader		✓	
Bar code reader	✓		

POL00028118

POCL Services

Component	Basic	Optional	Additional
Transaction Management	✓		
Benefit Encashment	✓		
Order Book Checking		✓	
Automated Payments	✓		
EPOS	✓		
Infrastructure	✓		
Contingency	✓		
Out-of-hours support*		✓	
On-line real-time interfaces to client and/or POCL systems		✓	
Training post roll-out*		✓	
Electrical rewiring*		✓	
Customer Education/Marketing*		✓	
Electronic Operations Manual*			✓

* Priced separately (i.e. not necessarily through the scorecard.)

POL00028118

POCL Transactions

Client	Transaction	Basic Day 1	Basic Future	Optional	Additional
BBC	0618 BBC CASH EASY ENTRY SCHEME	✓			
BT	BT PAYMENT PLAN	✓			
BT	BT PHONE CARDS (any amount)	✓			
BT	Smart Cards	✓			
CABLE	0322 CABLE TV RECEIPTS	✓			
DVLA	0071 MVL - V10	✓			
DVLA	0072 MVL - V11	✓			
DVLA	Temporary first licences	✓			
ELEC	Payment Plan	✓			
ELEC	Saving Schemes	✓			
ELEC	SMART card schemes	✓			
ELEC	SMART KEY (CLIENT KIT)	✓			
ELEC	SMART KEY schemes	✓			
GAS	0145 GAS METER TOKENS (MTM)	✓			
GAS	0147 BRITISH GAS SAVINGS SCHEMES	✓			
GAS	0581 BRITISH GAS QUANTUMCARD	✓			
GAS	0616 BRITISH GAS PAYMENTS PLAN	✓			
GIRO	0033 ATM WITHDRAWALS	✓			
GIRO	G5 foreign postcheques	✓			
GIRO	G7 ATM deposits	✓			
LOCAL	0002 COUNCIL TAX CARD/VOUCHER	✓			
LOCAL	HOMEHELP HOMECARE	✓			
LOCAL	MISCELLANEOUS-MAGSTRIPE	✓			
LOCAL	PERMIT SALES - CONCESSIONARY	✓			
LOCAL	PERMIT SALES - COMMERCIAL	✓			
MOBILES	Sale of Handsets	✓			
OGD	E111	✓			
PF	Acceptance of BFPO Parcels	✓			
PF	Acceptance of Inland Contract Datapost	✓			
PF	Acceptance of Inland Datapost	✓			
PF	Acceptance of International Contract Datapost	✓			
PF	Acceptance of International Datapost	✓			
PF	COD (Cash on Delivery)	✓			
PF	COD (Cash on Delivery) International	✓			
PF	Collection of Customs Charges	✓			
PF	Compensation Fee	✓			
PF	Inland Standard Contract	✓			
PF	Inland Standard Retail Parcels	✓			
PF	International Retail Standard and Economy Parcels	✓			
PF	International Standard and Economy Contract	✓			
PF	Mail Order Returns	✓			
PF	Postage Forward Parcel Service	✓			
PF	Prepaid in Money Parcels	✓			
POCL	American Money Order	✓			
POCL	Browser / OTC Retail	✓			
POCL	Canadian Money Order	✓			
POCL	ENCASHED OB CHEQUES	✓			
POCL	Post Shop sales	✓			
POCL	Postal Orders Paid Batches	✓			
POCL	POSTAL ORDERS Redeemed (paid)	✓			
POCL	Postal Orders SOLD	✓			
POOLS	Littlewoods Pools - Quick Pic	✓			
POOLS	Littlewoods Scratchcard	✓			
RM	AR Forms (advice of delivery receipt)	✓			
RM	Books vending	✓			
RM	Boxes & Bags	✓			
RM	DWS	✓			
RM	Faxmail	✓			
RM	Franking Machine	✓			
RM	P58 (Search Fees)	✓			
RM	P739	✓			
RM	Packets Inland	✓			
RM	Packets INT	✓			
RM	Philatelic products	✓			

POL00028118

Client	Transaction	Basic Day 1	Basic Future	Optional	Additional
RM	Philatelic stamps	✓			
RM	Postage Stamps	✓			
RM	Poste-Restante	✓			
RM	Prepaid	✓			
RM	RPP	✓			
RM	Stamp books other	✓			
WATER	0878 WATER SAVINGS SCHEMES	✓			
WATER	Payment Plan	✓			
WATER	SMART card schemes	✓			
WATER	SMART KEY schemes	✓			
BBC	MONO TV LICENCE REFUNDS		✓		
BBC	Saver Scheme		✓		
BBC	TV LICENCE - manually produced form		✓		
BBC	TV LICENCE - pre-printed form		✓		
BBC	TV LICENCE SS SOLD		✓		
BT	0171 TELEPHONE RECEIPTS		✓		
BT	0172 T'PHONE SAVING SCHEMES		✓		
GIRO	0006 BUSINESS A/C cash deposit		✓		
GIRO	0012 PERSONAL A/C CHQ DEPOSITS		✓		
GIRO	0013 LINKSAVE		✓		
GIRO	0024 / 0015 NSC / USC		✓		
GIRO	0026 CHANGE GIVING		✓		
GIRO	0032 PSB purchases, etc		✓		
GIRO	0561 BUSINESS CHQ ONLY DEPOSIT		✓		
GIRO	BUSINESS A/C mixed deposit		✓		
GIRO	G1 Personal account cash deposit		✓		
GIRO	G2 Account withdrawals		✓		
GIRO	G4 Cashcheques		✓		
OGD	MOD pensions		✓		
POCL	EFTPOS		✓		
RM	Consequential Loss		✓		
RM	Recorded Inland		✓		
RM	Recorded INT		✓		
RM	Redirection		✓		
RM	Registered Inland		✓		
RM	Registered INT		✓		
RM	RMSD		✓		
RM	Swiftair		✓		
DVLA	0074 MVL SAVING STAMPS SOLD			✓	
GIRO	G3 Cash provisioning			✓	
GIRO	G6 Merchant vouchers			✓	
GIRO	TRANSCASH - Preprinted			✓	
NRA	0325 ROD FISHING LICENCE - VOLUMES			✓	
OGD	Prescription refunds			✓	
POCL	Counterpoint Media			✓	
IST RATE	IST RATE - BUY/SELL - cash				✓
IST RATE	IST RATE - BUY/SELL - traveler's cheques				✓
IST RATE	IST RATE - pre-order - cash & T.Chq				✓
COOP	0039 Co-Op Cash Cheques				✓
DNS	0255 NS ORD ACC DEP - INITIAL				✓
DNS	0256 NS ORD ACC DEP - SUBSQNT				✓
DNS	0257 NS ORD ACC WITHDRAWALS				✓
DNS	0260 NS INVAC DEP - INITIAL				✓
DNS	0261 NS INVAC DEP - SUBSQUENT				✓
DNS	CBB,Capital bond purchases				✓
DNS	Investment products				✓
DNS	pay out cash warrants - ordinary account				✓
DNS	Pay Out Warrant - Inv Acc.				✓
DNS	POCL Savings account - deposit				✓
DNS	POCL Savings account - opening a/c				✓
DNS	POCL Savings account - withdrawal				✓
GIRO	Accept deposits for other banks (Personal Banking)				✓
GIRO	Accpet withdrawals from other banks (Personal Banking)				✓
GIRO	BS deposit				✓
GIRO	BS withdrawal				✓
INS	General Insurance				✓

POL00028118

Client	Transaction	Basic Day 1	Basic Future	Optional	Additional
INS	Travel Insurance				✓
OGD	Game Licences				✓
POCL	0371 ACTIVE LIFE - renewals				✓
POCL	Open Value Postal Order				✓
TICKET	THEATRE TICKET SALES				✓
UKPA	10 year passport work				✓
WU	0189 WESTERN UNION - SENT				✓
WU	0190 WESTERN UNION - RECEIVED				✓

POL00028118

SERVICE PROVIDER's GUIDANCE PAPER

Calculation of the Revenue Guarantees Subsequent to the Roll-Out

The Authorities' Best View of future volumes which will be used in the calculation of guaranteed payments is as set out in the Workload Brief Version 5.3 which is associated with the Invitation to Tender.

The POCL BES Guarantee amounts shall be calculated as follows:

(a) The AUTHORITIES' Best View of the annual numbers of Chargeable Transactions (assigned to the Benefit Encashment Service) that will occur shall be scored using the CONTRACTOR's Score Card. Any Chargeable Transactions associated with the Order Book Checking Service shall not be scored for the purposes of this guarantee calculation.

(b) For each year of Steady State operation the number of Servicepoints scored for all such Chargeable Transactions projected to occur in such year shall be aggregated (each a "Projected Aggregate Score").

(c) For each such year the Projected Aggregate Score shall be multiplied by the relevant guarantee percentage level set out below:

Year ending 28/29 February	POCL BES percentage guarantee levels
2000	75%
2001	75%
2002	70%
2003	65%
2004	60%

POL00028118

(d) The resultant number of guaranteed Servicepoints shall be multiplied by the relevant Servicepoint price applicable for that year and for that number of Servicepoints using the Servicepoint discount bands and Servicepoint discount prices set out in Schedule A6 to give the POCL BES Guarantee amounts.

The Other POCL Services Guarantee amounts shall be calculated as follows:

(a) The POCL Best View projections of the annual numbers of each Basic Chargeable Transaction (assigned to the EPOS, Automated Payments and POCL Infrastructure Services) that will occur shall be scored using the CONTRACTOR's Score Card.

(b) The POCL Best View projections of the annual numbers of each Optional Chargeable Transaction (assigned to the Automated Payments and POCL Infrastructure Services) that will occur shall be scored.

(c) For each year of Steady State operation the number of Servicepoints scored for all such Chargeable Transactions projected to occur in such year shall be aggregated (each a "Projected Aggregate Score").

(d) For each such year the Projected Aggregate Score shall be multiplied by the relevant guarantee percentage level set out below:

Year ending 28/29 February	Other POCL Services percentage guarantee levels
2000	65%
2001	65%
2002	65%
2003	65%
2004	65%

(d) The resultant number of guaranteed Servicepoints shall be multiplied by the relevant Servicepoint price applicable for that year and for that number of Servicepoints using the Servicepoint discount bands and Servicepoint discount prices set out in Schedule A6 to give the Other POCL Services Guarantee amounts

The DSS Guarantee amounts shall be calculated as follows:

(a) DSS's Best View projections of the annual numbers of each Chargeable Transaction (using Service Components assigned to the Benefits Payment Service and the Card Management Service) that will occur shall be scored using the CONTRACTOR's Score Card. Any Chargeable Transactions associated with the Order Book Checking Service shall not be scored for the purposes of this guarantee calculation.

POL00028118

(b) For each year of Steady State operation the number of Servicepoints scored for all such Chargeable Transactions projected to occur in such year shall be aggregated separately for the Benefits Payment Service and the Card Management Service (each a "Projected Aggregate Score").

(c) For each such year the Projected Aggregate Score for each of the Benefits Payment Service and the Card Management Service shall be multiplied by the relevant guarantee percentage level set out below:

Year ending 28/29 February	CMS percentage guarantee levels	BPS percentage guarantee levels
2000	75%	75%
2001	75%	75%
2002	70%	70%
2003	65%	65%
2004	60%	60%

(d) The resultant number of guaranteed Servicepoints shall be multiplied by the relevant Servicepoint price applicable for that year and for that number of Servicepoints using the Servicepoint discount bands and Servicepoint discount prices set out in paragraphs 6.1.4 and 6.1.5 of this Schedule to give the BPS component and the CMS component of the DSS Guarantee amounts. These component amounts will be used, in accordance with paragraph 5.6 of this Schedule, to established the revised DSS Guarantee amounts in the event of the due termination of one of the relevant Services.

(e) For each year the sum of the relevant BPS and CMS component amounts established under paragraph 5.4.3 (d) of this Schedule shall be the DSS Guarantee amount.

POL00028118

SCHEDULE A7- ACCEPTANCE PROCEDURES

Version reference	Reason for change	Frozen/issue date
0A	First draft ready for internal review. Note that this includes comments from SP's from previous process.	
1.0	Comments from CNT/lawyers	17 January 1996
2.0	Comments from sponsors and service providers	26 January 1996
3.0	Further refinement from comments/ meetings sponsors and service providers	02 February 1996
4.0	Further refinement from comments/ meetings sponsors and service providers	09 February 1996
5.0	As above	16 February 1996
6.0	Substantial change to remove partial acceptance and place bounds on substantial fault.	23 February 1996
7.0	Requirements of whole contract and termination right only during operational trial	27 February 1996
ITT version		28 February 1996

1. SCOPE

1.1. This Schedule specifies the procedures for Acceptance of Deliverables and Services provided under the terms of the AUTHORITIES' Agreement. The scope of this Schedule includes the Acceptance of all Deliverables and Services provided under this Agreement, including, for the avoidance of doubt, Deliverables and Services arising from orders or changes after the date of execution hereof.

1.2. For the purposes of this Schedule, the term "AUTHORITY" shall be deemed to mean the AUTHORITIES where both of the AUTHORITIES have an interest in an Acceptance Test, and to mean the relevant AUTHORITY where only one of the AUTHORITIES has an interest in an Acceptance Test.

POL00028118

1.3. Where in this Schedule the AUTHORITY or the CONTRACTOR is required to approve a report or deliverable, such approval shall not be unreasonably withheld or delayed by either party.

2. ACCEPTANCE METHOD

2.1. An Acceptance Test shall take the form of one or more Acceptance Trials as defined in paragraph 3 of this Schedule, one or more Acceptance Reviews as defined in paragraph 4 of this Schedule, or combinations thereof.

2.2. In general, Acceptance of Services shall be by Acceptance Trial and the Acceptance of Deliverables shall be by means of Acceptance Review. An Acceptance Review shall be used to accept a Service where the AUTHORITY agrees that an Acceptance Trial is inappropriate or unnecessary.

2.3. The scope and conduct of any Acceptance Test shall be documented in an Acceptance Specification in accordance with paragraph 5 of this Schedule.

2.4. The AUTHORITY reserves the right to test whether a Service is in accordance with all the provisions of this AUTHORITIES' Agreement.

2.5. The CONTRACTOR and the AUTHORITY shall nominate representatives to manage and to participate in each Acceptance Test at least one month prior to the commencement of the Acceptance Period.

2.6. The CONTRACTOR shall repeat any or all parts of the Acceptance Test as often as necessary during the Acceptance Period to resolve any outstanding Acceptance Incidents affecting the Acceptance Test.

2.7. The outcome of an Acceptance Test shall be one of the following:

(a) Acceptance as defined in paragraph 7 of this schedule;

(b) Failed Acceptance as defined in paragraph 8 of this Schedule.

2.8. The AUTHORITY shall raise a report in relation to each Acceptance Incident occurring during an Acceptance Test, as soon as is reasonably practicable after the Acceptance Incident occurs. When the CONTRACTOR has

POL00028118

satisfactorily resolved an Acceptance Incident and the AUTHORITY has signed the report by way of confirmation of satisfactory resolution, such Acceptance Incident shall be deemed to have been resolved.

3. ACCEPTANCE TRIAL

3.1. An Acceptance Trial shall consist of one or more of the following:

(a) inspection of any system used to provide a Service;

(b) demonstration of any system used to provide a Service;

(c) running a real or simulated operational workload on any system used to provide a Service;

(d) monitoring provision of a Service over a trial period to verify performance to the Service Levels specified for the Service.

3.2. The scope and conduct of any Acceptance Trial proposed shall be documented in the Acceptance Specification in accordance with paragraph 5 of this Schedule, and the Acceptance Trial shall not commence until the Acceptance Specification has been approved by the AUTHORITY.

4. ACCEPTANCE REVIEW

4.1. An Acceptance Review shall consist of one or more of the following:

(a) inspection of a Deliverable (e.g. a document) by one or more competent reviewers nominated by the AUTHORITY;

(b) inspection by one or more competent reviewers nominated by the AUTHORITY of documentary evidence that a Service has been provided;

(c) a meeting between the AUTHORITY and the CONTRACTOR at which one or more of the following occur:

i. Deliverables or documentary evidence are inspected;

ii. a presentation is given by the CONTRACTOR;

POL00028118

iii. the results of prior inspections, visits or presentations are reviewed and the outcome agreed.

4.2. The scope and conduct of any Acceptance Review proposed shall be documented in an Acceptance Specification in accordance with paragraph 5 of this Schedule, and the Acceptance Review shall not commence until the Acceptance Specification has been approved by the AUTHORITY.

5. ACCEPTANCE SPECIFICATION

5.1. The CONTRACTOR shall prepare an Acceptance Specification for approval by the AUTHORITY. The Acceptance Specification shall:

(a) define the purpose and scope of the Acceptance Test;

(b) define the detailed procedures for raising and resolving Acceptance Incidents for the Acceptance Test in accordance with paragraph 2.7;

(c) define the Acceptance Period for the Acceptance Test;

(d) identify the Deliverables and Services which are subject to Acceptance and the acceptance method, as described in paragraph 2, to be used to accept each;

(e) identify the Acceptance Criteria for each Deliverable or Service, where appropriate by reference to the Agreements; and for each criterion:

i. define the Acceptance Test Conditions to be used for establishing that the criterion has or has not been met;

ii. designate the severity of any deficiency resulting from a failure to meet the criterion in accordance with paragraph 6 of this Schedule.

(f) for any Acceptance Trial define any test data necessary;

(g) identify AUTHORITY responsibilities, including the resources required to carry out each Acceptance Trial/Acceptance Review.

5.2. The CONTRACTOR shall assist the AUTHORITY in meeting the AUTHORITY's responsibilities as approved in the

POL00028118

Acceptance specification approved by the AUTHORITY for the development of the Acceptance Tests, including, but not limited to, assisting in the preparation of any necessary test data.

6. ACCEPTANCE DEFICIENCIES

6.1. The CONTRACTOR shall analyse each Acceptance Incident, and the following definition shall be used to categorise each Acceptance Incident:

(a) failure to meet an Acceptance Criterion defined in an Acceptance Specification as essential to the Deliverable or Service shall be designated a high severity deficiency;

(b) failure to meet an Acceptance Criterion defined in an Acceptance Specification as highly desirable for the Deliverable or Service shall be designated a medium severity deficiency;

(c) failure to meet an Acceptance Criterion defined in an Acceptance Specification as desirable for the Deliverable or Service shall be designated a low severity deficiency;

(d) an Acceptance Incident which does not relate to an Acceptance Criterion, but which identifies a failure to meet any other obligation under this AUTHORITIES' Agreement and, in the reasonable opinion of the AUTHORITY, represents a substantive fault, equivalent to, and categorised according to, part (a), (b) or (c) of this paragraph

(e) none of the above.

6.2. Other than for category (e) above, the analysis of an Acceptance Incident shall not of itself be sufficient to resolve the Acceptance Incident. Resolution of an Acceptance Incident shall only occur when the deficiency or fault has been corrected by the CONTRACTOR and the relevant parts of the Acceptance Test have been repeated without further Acceptance Incidents arising.

6.3. The AUTHORITY may, at its sole discretion, waive in writing the resolution of an Acceptance Incident and deem it resolved.

POL00028118

7. ACCEPTANCE

7.1. The outcome of an Acceptance Test during an Acceptance Period shall be Acceptance where no Acceptance Incidents remain unresolved at the end of the Acceptance Period, and the full scope of the Acceptance Test as defined in the Acceptance Specification has been covered. In these circumstances, the AUTHORITY shall confirm Acceptance to the CONTRACTOR in writing, within five (5) working days of the end of the Acceptance Period.

7.2. Any charging mechanism associated with a Service becomes active after achievement of Acceptance of the Service. Any payment associated with a Deliverable becomes due on achievement of Acceptance of the Deliverable.

8. FAILED ACCEPTANCE

8.1. The outcome of an Acceptance Test shall be Failed Acceptance where one or more deficiencies as defined in paragraph 6 of this Schedule, or one or more Acceptance Incidents remain unresolved at the end of the Acceptance Period. In these circumstances, the AUTHORITY shall confirm Failed Acceptance to the CONTRACTOR in writing, within five (5) working days of the end of the Acceptance Period.

8.2. In the event of Failed Acceptance the CONTRACTOR shall, within one (1) month of the notification of Failed Acceptance, submit in writing to the AUTHORITY a plan for the correction of unresolved Acceptance Incidents and a date for a further Acceptance Test.

8.3. In the event of Failed Acceptance, the Deliverable or Service to which the Acceptance Test relates shall be regarded by the AUTHORITY as unfit for use.

8.4. The AUTHORITY's right of termination for Failed Acceptance shall only apply under Clause 402, and only in the event that:

(a) one or more high severity deficiencies; or

(b) ten or more medium severity deficiencies; or

(c) fifty (50) or more low severity deficiencies;

remain uncorrected at the end of the Operational Trial Period, or one or more Acceptance Incidents have not been analysed according to paragraph 6.1.

POL00028118

8.5. Any payment or charging mechanism associated with the Deliverable or Service due on achievement of Acceptance will be withheld until deficiencies are rectified and Acceptance is achieved.

POL00028118

SCHEDULE A08- AUTHORITIES REMEDIES

Version reference	Reason for change	Frozen/issue date
0A	First draft ready for internal review	
0B	Revision as part of new development process	
1.0	Draft for issue to Service Providers	11 Oct 1995
1.1	Revised for new contract structure and renumbered (formerly B8)	5 January 1996
1.2	Revised following legal advice	15 January 1996
2.0	Issued to Service Providers and Sponsors	17 January 1996
2.1	Revised following comments from Sponsors and Service Providers	25/01/96
3.0	Issued to Service Providers and Sponsors	26/01/96
4.0	Issued to Service Providers and Sponsors following comments on Version 3.0	2 February 1996
5.0	Additional changes subject to CNT consideration and therefore held over - therefore no changes from version 4.0	9-Feb-96
5.1	Revised following comments on Version 4.0 and resolution of CNT issues	13 February 1996
6.0	Issued to Service Providers and Sponsors following comments on Version 4.0	14 February 1996
7.0	Issued to Sponsors for final QA	27 February 1996
ITT Version 2.0		

1. PURPOSE

1.1. This Schedule sets out the approach to remedies which shall be applicable to all Services supplied under the Related Agreements.

POL00028118

2. GENERAL PRINCIPLES

2.1. The purpose of remedies is that the relevant AUTHORITY shall not be disadvantaged by failures of the CONTRACTOR to provide the contracted Services to the agreed specification and reliability.

2.2. Remedies in failure to meet Service Levels are designed so that:

(a) The AUTHORITIES will not pay for Services which they do not receive or will pay a reduced amount for Services which fail to meet the Service Levels;

(b) The AUTHORITIES will be compensated for loss or damage which they incur as a result of unavailability of Services or Services failing to meet Service Levels;

(c) Repeated failure as defined in paragraph 4.4 or serious failure as defined in paragraph 4.5 by the CONTRACTOR to provide any Service to the appropriate Service Levels will entitle the relevant AUTHORITY to terminate the relevant Service or the Related Agreement in accordance with clauses 902.1.5 or 903.1.5 respectively of the DSS Agreement or the POCL Agreement as appropriate.

2.3. Remedies for:

(a) failure by the CONTRACTOR to make available the Operational Trial System, the DSS Operational Trial System, the POCL Trial System or any Service or any Product to be supplied under any of the Related Agreements for appropriate acceptance testing; and

(b) extension of the appropriate acceptance test period for any of the items listed in paragraph 2.3(a) in accordance with the appropriate provisions of the appropriate Related Agreement

are designed so that the relevant AUTHORITY will be compensated for costs which it incurs thereby.

2.4. The limits on the CONTRACTOR's liability contained in Clause 810 shall apply to financial remedies due in accordance with this Schedule.

POL00028118

3. APPLICATION TO SERVICES

3.1. For each Service supplied under the AUTHORITIES' Agreement, the relevant Service Levels and Remedies Schedule shall define the measures of Service Levels and Remedies.

4. SERVICE LEVELS

4.1. There are the following two (2) thresholds:

(a) Minimum Acceptable Threshold;

(b) Termination Review Threshold.

4.2. Service Levels shall be measured and reported over Invoicing Periods and using metrics defined for each Service. Additionally all levels of service shall be monitored on a weekly and monthly basis and any failure to meet a Service Level shall be reported to the AUTHORITIES detailing the required Service Level and the actual level of service achieved.

4.3. In respect of any Invoicing Period when the level of service falls below the threshold in paragraph 4.1 (a), the AUTHORITIES shall be entitled to remedies at the end of that Invoicing Period as set out in the relevant Service Level and Remedies Schedule.

4.4. Unless specified otherwise in the relevant Service Levels and Remedies Schedule, where the CONTRACTOR fails to meet the threshold in paragraph 4.1 (a) for a particular Service for three (3) quarterly Invoicing Periods in any twenty four (24) month period, then the relevant AUTHORITY may terminate the relevant Related Agreement or the relevant Service in accordance with Clause 902.1.5 or Clause 903.1.5 respectively of the DSS Agreement or the POCL Agreement, as appropriate. If the relevant AUTHORITY decides not to exercise its rights hereto, then rectification of the Default shall be made in accordance with paragraph 7.

4.5. If the level of service fails to meet the threshold in paragraph 4.1 (b) for a particular Service, the relevant AUTHORITY may terminate the relevant Related Agreement or relevant Service in accordance with Clause 902.10 or Clause 903.6 respectively of the DSS Agreement or the POCL Agreement, as appropriate. If the relevant AUTHORITY decides not to exercise its rights

POL00028118

hereto, then rectification of the Default shall be made in accordance with paragraph 7.

5. PAYMENT OF REMEDIES

5.1. The remedies due shall be available in the form specified in Clause 802 of the AUTHORITIES Agreement, Clause 802 of the DSS Agreement and Clause 802 of the POCL Agreement, as appropriate.

6. CALCULATION OF TOTAL COMPENSATION DUE

6.1. The remedies due to the AUTHORITIES from the CONTRACTOR in accordance with paragraph 2.3 are cumulative.

6.2. The liquidated damages paid to the relevant AUTHORITY in respect of the circumstances in paragraph 2.3 shall be the relevant AUTHORITY's exclusive remedy in damages for such failure.

6.3. The remedies due to the AUTHORITIES from the CONTRACTOR in accordance with paragraph 4 are cumulative.

6.4. Without prejudice to paragraph 4.4, in the event that a Service meets the threshold in paragraph 4.1 (b) but fails to meet that in paragraph 4.1 (a), the Service Credits due for such failure shall be the relevant AUTHORITY's exclusive remedy in damages for such failure.

7. RECTIFICATION IN CASE OF SERIOUS FAILURE

7.1. In the event that the relevant AUTHORITY decides not to exercise its rights of termination pursuant to paragraphs 4.4 or 4.5, then the CONTRACTOR and the relevant AUTHORITY shall agree a method of rectification, including a timetable, for the Default. For the avoidance of doubt, the CONTRACTOR remains liable for financial remedies in respect of the failure giving rise to the Default.

7.2. In the event that the rectification plan involves a change to the provision of the Services, the procedures set out in Schedule A5 shall apply.

7.3. Notwithstanding the provisions of paragraph 7.1, the AUTHORITIES reserve their termination rights in the event of the CONTRACTOR and the relevant AUTHORITY

POL00028118

being unable to reach agreement on a rectification plan.

7.4. Without prejudice to the AUTHORITIES' general rights to remedies, during the rectification period the CONTRACTOR shall maintain the levels of service of all other Services above the threshold in paragraph 4.1 (a) unless otherwise agreed with the relevant AUTHORITY as part of the rectification plan.

POL00028118

SCHEDULE A9- CONTRACT TERMINATION

1. There are no provisions in this Schedule.

POL00028118

SCHEDULE A11

GUARANTEE

(Clause 1003)

POL00028118

DATED **1996**

[GUARANTOR]

- to -

SECRETARY OF STATE FOR SOCIAL SECURITY

-and-

POST OFFICE COUNTERS LTD

DEED OF GUARANTEE

Bird & Bird
90 Fetter Lane
London EC4A IJP

Tel: 0171 415 6000
Fax: GRO

Ref: CCTAG/013/AGR/GUARUMB.003

POL00028118

THIS DEED is made the day of 1996

BETWEEN

(1) [ ] whose registered office is at [ ] ("the GUARANTOR") in favour of

(2) THE SECRETARY OF STATE FOR SOCIAL SECURITY, acting through and on behalf of the Department of Social Security and on behalf of the Department of Health and Social Services for Northern Ireland ("DSS"); and

(3) POST OFFICE COUNTERS LTD whose registered office is situated at Drury House, 1-16 Blackfriars Road, London, SE1 9UA ("POCL") (DSS and POCL being referred to collectively as "the AUTHORITIES");

WHEREAS

(A) This Deed is supplemental to Information Technology Services Agreements for Bringing Technology to Post Offices and Benefits Payments dated [ ] between:

(i) the AUTHORITIES and [ ] ("the CONTRACTOR") ("the AUTHORITIES' Agreement");

POL00028118

(ii) DSS and the CONTRACTOR ("the DSS Agreement"); and

(iii) POCL and the CONTRACTOR ("the POCL Agreement")

(collectively, "the Related Agreements").

(B) The services to be provided by the CONTRACTOR to the AUTHORITIES under the Related Agreements are critical to the accomplishment of the respective statutory functions and business objectives of the AUTHORITIES.

(C) The AUTHORITIES would not have entered into the Related Agreements without a satisfactory guarantee being provided by the GUARANTOR of the CONTRACTOR's obligations and liabilities thereunder.

NOW, THEREFORE, in consideration of the AUTHORITIES entering into the AUTHORITIES' Agreement, the GUARANTOR hereby guarantees to the AUTHORITIES as follows:-

1. If the CONTRACTOR fails fully and punctually to perform its obligations under the AUTHORITIES' Agreement or commits any breach of its obligations under the AUTHORITIES' Agreement which is not remedied in accordance therewith, the GUARANTOR unconditionally undertakes that upon demand by either AUTHORITY in accordance with Clause 3 hereof it shall:

POL00028118

a. subject to the provisions of Clause 810 of the AUTHORITIES' Agreement, indemnify and maintain the relevant AUTHORITY indemnified against all losses, damages, costs and expenses (including court costs and legal fees on a solicitor and own client basis) which may be incurred by the relevant AUTHORITY arising out of all and any such failures or breaches, but only to the extent that the CONTRACTOR is liable for the same under the AUTHORITIES' Agreements;

b. as a separate and independent obligation and as primary obliger, be responsible for and hereby guarantee to the relevant AUTHORITY the due performance by the CONTRACTOR of the CONTRACTOR's obligations under the AUTHORITIES' Agreement; and

c. as a separate and independent obligation and as primary obliger, fully, punctually and specifically perform the CONTRACTOR's obligations under the AUTHORITIES' Agreement which are not performed as a result of the Default of the CONTRACTOR thereunder. The GUARANTOR shall perform, fulfil and observe all terms, warranties and representations in the AUTHORITIES' Agreement which are not performed as a result of the Default of the CONTRACTOR thereunder as if the AUTHORITIES' Agreement were directly entered into by the GUARANTOR and the AUTHORITIES;

POL00028118

PROVIDED THAT in no event shall the liability of the GUARANTOR to the relevant AUTHORITY hereunder be greater than the liability of the CONTRACTOR to the relevant AUTHORITY under the Related Agreements, and provided further that any limitation on the liability of, and any defences available to, the CONTRACTOR under the Related Agreements shall be available to the GUARANTOR hereunder.

2. Insofar as DSS has rights and remedies under the AUTHORITIES' Agreement in relation to the POCL Agreement and POCL has rights and remedies under the AUTHORITIES' Agreement in relation to the DSS Agreement, the obligations of the GUARANTOR under this Deed of Guarantee shall apply equally to the observance of such rights and remedies by the CONTRACTOR under the DSS Agreement and the POCL Agreement (as the case may be). However, DSS and POCL shall have no greater rights under this Deed of Guarantee in relation to the DSS Agreement and the POCL Agreement than they have under the AUTHORITIES' Agreement.

3. Any demand under this Deed of Guarantee shall be in writing, addressed to the registered office of the GUARANTOR and accompanied by a statement identifying the nature of the claim by the relevant AUTHORITY, and shall be copied to the CONTRACTOR at its registered office or such other address as the GUARANTOR has from time to time notified to the AUTHORITIES as being an address for the receipt of such demands.

POL00028118

4.1 The GUARANTOR shall not be discharged or released from the Deed of Guarantee by any arrangement made between the CONTRACTOR and the AUTHORITIES without the assent of the GUARANTOR or by any amendment to or termination of the AUTHORITIES' Agreement or by any forbearance or indulgence whether as to payment, time, performance or otherwise granted by the AUTHORITIES in relation thereto.

4.2 The obligations of the GUARANTOR under this Deed of Guarantee may not be assigned or sub-contracted in whole or in part without the express written agreement of both AUTHORITIES.

5. This Deed of Guarantee shall be a continuing security and accordingly it shall:

a. not be discharged by any partial performance (except to the extent of such partial performance) by the CONTRACTOR of its obligations under the AUTHORITIES' Agreement, and

b. extend to cover the unperformed part of the obligations of the CONTRACTOR from time to time under the AUTHORITIES' Agreement.

6. The obligations of the GUARANTOR under this Deed of Guarantee are those of primary obliger and such obligations exist irrespective of any total or partial invalidity, illegality or unenforceability of the AUTHORITIES' Agreement. The relevant AUTHORITY shall not be obliged before taking steps to enforce this Deed

POL00028118

of Guarantee against the GUARANTOR to obtain judgment against the CONTRACTOR or the GUARANTOR or any third party in any Court, or to make or file any claim in a bankruptcy or liquidation of the CONTRACTOR or any third party, or to take any action whatsoever against the CONTRACTOR or the GUARANTOR or any third party (other than serving a copy of the notice of demand upon the CONTRACTOR in accordance with Clause 3 above).

7. The GUARANTOR warrants that it is either a company or a body corporate duly organised and validly existing under the laws of England with limited liability and has all power and authority to enter into and perform the obligations contemplated by this Deed of Guarantee to be performed by it and that this Deed of Guarantee constitutes a legal, valid and binding obligation.

8. All sums payable by the GUARANTOR under this Deed of Guarantee shall be paid without any set-off, lien or counterclaim, deduction or withholding, howsoever arising.

9. None of the liabilities or obligations of the GUARANTOR under this Deed of Guarantee shall be impaired or discharged by the winding up, amalgamation, reconstruction or reorganisation of the GUARANTOR or the CONTRACTOR (or the commencement of any of the foregoing).

10. If any provision of this Deed of Guarantee is held invalid, illegal or unenforceable for any reason by any Court of competent jurisdiction, such provision shall be

POL00028118

severed and the remainder of the provisions hereof shall continue in full force and effect as if this Deed of Guarantee had been executed with the invalid, illegal or unenforceable provision eliminated.

11. This Deed of Guarantee shall be governed by and construed in all respects in accordance with the laws of England, and the parties hereby submit to the non-exclusive jurisdiction of the Courts of England in respect of any dispute which may arise between the parties concerning this Deed of Guarantee.

12.1 In the event that there shall, in the reasonable opinion of the AUTHORITIES, occur a material adverse change in the financial condition of the GUARANTOR by comparison with such a financial condition as at the date of this Deed of Guarantee, which change in financial condition could reasonably be expected to have an adverse effect on the ability of the GUARANTOR to perform its obligations under the Deed of Guarantee, then the GUARANTOR shall, if so required by the AUTHORITIES in writing, procure that there is provided to the AUTHORITIES an Acceptable Additional Guarantee. Such an Acceptable Additional Guarantee shall be provided within one (1) month after the AUTHORITIES require the provision of the same. For the purposes of this Clause, an "Acceptable Additional Guarantee" shall be a guarantee of the obligations of the GUARANTOR under this Deed of Guarantee given in favour of the AUTHORITIES which:

POL00028118

(a) is given by an entity acceptable to the AUTHORITIES which has a financial condition at least as good as that of the GUARANTOR as at the date of this Deed of Guarantee; and

(b) is substantially in the form of this Deed of Guarantee with such amendments as the AUTHORITIES shall reasonably require to take account of the identity and place of incorporation of, and any other factors relevant to, the new guarantor.

Any such Acceptable Additional Guarantee shall be in addition to and not in substitution for this Deed of Guarantee.

12.2 In the event that there shall, in the reasonable opinion of the AUTHORITIES, occur a material adverse change in the financial condition of any person liable as guarantor under an Acceptable Additional Guarantee by comparison with such financial condition as at the date of the relevant Acceptable Additional Guarantee, which change in financial condition could reasonably be expected to have an adverse effect on the ability of the relevant party to perform its obligations under the applicable Acceptable Additional Guarantee, then the GUARANTOR shall, if so required by the AUTHORITIES in writing, procure that there is provided to the AUTHORITIES a further Acceptable Additional Guarantee from another entity. Any such Acceptable Additional Guarantee shall be provided within one (1) month after the AUTHORITIES require the provision of the same.

POL00028118

12.3 Any failure by the GUARANTOR to provide an Additional Acceptable Guarantee in accordance with the provisions of this Clause shall be treated as a Default by the CONTRACTOR entitling the AUTHORITIES to terminate the AUTHORITIES' Agreement pursuant to Clause 902.2.2 thereof.

IN WITNESS whereof the GUARANTOR has caused this instrument to be executed as a Deed the day and year first before written.

SIGNED and DELIVERED for and on behalf of .....

By .....

Name .....(Director)

and

By .....

Name .....

(Director/The Secretary of the said GUARANTOR)

in the presence of:

Name .....

Title .....

POL00028118

INFORMATION TECHNOLOGY SERVICES AGREEMENT FOR BRINGING TECHNOLOGY TO POST OFFICES AND BENEFIT PAYMENTS

INVITATION TO TENDER

29 FEBRUARY 1996

PATHWAY GROUP LTD

PART I

POL00028118

For convenience, the following Schedule comprises all Requirements, including "single key" Requirements belonging in this Schedule B1 and "double key" Requirements belonging in Schedule B4. For a list of the "double key" Requirements see the index in Schedule B4.

POL00028118

Primary Index	Secondary Index	Req No
DSS Services (CMS)	Customer education	962
DSS Services (CMS)	Customer services	730
DSS Services (CMS)	Customer services	733
DSS Services (CMS)	Customer services	750
DSS Services (CMS)	Flexibility - services	741
DSS Services (CMS)	Integration of services	736
DSS Services (CMS)	Integration of services	737
DSS Services (CMS)	Interface with BA staff	731
DSS Services (CMS)	Interface with BA staff	742
DSS Services (CMS)	Interface with CAPS	967
DSS Services (CMS)	Management information	743
DSS Services (CMS)	Management information	744
DSS Services (CMS)	Policies & standards	701
DSS Services (CMS)	Policies & standards	702
DSS Services (CMS)	Policies & standards	703
DSS Services (CMS)	Policies & standards	708
DSS Services (CMS)	Security	710
DSS Services (CMS)	Security	711
DSS Services (CMS)	Security	719
DSS Services (CMS)	Security	722
DSS Services (CMS)	Security	723
DSS Services (CMS)	Security	725
DSS Services (CMS)	Security	726
DSS Services (CMS)	Security	727
DSS Services (CMS)	Security	740
DSS Services (CMS)	Security	747
DSS Services (CMS)	Security	961
DSS Services (CMS)	Service - design	705
DSS Services (CMS)	Service - design	706
DSS Services (CMS)	Service - design	707
DSS Services (CMS)	Service - design	709
DSS Services (CMS)	Service - design	712
DSS Services (CMS)	Service - design	714
DSS Services (CMS)	Service - design	715
DSS Services (CMS)	Service - design	716
DSS Services (CMS)	Service - design	717
DSS Services (CMS)	Service - design	718
DSS Services (CMS)	Service - design	721
DSS Services (CMS)	Service - design	724
DSS Services (CMS)	Service - design	728
DSS Services (CMS)	Service - design	732
DSS Services (CMS)	Service - design	745
DSS Services (CMS)	Service - design	746

POL00028118

Primary Index	Secondary Index	Req No
DSS Services (CMS)	Service - design	748
DSS Services (CMS)	Service - design	749
DSS Services (CMS)	Service - design	954
DSS Services (CMS)	Service - design	955
DSS Services (CMS)	Service - design	966
DSS Services (CMS)	Service - design	968
DSS Services (CMS)	Service - development	704
DSS Services (CMS)	Systems - design	700
DSS Services (CMS)	Systems - design	713
DSS Services (CMS)	Systems - design	720
DSS Services (PAS)	Customer services	760
DSS Services (PAS)	Customer services	792
DSS Services (PAS)	Customer services	794
DSS Services (PAS)	Customer services	796
DSS Services (PAS)	Flexibility - services	975
DSS Services (PAS)	Interface with CAPS	753
DSS Services (PAS)	Interface with CAPS	754
DSS Services (PAS)	Interface with CAPS	756
DSS Services (PAS)	Interface with CAPS	762
DSS Services (PAS)	Interface with CAPS	763
DSS Services (PAS)	Interface with CAPS	771
DSS Services (PAS)	Interface with CAPS	773
DSS Services (PAS)	Interface with CAPS	774
DSS Services (PAS)	Interface with CAPS	778
DSS Services (PAS)	Interface with CAPS	782
DSS Services (PAS)	Interface with CAPS	790
DSS Services (PAS)	Interface with CAPS	795
DSS Services (PAS)	Interface with CAPS	963
DSS Services (PAS)	Interface with CAPS	964
DSS Services (PAS)	Management information	785
DSS Services (PAS)	Process - development	765
DSS Services (PAS)	Security	761
DSS Services (PAS)	Security	779
DSS Services (PAS)	Security	788
DSS Services (PAS)	Service - design	752
DSS Services (PAS)	Service - design	755
DSS Services (PAS)	Service - design	758
DSS Services (PAS)	Service - design	764
DSS Services (PAS)	Service - design	766
DSS Services (PAS)	Service - design	767
DSS Services (PAS)	Service - design	768
DSS Services (PAS)	Service - design	769
DSS Services (PAS)	Service - design	770

POL00028118

Primary Index	Secondary Index	Req No
DSS Services (PAS)	Service - design	772
DSS Services (PAS)	Service - design	776
DSS Services (PAS)	Service - design	781
DSS Services (PAS)	Service - design	783
DSS Services (PAS)	Service - design	787
DSS Services (PAS)	Service - design	789
DSS Services (PAS)	Service - design	791
DSS Services (PAS)	Service - design	793
DSS Services (PAS)	Service - design	904
DSS Services (PAS)	Service - design	943
DSS Services (PAS)	Service - design	944
DSS Services (PAS)	Service - design	965
DSS Services (PAS)	Service - design	970
DSS Services (PAS)	Service management	759
DSS Services (PAS)	Service management	780
DSS Services (PAS)	Service management	786
DSS Services (PAS)	Service management	797
DSS Services (PAS)	Service management	798
DSS Services (PAS)	Systems - design	751
DSS Services (SLA)	Service levels	884
DSS Services (SLA)	Service levels	885
DSS Services (SLA)	Service levels	886
DSS Services (SLA)	Service levels	887
DSS Services (SLA)	Service levels	888
DSS Services (SLA)	Service levels	889
General	Audit	697
General	Audit	699
General	Customer education	918
General	Customer education	919
General	Management information	894
General	Overview of Solutions	950
General	Security	698
General	Security	828
General	Security	829
General	Security	830
General	Security	872
General	Security	895
General	Security	897
General	Service - design	911
General	Supporting services	920
General	Systems - design	951
Implementation (DSS)	Customer education	916

POL00028118

Primary Index	Secondary Index	Req No
Implementation (DSS)	Documentation	927
Implementation (DSS)	Documentation	928
Implementation (DSS)	Installation	930
Implementation (DSS)	Roll-out	926
Implementation (DSS)	Roll-out	929
Implementation (DSS)	Roll-out	941
Implementation (DSS)	Roll-out	957
Implementation (DSS)	Service - design	933
Implementation (DSS)	Service - design	959
Implementation (DSS)	Service - development	974
Implementation (DSS)	Supporting services	931
Implementation (DSS)	Training	932
Implementation (DSS)	Trials & Testing	958
Implementation (Joint)	Operational Trial	925
Implementation (Joint)	Roll-out	972
Implementation (POCL)	Customer education	917
Implementation (POCL)	Documentation	481
Implementation (POCL)	Documentation	482
Implementation (POCL)	Documentation	483
Implementation (POCL)	Documentation	484
Implementation (POCL)	Documentation	485
Implementation (POCL)	Documentation	486

POL00028118

Primary Index	Secondary Index	Req No
Implementation (POCL)	Documentation	896
Implementation (POCL)	Installation	487
Implementation (POCL)	Installation	488
Implementation (POCL)	Installation	489
Implementation (POCL)	Installation	490
Implementation (POCL)	Installation	491
Implementation (POCL)	Installation	492
Implementation (POCL)	Installation	493
Implementation (POCL)	Installation	494
Implementation (POCL)	Installation	495
Implementation (POCL)	Installation	496
Implementation (POCL)	Installation	497
Implementation (POCL)	Integration of services	498
Implementation (POCL)	Integration of services	499
Implementation (POCL)	Interface with POCL applications	971
Implementation (POCL)	Roll-out	500
Implementation (POCL)	Roll-out	501
Implementation (POCL)	Roll-out	502
Implementation (POCL)	Roll-out	503
Implementation (POCL)	Roll-out	504
Implementation (POCL)	Roll-out	505
Implementation (POCL)	Roll-out	506

POL00028118

Primary Index	Secondary Index	Req No
Implementation (POCL)	Roll-out	507
Implementation (POCL)	Roll-out	508
Implementation (POCL)	Roll-out	509
Implementation (POCL)	Roll-out	510
Implementation (POCL)	Roll-out	511
Implementation (POCL)	Roll-out	512
Implementation (POCL)	Roll-out	513
Implementation (POCL)	Roll-out	514
Implementation (POCL)	Roll-out	515
Implementation (POCL)	Roll-out	516
Implementation (POCL)	Roll-out	517
Implementation (POCL)	Roll-out	518
Implementation (POCL)	Roll-out	906
Implementation (POCL)	Service - steady state	519
Implementation (POCL)	Supporting services	520
Implementation (POCL)	Supporting services	521
Implementation (POCL)	Supporting services	522
Implementation (POCL)	Supporting services	523
Implementation (POCL)	Supporting services	524
Implementation (POCL)	Supporting services	525
Implementation (POCL)	Supporting services	526
Implementation (POCL)	Supporting services	527

POL00028118

Primary Index	Secondary Index	Req No
Implementation (POCL)	Supporting services	528
Implementation (POCL)	Supporting services	529
Implementation (POCL)	Systems - design	530
Implementation (POCL)	Systems - design	905
Implementation (POCL)	Training	531
Implementation (POCL)	Training	532
Implementation (POCL)	Training	533
Implementation (POCL)	Training	534
Implementation (POCL)	Training	949
Interfaces	Audit	942
Interfaces	Customer interface	936
Interfaces	Documentation	976
Interfaces	Flexibility - services	973
Interfaces	Integration of services	831
Interfaces	Interface with BA staff	937
Interfaces	Interface with CAPS	934
Interfaces	Interface with CAPS	935
Interfaces	Interface with OPS	956
Interfaces	Management interfaces	938
Interfaces	Management interfaces	939
Interfaces	Management interfaces	940
Interfaces	Systems - design	893
Order Book Control Service	Service - design	898
Order Book Control Service	Service - design	899
Order Book Control Service	Service - design	900
Order Book Control Service	Service - design	901
Order Book Control Service	Service - design	902
Order Book Control Service	Service - design	903
POCL Applications	Documentation	545

POL00028118

Primary Index	Secondary Index	Req No
(APS)		
POCL Applications (APS)	Service - design	543
POCL Applications (APS)	Service - design	544
POCL Applications (APS)	Service - design	546
POCL Applications (APS)	Service - design	548
POCL Applications (APS)	Service - design	549
POCL Applications (APS)	Service - design	550
POCL Applications (APS)	Service - design	551
POCL Applications (APS)	Service - design	552
POCL Applications (APS)	Service - design	799
POCL Applications (APS)	Service levels	890
POCL Applications (APS)	Systems - design	547
POCL Applications (APS)	Systems - design	553
POCL Applications (APS)	Systems - design	554
POCL Applications (BES)	Customer interface	868
POCL Applications (BES)	Flexibility - services	873
POCL Applications (BES)	Flexibility - services	876
POCL Applications (BES)	Integration of services	878
POCL Applications (BES)	Interface with PAS	857
POCL Applications (BES)	Interface with PAS	858
POCL Applications (BES)	Interface with PAS	859
POCL Applications (BES)	Interface with PAS	864
POCL Applications	Interface with PAS	866

POL00028118

Primary Index	Secondary Index	Req No
(BES)		
POCL Applications (BES)	Security	855
POCL Applications (BES)	Service - design	840
POCL Applications (BES)	Service - design	841
POCL Applications (BES)	Service - design	842
POCL Applications (BES)	Service - design	843
POCL Applications (BES)	Service - design	844
POCL Applications (BES)	Service - design	845
POCL Applications (BES)	Service - design	846
POCL Applications (BES)	Service - design	847
POCL Applications (BES)	Service - design	848
POCL Applications (BES)	Service - design	849
POCL Applications (BES)	Service - design	850
POCL Applications (BES)	Service - design	851
POCL Applications (BES)	Service - design	852
POCL Applications (BES)	Service - design	853
POCL Applications (BES)	Service - design	854
POCL Applications (BES)	Service - design	856
POCL Applications (BES)	Service - design	861
POCL Applications (BES)	Service - design	862
POCL Applications (BES)	Service - design	863
POCL Applications (BES)	Service - design	865
POCL Applications	Service - design	867

POL00028118

Primary Index	Secondary Index	Req No
(BES)		
POCL Applications (BES)	Service - design	874
POCL Applications (BES)	Service - design	875
POCL Applications (BES)	Service - design	877
POCL Applications (BES)	Service - design	879
POCL Applications (BES)	Service - design	880
POCL Applications (BES)	Service - design	881
POCL Applications (BES)	Service - design	882
POCL Applications (BES)	Service - design	908
POCL Applications (BES)	Service - design	909
POCL Applications (BES)	Service - design	910
POCL Applications (BES)	Service - design	924
POCL Applications (BES)	Service - design	969
POCL Applications (BES)	Supporting services	860
POCL Applications (EPOSS)	Accounting & reconciliation	960
POCL Applications (EPOSS)	Management information	838
POCL Applications (EPOSS)	Process - development	832
POCL Applications (EPOSS)	Service - design	800
POCL Applications (EPOSS)	Service - design	801
POCL Applications (EPOSS)	Service - design	802
POCL Applications (EPOSS)	Service - design	803
POCL Applications (EPOSS)	Service - design	804
POCL Applications	Service - design	805

POL00028118

Primary Index	Secondary Index	Req No
(EPOSS)		
POCL Applications (EPOSS)	Service - design	806
POCL Applications (EPOSS)	Service - design	807
POCL Applications (EPOSS)	Service - design	808
POCL Applications (EPOSS)	Service - design	809
POCL Applications (EPOSS)	Service - design	810
POCL Applications (EPOSS)	Service - design	811
POCL Applications (EPOSS)	Service - design	812
POCL Applications (EPOSS)	Service - design	813
POCL Applications (EPOSS)	Service - design	814
POCL Applications (EPOSS)	Service - design	815
POCL Applications (EPOSS)	Service - design	816
POCL Applications (EPOSS)	Service - design	817
POCL Applications (EPOSS)	Service - design	818
POCL Applications (EPOSS)	Service - design	819
POCL Applications (EPOSS)	Service - design	820
POCL Applications (EPOSS)	Service - design	821
POCL Applications (EPOSS)	Service - design	822
POCL Applications (EPOSS)	Service - design	823
POCL Applications (EPOSS)	Service - design	824
POCL Applications (EPOSS)	Service - design	825
POCL Applications (EPOSS)	Service - design	834
POCL Applications	Service - design	837

POL00028118

Primary Index	Secondary Index	Req No
(EPOSS)		
POCL Applications (EPOSS)	Service - design	839
POCL Applications (EPOSS)	Service - development	836
POCL Applications (EPOSS)	Service levels	870
POCL Applications (EPOSS)	Systems - design	691
POCL Applications (EPOSS)	Systems - design	692
POCL Applications (EPOSS)	Systems - design	693
POCL Applications (EPOSS)	Systems - design	694
POCL Applications (EPOSS)	Systems - design	695
POCL Applications (EPOSS)	Systems - design	696
POCL Applications (EPOSS)	Systems - design	835
POCL Applications (EPOSS)	Training	833
POCL Applications (SLA)	Service levels	871
POCL Infrastructure (OPS)	Commercial policy	561
POCL Infrastructure (OPS)	Flexibility - systems	826
POCL Infrastructure (OPS)	Flexibility - systems	827
POCL Infrastructure (OPS)	Interface with OPS	559
POCL Infrastructure (OPS)	Procedures & documentation	469
POCL Infrastructure (OPS)	Procedures & documentation	470
POCL	Security	472

POL00028118

Primary Index	Secondary Index	Req No
Infrastructure (OPS)		
POCL Infrastructure (OPS)	Security	921
POCL Infrastructure (OPS)	Service - design	475
POCL Infrastructure (OPS)	Service - design	536
POCL Infrastructure (OPS)	Service - design	540
POCL Infrastructure (OPS)	Service - design	952
POCL Infrastructure (OPS)	Service - design	953
POCL Infrastructure (OPS)	Service - steady state	466
POCL Infrastructure (OPS)	Service - steady state	468
POCL Infrastructure (OPS)	Service management	464
POCL Infrastructure (OPS)	Service management	476
POCL Infrastructure (OPS)	Service management	477
POCL Infrastructure (OPS)	Systems - current	556
POCL Infrastructure (OPS)	Systems - design	465
POCL Infrastructure (OPS)	Systems - design	467

POL00028118

Primary Index	Secondary Index	Req No
POCL Infrastructure (OPS)	Systems - design	471
POCL Infrastructure (OPS)	Systems - design	473
POCL Infrastructure (OPS)	Systems - design	474
POCL Infrastructure (OPS)	Systems - design	478
POCL Infrastructure (OPS)	Systems - design	479
POCL Infrastructure (OPS)	Systems - design	480
POCL Infrastructure (OPS)	Systems - design	555
POCL Infrastructure (OPS)	Systems - design	558
POCL Infrastructure (OPS)	Systems - design	922
POCL Infrastructure (OPS)	Systems - development	463
POCL Infrastructure (OPS)	Systems - development	557
POCL Infrastructure (OPS)	Systems - steady state	542
POCL Infrastructure (OPS)	Systems - steady state	560
POCL Infrastructure (SLA)	Service levels	869
POCL Infrastructure	Service levels	883

POL00028118

Primary Index	Secondary Index	Req No
(SLA)		
POCL Infrastructure (SMS)	Systems - design	537
POCL Infrastructure (SMS)	Systems - design	538
POCL Infrastructure (SMS)	Systems - design	539
POCL Infrastructure (SMS)	Systems - steady state	912
POCL Infrastructure (TMS)	Flexibility - systems	541
Service Level Agreements	Documentation	913
Service Level Agreements	Installation	945
Service Level Agreements	Supporting services	914
Service Level Agreements	Training	915
Shared Services	Accounting & reconciliation	891

POL00028118

Requirement	463	Release No	spr 1
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (OPS) Systems - development

Requirement Description:
Additional requirements for OPS equipment

Samples of all OPS equipment must be supplied for purposes other than production work. Examples include:-
testing by BA/POCL
training
demonstrations and marketing.

It should be noted that specimens of all OPS equipment or proposed OPS equipment will be needed from time to time to undergo destructive safety testing.

Precise figures for this requirement cannot be predicted at this stage, but it is unlikely that more than the equivalent of 8 post offices with a total of 50 counter positions equipment will be needed for acceptance testing by BA/POCL.

Requirements for training are unknown at this stage, and are dependent on the training methodology employed.

Requirements for destructive testing would not normally exceed one example of each hardware component that is proposed for use in the OPS.

POL00028118

Requirement	**464**	Release No	spr 1
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Service management

Requirement Description:
Agreement to offer services using OPS and TMS.

Services which utilise OPS or TMS may only be provided subject to the express agreement of BA/POCL.

POL00028118

Requirement	**465**	Release No	spr 2
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (OPS) Systems - design

Requirement Description:
Appearance of the equipment within OPS.

The livery of the equipment to be used within OPS must be specifically agreed with BA/POCL. A single livery will be agreed for all outlets to fit in with POCL's style guide for post offices .

The effort required to maintain the acceptable appearance of the equipment must be minimal

POL00028118

Requirement	**466**	Release No	spr 1
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Service - steady state

Requirement Description:
Consumables.

Detailed specifications of all the consumables that will be used by the OPS must be supplied to BA/POCL with estimates of the likely consumption of each.

The service provider must be prepared to supply all consumables. However BA/POCL may choose to source consumables separately.

POL00028118

Requirement	467	Release No	spr 2
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - design

Requirement Description:
Links from OPS to TMS.

Each instance of OPS within outlets must be connected to the TMS to allow the transfer, in both directions, of authorised data files and messages.

The transfer of data between OPS and TMS must be secure, complete, accurate and robust.

Within OPS it must be possible to identify whether data has been 'collected' by the TMS or not.

POL00028118

Requirement	**468**	Release No	spr 1
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Service - steady state

Requirement Description:
OPS equipment - engineering visits.

Maintenance and repair of the OPS equipment involving on-site attendance by engineers must not interfere unduly with the ability of the outlet to serve customers. It must be borne in mind that many of the outlets have a single counter position and/or extremely limited physical space.

POL00028118

Requirement	469	Release No	spr 1
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Procedures & documentation

Requirement Description:
OPS - technical documentation.

The supplier must provide technical documentation for OPS suitable to allow BA/POCL to procure applications which will utilise OPS or hardware which will interface with OPS. These procurements would not necessarily be from the supplier. All changes to the documention must be specifically agreed with BA/POCL

POL00028118

Requirement	**470**	Release No	spr 1
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Procedures & documentation

Requirement Description:
TMS - technical documentation.

The supplier must provide technical documentation for TMS suitable to allow BA/POCL to procure applications which will utilise TMS. These procurements would not necessarily be from the supplier. All changes to the documention must be specifically agreed with BA/POCL

POL00028118

Requirement	**471**	Release No	spr 2
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - design

Requirement Description:
Messaging facilities.

Using TMS and OPS it should be possible to broadcast short messages to all or a subset of outlets. As a guide, a message length of approximately 2000 bytes is likely to be acceptable. The message should be brought to the attention of staff working in the outlet at the earliest practical opportunity. It should be possible to produce a hard copy of the message within the outlet.

Using TMS and OPS it should be possible for staff working in the outlets to gain access to electronically held information such as is currently published in 'Counter News' and the operations manuals.

POL00028118

Requirement	**472**	Release No	spr 1
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Security

Requirement Description:
Security of data and audit trail for OPS.

Data capture within OPS must be accurate and robust.

The integrity and security of data held within the OPS must be protected at all times. Logs of events within OPS must be maintained and an audit trail of interactions with, and actions within OPS must be maintained.

The integrity and security of data held within OPS must not be compromised when OPS is re-established following any failure.

POL00028118

Requirement	**473**	Release No	spr 15
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - design

Requirement Description:
User access to OPS.

Any remote access to OPS must be restricted to specifically authorised users and must be via TMS.

Access to OPS and services offered via OPS to staff working in the outlets must be controlled by a mechanism, conforming to the Style Guide, offering multiple access levels and providing specific identification of each user.

It must be possible to restrict the functionality available at an outlet; some services will not be offered through all outlets.

There must be support available to users who have forgotten their passwords. It must be borne in mind that a large proportion of the outlets have only a single counter position. The mechanism used must not unduly reduce the effectiveness of access control.

There must be a secure and reliable mechanism for users to suspend and resume access to OPS and services offered via OPS. This must not be unduly onerous or time consuming.

POL00028118

Requirement	**474**	Release No	spr 1
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - design

Requirement Description:
Health, Safety and Legal on OPS equipment.

1.All OPS Equipment must be continuously rated and capable of functioning safely and reliably, attended or unattended, for an indefinite period in outlets.

2.Each installation of OPS must be physically and electrically safe and in compliance with relevant legislation and recognised best practice. It must not cause interference with other devices. It should be borne in mind that the equipment may be installed in premises that would be classified as residential.

2.1 This includes all relevant UK Regulations and Council Directives (that is, Directives of the Council of the European Communities) which are implemented by HMG. The equipment must be maintained to be compliant with any subsequent legislation.

2.2 This includes mandatory standards, including all relevant UK Regulations and Council Directives (that is, Directives of the Council of the European Communities) which are implemented by HMG. The equipment must be maintained to be compliant with any subsequent legislation or mandatory standards.

2.3 All OPS equipment must comply with BS EN60950 : 1992 (BS7002 :1992) and any subsequent amendments.

2.4 All OPS equipment comprising AC power adaptors must comply with BS EN60065 : 1993 (BS7002 :1992).

2.5 The workstation aspects of all OPS equipment must comply with the Health and Safety (Display Screen Equipment) Regulations 1992, which implement Council Directive 90/270/EEC on working with display screen equipment.

POL00028118

2.6 Any OPS equipment containing laser emitters must comply with BS EN 60825:1992. (Examples laser printers and laser barcode scanners).

2.7 Any OPS telecommunications equipment must comply with Council Directive 91/263/EEC (the Telecommunication Terminal Equipment Directive) and have a current BABT certificate or equivalent for connection to the public telephone network

2.8 All OPS equipment defined as Machinery must comply with the Supply of Machinery (Safety) Regulations 1992, which implement the Machine Directive 89/392/EEC as amended by 91/368/EEC.

2.9 All OPS equipment must comply with the Electrical Equipment (Safety) Regulations 1994, which implement the Low Voltage Directive 93/23/EEC as amended by 93/68/EEC.

2.10 All OPS equipment must meet the requirements of the Non-automatic Weighing Instruments (EEC Requirements) Regulations 1992 Schedule 3 Applications.

2.11 All OPS visual display terminal equipment must comply with the relevant requirements of either BS 7179:1990 or ISO 9241:1992 (applies to keyboards).

2.12 All Equipment which falls within the scope of The Electromagnetic Compatibility (EMC) Regulations 1992, which implement Council Directive 89/336/EEC (as amended by 92/31/EEC), must comply with these regulations.

2.13 All OPS Equipment must meet the minimum EMC requirements of both residential and commercial installations, including compliance with BS EN 50081 and BS EN 50082 with the following amended test severity levels and with no degradation of performance:
IEC 801 part 2 class 3, 6kV contact discharge
IEC 801 part 3 3V/m
IEC 801 part 4 +/- 1kV injected onto mains AC supply
IEC 801 part 5 +/- 2kV.

2.14 All OPS equipment covered by EN45501:1992 must comply with clause A4.5 (voltage variations) and Annex B

POL00028118

of that standard.

2.15 All items of OPS equipment must have an Index of Protection rating of IP3X as defined in BS EN 60529:1992.

3. The OPS equipment and its installation must not constrain BA/POCL and its agents from meeting their legal safety responsibilities as employers.

4. It must be possible to prove compliance with legislation or mandatory standards as and when necessary.

POL00028118

Requirement	475	Release No	spr 1
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (OPS) Service - design

Requirement Description:
Style Guide

The supplier must draw up a Style Guide and agree this with BA/POCL. Any services to be offered via the OPS will be constrained by the Style Guide. Any changes to the Style Guide must be specifically agreed with BA/POCL. The style guide will set out general guidelines for the Human Computer Interface, including screen layouts, system navigation routes and help and manual entry facilities.

The Human Computer Interface must be intuitive and easy to use, to minimise errors and delays. The Human Computer Interface must provide a consistent look and feel across all applications and be easy to adapt to allow the introduction of new applications.

POL00028118

Requirement	476	Release No	spr 2
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Service management

Requirement Description:
Release control.

1. A release refers to a set of electronic data (software and/or reference data) which is to be distributed to and subsequently activated within any of the services.

2. The following must be agreed explicitly with BA/POCL:-

the contents of any release
the upgrade path for any release
the timing of the distribution of any release
the timing of the activation of any release

3. Proof of sufficient and satisfactory testing of each release is required including the following aspects:-
- at individual component (unit test) level
- of all components working together (system test)
- of all components in combination with different hardware and software combinations which may be encountered in production running.

4. Proof of sufficient and satisfactory preparation for the implementation of a release is required. This will include testing the implementation and reversion from the release.

5. The implementation of any release of software and/or reference data must not cause any significant disruption to users, must not disrupt the normal working environment and must not require significant involvement from end users.

6. The implementation of any release of software and/or reference data must not cause any corruption to data held on behalf of BA/POCL.

POL00028118

7. A detailed record of all releases of software and reference data and where they are deployed must be maintained.

POL00028118

Requirement	**477**	Release No	spr 1
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (OPS) Service management

Requirement Description:
Asset register.

A detailed list of all physical system components (an asset register) must be maintained and available to BA/POCL on request. From the list it must be possible to identify all equipment installed at any location, for example in a post office.

POL00028118

Requirement	478	Release No	spr 12
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - design

Requirement Description:
Basic TMS facilities.

1. TMS must link into each instance of OPS which is to be used for production work.

2. TMS must provide links into other computer systems as required to support BA/POCL. These systems will include:-
client systems operated on behalf of POCL's clients
other POCL systems, for example TIP

3. TMS must provide the links to PAS and CMS.

4. TMS must provide data file collection and data file delivery services, where a data file is simply any set of electronic data.

4.1 Files may be collected from or delivered to any computer system attached to TMS.

4.2 The collection or delivery of data files must be triggerable by any of
- operator action
- time
- in response to a message from an attached computer system or generated within TMS

4.3 The collection or delivery of data files must be retried automatically, under parameter control, in the event of any failure.

4.4 It must be possible to specify a pre-defined list of computer systems to which a data file is to be delivered or from which a data file is to be collected.

5. TMS must provide a message switching capability, where a message consists of electronic data which must be passed from one computer system to another (switched)

POL00028118

with minimal delay.

5.1 It should be possible to switch messages between any two attached computer systems. This includes any two instances of OPS.

5.2 Where TMS is unable to deliver a message it must notify the originating computer system.

5.3 The TMS must include the following processing capabilities
- validation of data files
- consolidation of many data files into one data file
- generating many data files from one data file
- reformatting the contents of a data file
- generating control totals through access to the contents of data files
- reconciliation of control totals
- produce reports summarising financial transactions.

6. A full audit trail of all TMS activity must be maintained.

7. TMS must ensure that any transfer of data files or messages can be shown to be secure, complete accurate and robust.

POL00028118

Requirement	**479**	Release No	spr 1
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - design

Requirement Description:
Control and monitoring of TMS links.

1. No computer system may be connected to the TMS without the express authority of BA/POCL.

2.TMS must only allow connections to it to be established with computer systems which are authorised to be connected. This implies that there must be a register of computer systems with which connections are allowed.

3. TMS must authenticate the identity of any computer system with which a link is to be established.

4. TMS must produce reports detailing any attempt to establish a link which is rejected. These reports must be available to BA/POCL on request.

POL00028118

Requirement	480	Release No	spr 12
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (OPS) Systems - design

Requirement Description:
Discreteness of TMS.

TMS must be kept logically discrete from other services such that, in extremis, the service could be separately procured.

In particular there must be a clear and documented interface between PAS and TMS functions and CMS and TMS functions. These interfaces should include:

- specification of any programming inteface that exists
- specification of any shared data and data standards
- specification of any other protocols that exist to allow communication between functions within the services
- specification of any other constraint that enables the interoperability between services

POL00028118

Requirement	481	Release No	spr 12
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Documentation

Requirement Description:
There will be a comprehensive and definitive guide for completing transactions that are processed using the automated platform this could include Post Shop transactions where appropriate.The guide will also include the definitive procedural instructions for transaction support processes at outlets e.g. accounting, balancing, value stock taking, and details of what to do in emergency situations eg system failure.

In essence the guide will provide full details of completing all business transactions in all post office outlets, including non automated transactions such as giving information to customers

POL00028118

Requirement	**482**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Documentation

Requirement Description:
The guide must conform to POCL identity and communication standards

POL00028118

Requirement	**483**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Documentation

Requirement Description:
The guide is to incorporate additional product information for specific products e.g. posting restrictions

POL00028118

Requirement	484	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Documentation

Requirement Description:
The guide must be available to all users and others (including helpline operators, non serving staff in retail outlets who may be asked to supply information/advice together with others as appropriate) whenever the operating platform is in use.

POL00028118

Requirement	485	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Documentation

Requirement Description:
The guide must be updatable, in line with agreed service levels, to ensure information is always current.

POL00028118

Requirement	**486**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Documentation

Requirement Description:
All documentation must be given final approval by the AUTHORITY before publication

POL00028118

Requirement	487	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
The supplier will carry out the survey of outlets to accertain what modifications are needed to install the office platform

POL00028118

Requirement	488	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
The installation and acceptance of the office platform will be undertaken in one day.

POL00028118

Requirement	**489**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
The supplier will disconnect and remove to an agreed location existing automated equipment as specified by the AUTHORITY.

POL00028118

Requirement	490	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
Installation is carried out within the outlets hours of business

POL00028118

Requirement	**491**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
The supplier will carryout internal office modification work at all outlets necessary to enable the installation of the office platform.

POL00028118

Requirement	**492**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
All contractors carrying out modification work will conform to all legislative requirements

POL00028118

Requirement	**493**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
The supplier will be responsible for the removal / fitting of the equipment when offices are either relocated or refurbished. The supplier will be required to move equipment within post offices if needed for refitment/refurbishment reasons - including open plan - this may include the requirement for extra equipment. The service provider will be required to equip new sites/relocated sites in line with POCL's evolving network strategy.

POL00028118

Requirement	**494**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
The supplier shall respond within the agreed timescale to network change requests supplied by POCL, as per agreed service levels. This requirement covers provision and installation of equipment in new and relocated sites as well as the movement/reconfiguration of equipment within existing retail outlets.

POL00028118

Requirement	**495**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
The supplier shall provide the equipment at all 'live' counter serving positions. A 'live' position is defined as being one at which counter transactions take place. This will include modified parcel positions and may include non-modified positions.

POL00028118

Requirement	496	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
The supplier shall install the equipment at any site designated by POCL which may include Cash Centres and training centres

POL00028118

Requirement	497	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Installation

Requirement Description:
The supplier will install the office platform in outlets

POL00028118

Requirement	498	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Integration of services

Requirement Description:
Existing products and systems will be migrated from current POCL platforms - APT, ECCO+, ALPS, Manual - to the new automated platform with no customer/client discontinuity of service. The Service Provider will work closely with POCL personnel to plan how best to achieve effective migration. At post office outlets, data transfer and associated tasks should be expedited as efficiently as possible with minimum staff/ subpostmaster involvement.

POL00028118

Requirement	499	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Integration of services

Requirement Description:
Installation should not take place until the infrastructure and support service are ready

POL00028118

Requirement	500	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The supplier must obtain certification from Authorised Personnel - to be agreed - that relevent permissions have been granted before modifications are carried out.

POL00028118

Requirement	501	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The supplier will ensure there is a process in place to ensure all outlets and regional liaison points are aware of and agree the times and dates of all site visits. The regional liaison point will be the final arbiter in case of disagreements.

POL00028118

Requirement	**502**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The supplier will carry out all survey activities without degradation of Post Office and retail operations - including existing systems at the outlet

POL00028118

Requirement	503	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The supplier will carry out all modification activities without degradation of Post Office and retail operations - including existing systems at the outlet.

POL00028118

Requirement	504	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The service provider shall indicate their proposals to utilise the existing kit

POL00028118

Requirement	**505**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
No specific requirements expressed on geography, although regional roll out is not the preferred option.

POL00028118

Requirement	506	Release No	spr 15
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The limited live trial should take place in a maximum of three POCL regions, one of which must be South East or North Thames, but not both.

POL00028118

Requirement	507	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
POCL would not wish the supplier to install the equipment in most offices during particular business periods, namely Christmas and New Year pressure periods, and other office specific dates agreed on an annual basis.

POL00028118

Requirement	508	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
POCL will reserve the right to suspend the roll out programme if the supplier fails to deliver the agreed service levels.

POL00028118

Requirement	509	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
Within a specification to be agreed with the Authority, the siting of the office platform will be agreed by the outlet manager.

POL00028118

Requirement	**510**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
For the purpose of rollout planning no particular distinction should be made between types of "main" post office - Branch offices; modified sub post offices; and franchised post offices.

POL00028118

Requirement	**511**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The supplier will carry out all installation activities without degradation of Post Office and retail operations - including existing systems at the outlet.

POL00028118

Requirement	512	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
Roll out should be undertaken as quickly as possible subject to the over-riding requirement to

(i) maintain service and client continuity
(ii) maintain the quality of service delivery to clients and customers
(iii) appropriate support systems including training - being in place
(iv) avoidance of damage to POCL's brand, reputation and integrity
(v) demonstrate the robustness of the approach to roll-out in the context of uncertainty and risks
(vi) treat POCL's staff and agents professionally and with respect.

POL00028118

Requirement	513	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
If at some point in the future the supplier wishes to upgrade equipment at the outlets, this will only be carried out with the agreement of the AUTHORITIES.

POL00028118

Requirement	**514**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
There will be a mechanism for determining that individual outlets - Post Offices - are ready to go live i.e. that the new platform functionality should be activated for use. POCL reserves the right to withhold such agreement if, for any reason, it determines that to do so in a particular set of circumstances is detrimental to its customers, clients, staff, or agents. If "go live" is not sanctioned, POCL and the Service Provider will resolve outstanding issues as soon as possible.

POL00028118

Requirement	**515**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The service provider is asked to propose a support package for offices within the first few weeks of "go live", in acknowledgement that there may be additional training or other corrective action needed at this early stage. These proposals should also include a process for identifying problem offices.

POL00028118

Requirement	516	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
POCL reserve the right to amend the roll out plan as necessary in order to protect its service levels.

POL00028118

Requirement	**517**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The Post Office outlet modifications will be completed in one visit to the outlet.

POL00028118

Requirement	518	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The Post Office Outlet survey will be completed in one visit to the outlet.

POL00028118

Requirement	**519**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Service - steady state

Requirement Description:
The supplier shall provide and install the equipment at previously unequipped counter serving positions as directed by POCL.

POL00028118

Requirement	**520**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
The supplier shall ensure that all the agreed support services will be available from day 1 in line with agreed service levels

POL00028118

Requirement	**521**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
The supplier will provide one phone number as a single point of access to all Helpdesk services

POL00028118

Requirement	522	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
The Helpdesk contact point will be a "freecall" number.

POL00028118

Requirement	**523**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
Appropriate levels of support services must be available
(i) to provide support when all users have access to the system
(ii) to cover the operation of interfaces with other systems
(iii) to provide support for all other helpdesks linked to the service provider helpdesk facility

POL00028118

Requirement	**524**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
The Helpdesk service will deal with calls relating to the hardware
This will include, but is not exclusive to :

Fault diagnosis
Maintenance call out
Caretaking advice
Configuration management

POL00028118

Requirement	525	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
The Helpdesk must be able to provide access for users to additional support services for day 1 and when requested to do so by the authority in the future. This will include :

Access to training facilities
Access to training materials
Operational support documentation
Consumables

POL00028118

Requirement	**526**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
All reported incidents must be resolved in line with agreed service levels.

POL00028118

Requirement	**527**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
A dedicated POCL Helpdesk staffed by fully trained, qualified and experienced personnel must be provided working to specified service level agreement.

POL00028118

Requirement	**528**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
Calls made to the Helpdesk that are not pertinent to it must be re-routed to the appropriate point as per service levels

POL00028118

Requirement	**529**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Supporting services

Requirement Description:
The Helpdesk support service must comply with POCL help service behavioural standards in accordance with Service Levels.

POL00028118

Requirement	530	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Systems - design

Requirement Description:
If for any reason it is not possible to - or it is decided by POCL not to - make EPOS functionality immediately live on Day One of operation of the new platform, BES/APT functionality will be available and operational with no adverse system or operational impacts. In effect it will be a requirement to "ring-fence" EPOS functionality so that it cannot inadvertently be used/misused to the detriment of customer service and POCL accounting needs.

POL00028118

Requirement	**531**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Training

Requirement Description:
Training must be provided to enable POCL's target audience to achieve acceptable standards in key competencies as defined by POCL. These competencies will be reviewed from time to time. For some groups this may mean familiarisation training only. The target audience will include users, managers, trainers, auditors and certain non user groups i.e. retail network managers, regional helpline staff, and account teams in business centres. The service provider to give details of his proposals as to how, when and where he will deliver the training, differentiating between roll out and steady state as appropriate.

Competence will be measured by a method agreed by POCL and the service provider

POL00028118

Requirement	532	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Training

Requirement Description:
The Service Provider must train all appropriate staff in the requirement for new products or product changes

POL00028118

Requirement	**533**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Training

Requirement Description:
If the system has a facility to operate in dummy training mode, it must not interfere with data transfer or integrity.

POL00028118

Requirement	**534**	Release No	spr 3
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Training

Requirement Description:
The Service Provider's training solution must take account of users experiences in term of automated products and platforms (ECCO+, APT, ALPS) and their differing propensities to learn. The service provider will agree with POCL the training requirements for the different target audiences identified including training required when individuals move between these target audiences. This may include change of office, promotion, new recruits etc.

POL00028118

Requirement	**536**	Release No	spr 3
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Service - design

Requirement Description:
OPS equipment - general requirements.

1. Peripheral and input devices supplied as part of OPS must be reliable, robust and easy to use.

2. Peripheral and input devices supplied as part of OPS must be capable of detecting contention, premature removal/swapping of tokens etc as appropriate.

POL00028118

Requirement	537	Release No	spr 4
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (SMS) Systems - design

Requirement Description:
System management.

System Management of all the services provided to BA/POCL must be carried out in a consistent and coherent manner to ensure the following:-

1. Activities within the services, including PAS, CMS, TMS, OPS, BES, OBCS, APS and EPOSS, are co-ordinated.

2. Changes to the services offered can be made speedily and accurately.

POL00028118

Requirement	**538**	Release No	spr 15
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (SMS) Systems - design

Requirement Description:
System management - synchronisation of time.

SMS must provide a facility for synchronising the date and time across all services and computer systems providing them. This should cater for the handling of clock changes at the beginning and end of British Summer Time for example.

A facility is required to allow transactions to be processed using local time and / or GMT, thus each computer system must be able to derive both local time and GMT.

POL00028118

Requirement	**539**	Release No	spr 15
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (SMS) Systems - design

Requirement Description:
System management - Reference Data handling.

1. Within the System Management Service it will be necessary to maintain reference data necessary to the operation of the systems and the applications.

2. It will be necessary to receive store and utilise reference data from sources outside of the CONTRACTOR domain (e.g. TIP and potentially client systems).

CONTRACTORS should bear in mind that it may be necessary to implement changes in reference data to tight timescales. As an example it would be necessary to implement reference data changes consequent on a Budget by start of business on the following day.

POL00028118

Requirement	**540**	Release No	spr 4
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (OPS) Service - design

Requirement Description:
OPS equipment - environmental considerations.

Due attention should be given to the effects of the OPS equipment on the environment during manufacture, installation and use. This includes:-

- use of CFCs
- energy consumption
- recyclability of components
- recyclability of consumables
- waste minimisation
- use of sustainable resources
- disposal of displaced equipment and waste
- making appropriate use of recycled materials

The service provider must adhere to relevant environmental legislation such as the 'Duty of Care'

POL00028118

Requirement	**541**	Release No	spr 4
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (TMS) Flexibility - systems

Requirement Description:
TMS scaleability.

TMS must be scaleable to meet POCL's business needs.

It must be borne in mind that POCL are looking to re-engineer current client transactions and develop new capabilities. This may involve considerable volumes of transactions needing authorisation from a client system or a central point in POCL.

POL00028118

Requirement	**542**	Release No	spr 4
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - steady state

Requirement Description:
Continued support of operating systems ,middleware and applications software.

The operating system software, any middleware and any application software used within the services supplied must be fully supported during the life of any computer systems on which they are utilised in providing the services.

POL00028118

Requirement	**543**	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service - design

Requirement Description:
APS Tokens.

The APS shall support the following range of Tokens:
- Landis & Gyr PISCES smart card;
- GEC Meters WATERCARD smart card;
- Schlumberger Smart Key for the water industry;
- Schlumberger Smart Key for the electrical industry;
- Magnetic stripe card;
- British Gas Quantum smart card;
- Bar coded documents.

POL00028118

Requirement	**544**	Release No	spr 17
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service - design

Requirement Description:
APS Clients/Client Service Types.

The CONTRACTOR shall provide the APS to POCL in respect of all its Clients.

The CONTRACTOR shall provide the APS such that Clients or Client Service Types (which conforms to generic APS) may be added to, modified or removed from, the APS on a regular basis.

The CONTRACTOR shall provide assistance to implement an interface to additional third party applications/Tokens if so required by POCL.

The CONTRACTOR shall provide technical assistance to support POCL's relationship with Clients and potential Clients.

The CONTRACTOR shall develop and maintain the APS in a generic way that enables additional Client Service types to be added with minimum cost and disruption.

POL00028118

Requirement	545	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Documentation

Requirement Description:
APS Documentation

The Contractor shall provide technical and overview documentation describing the APS. The technical and overview documentation is to be in sufficient detail as to allow POCL to market the Service to Clients and potential Clients and to consider the suitability of additional services.

The Contractor shall agree the content of the documentation with POCL and any changes to it.

The Contractor shall develop and maintain an AP Client Specification which specifies the details of each Client/Client Service Type of the APS, including but not limited to the Client interface specification, the presentation of information on the OPS, the data involved and any necessary timings.

AP Client Specification contents include:

1. Client identity and overview.
This section identifies the Client for whom a specific instance of the APS is to be provided and provides an overview of the business objectives of the service.

2. Tokens and Methods of Payment
A description of the token(s) that the Client requires its customers to use and the method(s) of payment that are acceptable to the Client.

3. Transaction data
   - Contents
   - Validation
   - Sort/Substitution/Customisation
   - Batching
   - Transfer

POL00028118

4. Other data
   - Contents
   - Validation
   - Availability

5. Service Levels

POL00028118

Requirement	**546**	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service - design

Requirement Description:
APS General Constraints

The Contractor shall deliver the APS using the POCL Strategic Infrastructure.

APS shall be available at all counter positions and at such other places as required by POCL.

The Contractor shall ensure that the availability of each Client Service Type at each Outlet is individually controllable.

POL00028118

Requirement	**547**	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Systems - design

Requirement Description:
APS Data Capture and Validation

The CONTRACTOR shall ensure that data are captured correctly, robustly, accurately, securely and as agreed with POCL.

The APS shall, as a minimum, validate data, whether read from Tokens or entered by the User, in accordance with a set of rules identified in:

(a) POCL APS Generic Rules;

(b) Token technology specifications;

(c) the AP Client Specification

The APS shall check data, whether read from Tokens or entered by the User, against any valid Client Data or reference data for the Client Service Type (e.g. stop lists) and take the action prescribed in the AP Client Specification or Token Technology Specification.

The APS shall enable the display of user instructions specific to a Client Service Type as identified in the AP Client Specification.

POL00028118

Requirement	**548**	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service - design

Requirement Description:
APS Transaction Committal.

The APS shall commit the transaction when:
- monies have been accepted; or
- a transaction has been reversed; or
- a Token has been issued; or
- a Smart Token has been accessed (including an abandoned or enquiry transaction).

POL00028118

Requirement	**549**	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service - design

Requirement Description:
APS Transaction Reversal.

The APS shall enable the reversal of committed transactions if eligible for reversal as defined in the:

- POCL APS Generic Rules
- Token Technology Specifications
- AP Client Specification.

The Contractor must provide a secure and auditable process for dealing with transaction reversals.

POL00028118

Requirement	**550**	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service - design

Requirement Description:
Update of APS Tokens.

The APS shall write data to APS Tokens in accordance with the rules identified in the appropriate Token Technology Specification, AP Client Specification and POCL APS Generic Rules.

POL00028118

Requirement	**551**	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service - design

Requirement Description:
APS Receipting.

The APS shall produce a transaction receipt for each committed transaction.

The transaction receipt shall include, as a minimum, information sufficient to provide a transaction audit, plus any other information identified in the appropriate AP Client Specification and Token Technology Specification.

The receipt produced for a reversal transaction shall identify it as a reversal and identify the original (reversed) transaction.

In the event of printer failure the APS shall provide information to enable a manually completed receipt to be produced.

The APS shall enable individual Outlets to produce bi-lingual receipts (Welsh/English).

The APS shall facilitate retrieval of transaction information for the purpose of resolving customer queries in the Outlets and this may be by retention of a duplicate receipt or by other means.

POL00028118

Requirement	**552**	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service - design

Requirement Description:
APS Transaction Collection/Delivery.

The APS shall maintain and deliver committed transactions to POCL and Clients in accordance with the following:

- APS Generic Rules;
- the appropriate AP Client Specification;
- Token technology Specification.

POL00028118

Requirement	**553**	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Systems - design

Requirement Description:
APS Client Data Collection and Distribution.

The CONTRACTOR shall ensure that Data Files from POCL and Clients are collected/received and validated in accordance with the relevant AP Client Specification, Token technology specification and POCL APS Generic Rules.

The CONTRACTOR shall ensure that Data Files from POCL and Clients are available to all, groups of, or specific Outlets in accordance with the appropriate AP Client Specification, Token technology specification and POCL APS Generic Rules.

POL00028118

Requirement	554	Release No	spr 4
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Systems - design

Requirement Description:
APS Fallback and Recovery

The CONTRACTOR shall provide fallback facilities for situations when a User is unable to use part or all of the POCL Strategic Infrastructure (for whatever reason) and this provision shall maintain the integrity, auditability, security and levels of customer service.

The CONTRACTOR shall ensure that following an Incident the User can return to a known position and identify what transaction data has to be recovered.

The CONTRACTOR shall ensure that following an Incident any previously recorded data which has been corrupted is discarded.

The APS shall provide facilities for the re-input (recovery) of previously captured transaction data which has been lost following an Incident.

The APS shall provide facilities for the input (recovery) of the details of customer transactions performed whilst the OPS was unavailable.

The APS shall provide facilities to enable data recovery to be achieved swiftly and in an auditable way.

The APS shall enable data recovery to be achieved without impact to customer service.

The APS is not required to produce a receipt for recovered transactions (a receipt would have been produced, either manually or automatically produced, at the time of the counter transaction).

The APS shall facilitate the over-riding of certain validation rules for recovery transactions, as specified in the POCL APS Generic Rules.

POL00028118

POL00028118

Requirement	555	Release No	spr 17
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - design

Requirement Description:
Capabilities of OPS on initial implementation.

1. In all outlets, at all automated counter positions, from initial implementation, OPS must :-

1.1 support the reading of track 2 from magnetic Cards complying with ISO 7811 parts 1-4.

1.2 support the reading from and writing to smart Cards complying with
ISO 7816 parts 1 and 2
and /or ISO 7816 parts 1,2 and 3
and be capable of supporting future applications complying with:
ISO 7816 part 4.

1.3 CONTRACTORS should note that some clients may issue Magnetic stripe or Smart Cards which do not match the above standards in all respects. For example, embossing may not be in the correct position, or the magnetic stripe may not adhere fully to the standards. CONTRACTORs should indicate the impact of such non-standard features on their solution.

1.4 Support the reading of 1 dimensional bar codes. The maximum bar code width to be read will be 10.9cm at a resolution of 9mils. OPS must support, at minimum code128, EAN 8, EAN 13, code 39
Support for the Royal Mail four state code (RM4SCC) is not required.

2. In all outlets from initial implementation EPOSS must:-

2.1 support printing on manually fed pre-printed forms at the counter, for example Girobank summary forms G4631, G4632 and G4633

POL00028118

2.2 support printing on cheques and other forms at the counter

2.3 support printing of existing client reports at the counter. This includes printing in large fonts and printing with 90 degree rotation.

2.4 support the connection to electronic weighing scales, which will be supplied separately from this procurement. As a minimum, connections are to include Avery Berkel type D104 and A702. It must be possible to share a set of weighing scales between OPS at two or more counter positions.

2.5 support the printing of reports necessary to meet existing client commitments

2.6 support the printing of cash accounts and plain paper summaries

2.7 support the printing of PDF417 two dimensional barcodes on forms generated through back office processing. Typically the two dimensional barcode would be used to contain cash account information.

2.8 it would be desirable to support the printing of one dimensional bar-codes at the counter on forms as well as tally roll print, as a minimum code 128, EAN 8, EAN 13 and code 39 should be printable.

2.9 it would be desirable to support the printing of one dimensional bar-codes at the back office, as a minimum code 128, EAN 8, EAN 13 and code 39 should be printable.

POL00028118

Requirement	**556**	Release No	spr 17
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - current

Requirement Description:
Schlumberger smart keys

1. In some outlets, from initial implementation, OPS must support the reading from and the writing to Schlumberger smart keys.

2. The precise number of outlets and counter positions is not known at this time; the capability will be required in no more than 10,500 outlets.

3. The outlets requiring this capability will be chosen on a geographical basis

4. In any outlet requiring this capability it will be acceptable to use an external peripheral device which may be shared between counter positions where practical.

POL00028118

Requirement	557	Release No	spr 5
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - development

Requirement Description:
Flexibility of OPS.

1. OPS must have the flexibility for additional peripheral types to be added in the future, including input devices and printers.

2. Up to 3 additional peripheral types may be required within the next 5 years.

3. There is a potential requirement to support the reading of OCR to interpret code lines on bills etc. The decision on whether to implement this capability on initial implementation or later has not been made and suppliers are requested to indicate what difference there would be to charges dependent on this.

4. There is a potential requirement to support the reading of 2 dimensional barcodes. The decision on whether to implement this capability on initial implementation or later has not been made and suppliers are requested to indicate what difference there would be to charges dependent on this

5. There is a potential requirement to link OPS to teller cash dispensers in due course.

POL00028118

Requirement	**558**	Release No	spr 5
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - design

Requirement Description:
OPS equipment - capacity.

1. The OPS must support the POCL imperative of keeping transaction times to a minimum.

2. The OPS must be capable of supporting the entire range of business transacted at outlets for current and projected volumes of business.

POL00028118

Requirement	**559**	Release No	spr 5
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Interface with OPS

Requirement Description:
Extent of OPS.

1. OPS must be provided in each of POCL's outlets.

2. OPS must support the automation of all POCL counter transactions in due course.

3. From initial implementation OPS must be capable of supporting APS, BES and OBCS and EPOSS.

POL00028118

Requirement	**560**	Release No	spr 12
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Systems - steady state

Requirement Description:
OPS equipment - technology refresh.

BA/POCL recognise that technology will change during the period of the contract, and will wish to take advantage of this.

1. BA/POCL require that no change be made to the specification of equipment to be used within the POCL strategic infrastructure, without prior express agreement.

2. BA/POCL require that periodically the specification of the equipment being used and installed is reviewed with the service provider, to ensure that the most appropriate technology is deployed.

POL00028118

Requirement	**561**	Release No	spr 5
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (OPS) 'Commercial policy

Requirement Description:
Licence indemnities.

The supplier shall indemnify BA/POCL against any dispute of the suppliers' or BA/POCL's right to utilise the hardware, software or information used for any of the supplied services, e.g. third party challenges with reference to licensing or intellectual property rights. In the event of any dispute, the supplier shall ensure that there is no impact on service.

POL00028118

Requirement	691	Release No	spr 7
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Systems - design

Requirement Description:
EPOSS - Inventory Management

EPOSS must allow cash and stock ordering at denomination level.

EPOSS must allow the recording of stock and cash transfers into and out of the Outlet.

EPOSS must provide a facility to allow the authorised update of stock and cash through TMS or another remote source as part of SMS.

EPOSS must allow the physical receipt of stock and cash to be reconciled by the system against the consignment note. Any discrepancy must be recorded against the consignment reference.

POL00028118

Requirement	692	Release No	spr 21
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Systems - design

Requirement Description:
EPOSS - MoPs

EPOSS must accept single or multiple methods of payment as settlement.

EPOSS must allow the implementation of new types of methods of payment such as debit cards and EFTPOS.

The Service Provider shall indicate their proposals to implement an EFTPOS service commencing the first quarter of 1997.

POCL requires an EFTPOS facility as method of payment on EPOSS, probably just
debit cards initially (e.g. Switch, Connect) but perhaps extending to credit cards later,
e.g. Visa and Mastercard. The capability to handle both debit and credit cards from
Day 1 is desirable.

Indicative volumes for end of roll-out are:
* between 30 and 50 million EFTPOS payments p.a.;
* 70% above the floor limit (£15 working assumption) and so needing authorisation;
* the main transactions for which EFTPOS will be used are expected to be: motor
vehicle licence renewals (34%), bill payments (38%, about half BT and half others),
television licence payments (11%) and payment for purchases from Post Shops (5%),
all estimates;
* other likely transactions leading to EFTPOS are expected to include Travel Insurance
and Bureau de Change and cash withdrawals;
* there would be no "cash-back" option initially.

Business arrangements have not yet been finalised but the current assumptions are for:

POL00028118

* a single "Merchant Acquirer";
* on-line authorisation and batch transaction submission to be via TMS;
* reconciliation of EFTPOS payments on the EPOSS transaction log with an electronic data stream version of the daily bank account updates;
* signed receipts may be stored in the outlets, remitted to distribution centres or dispatched to a central facility (which the Service Provider may wish to offer);
* POCL expects to need to retrieve receipts in order to prove transactions at 0.2% or between 60,000 and 100,000 p.a. at above volumes.

POCL also requires guidance from the Service Provider as to the options for EFTPOS on the particular facilities being proposed and the relative costs and benefits of each.

POL00028118

Requirement	693	Release No	spr 7
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Systems - design

Requirement Description:
EPOSS - Receipting

EPOSS must allow production of a VAT style customer receipt on demand.

EPOSS must allow automatic production of a non VAT style customer receipt to support a specific Client service e.g. BES or APS.

The format of all styles of receipts will be agreed by POCL.

A bilingual Welsh/English receipt header/footer is required..

EPOSS must allow production of additional (duplicate) receipts and they must be marked as such.

POL00028118

Requirement	**694**	Release No	spr 7
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Systems - design

Requirement Description:
EPOSS - Data Capture

Provide an Point of Sale / "Till" function to record all sales.

Data should be automatically recorded in EPOSS if captured during another service.

EPOSS must allow the input of weight values where scales are not linked.

EPOSS must be event driven so that both data capture and the recording of services such as BES and APS are dynamic.

EPOSS must have the facility to read data from any input devise supplied as part of the OPS.

POL00028118

Requirement	695	Release No	spr 7
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Systems - design

Requirement Description:
EPOSS - Stock Unit Control

EPOSS must provide the facility to adjust cash and stock levels within a stock unit to reflect the actual levels on hand.

Each Outlet shall have the flexibility to set up stock unit(s) according to the local working practice requirement.

Within EPOSS there must be a stock unit management facility a Outlet level to change stock unit options and assignments.

Stock units are individual units of accountability which contain stock (fixed price items, customer and client specific tokens, rental items, cash and transaction vouchers for an office accounting period.

EPOSS must allow a clerk or group of clerks to be accountable for a stock unit, so that each Outlet has at least one stock unit, but there can be other stock units, effectively operating independently.

Each stock unit can in turn be tied to both a user or group of users or a single till or group of tills.

EPOSS must allow each stock unit to be balanced individually. The stock unit may be balanced more than once within an accounting week. Cash and stock items must be entered by denomination or stock item level. This applies whether or not multiple tills are linked to a single stock unit.

At the end of the office accounting week an office balance is struck with the details provided by the balanced stock units.

POL00028118

An Outlet will bring to account manual voucher transactions, automated voucher transactions, report the suspense account position and the stock and cash totals within the approved cash account format.
The cycle will be repeated in the new accounting week with an office balance brought forward value that will include the stock and cash in hand, suspense account and loss and gain position from the previous period.

EPOSS must provide a secure mechanism for controlling access to a stock unit.

POL00028118

Requirement	696	Release No	spr 7
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Systems - design

Requirement Description:
Reporting

EPOSS must allow production of a daily report that will show, at office level the cash holdings by individual denomination of bank note and coin. The format of the report will be agreed by POCL and the Contractor.

EPOSS must support the summarisation of daily and weekly transaction vochers at stock unit level.

EPOSS must support a reporting facility to print on Client cut sheet stationary where the client requires it (such as Girobank daily summaries).

Girobank is only a current example - we neeed to keep the flexibility to print on other cut sheets e.g. Tax Discs / cheques in due course.

The format of all styles of receipts will be agreed by POCL and the Contractor. A bilingual Welsh/English version is required.

EPOSS must allow production of duplicate receipts and they must be marked as such.

EPOSS must support the summarisation of daily and weekly transaction vouchers at stock unit level.

EPOSS must support a reporting facility to print on Client cut sheet stationary to support Girobank and the Postmaster's daily Record (PDR) summarisation.

EPOSS must support reporting by journal/tally roll and on A4 sheets to predefined Client requirements at both stock unit and office levels.

EPOSS must allow reporting to be previewed on screen.

POL00028118

POL00028118

Requirement	697	Release No	spr 7
Programme Grouping	General	**Subject Heading**	General Audit

Requirement Description:
Audit Access

The CONTRACTOR and his Sub-CONTRACTORs shall keep or cause to be kept full and accurate records (including financial records) of all services provided to the AUTHORITIES, covering materials and services provided, timesheet records, contracts let to Sub-CONTRACTORs and charges levied to the AUTHORITIES. These records will be those held for the CONTRACTOR's own audit purposes.

The CONTRACTOR shall permit the AUTHORITIES or AUTHORITIES' representatives (including internal and external auditors, the National Audit Office and any other independent body appointed by the AUTHORITIES) unrestricted access to the records relating to the provision of services to the AUTHORITIES for the purpose of auditing and reporting on the operation, including charging and accounting aspects, of the services and the performance of the contract.

The BA will have the right to inspect the PAS and CMS, POCL will have the right to inspect the TMS and all applications utilising OPS. The AUTHORITIES may appoint an independent auditor to examine areas that are mutually commercially sensitive.

Such access will be provided on request and will include access to premises, facilities, services documentation, information (magnetic or otherwise), staff, procedures, timesheets and other data used as a basis for charging belonging to the CONTRACTOR which relate to the provision of service to the AUTHORITIES.

Such access shall be required within 4 hours where investigation into suspected impropriety or negligence must be carried out.

The CONTRACTOR shall implement audit recommendations in

POL00028118

accordance with provisions of the change control procedures.

The CONTRACTOR shall provide within reasonable timescales either documentary or demonstrable evidence of such changes and shall if required provide access to the AUTHORITIES' representatives to monitor and confirm the implementation of such changes.

Clarification:

The following clarifications are provided in relation to this requirement:

3rd paragraph - DSS will have the right to inspect the PAS and CMS

5th paragraph - The AUTHORITIES will wish under change control to change the requirement for access from 'within 4 hours' to 'immediately on request'

POL00028118

Requirement	**698**	Release No	spr 7
Programme Grouping	General	**Subject Heading**	General Security

Requirement Description:
Security Policy

The CONTRACTOR shall minimise and control liabilities to itself and the AUTHORITIES.

The CONTRACTOR shall set-up an organised security infrastructure covering:

- The agreement of a Security Policy
- Allocation of Security Responsibilities;
- Security Education and Training;
- Reporting Security Incidents;
- Physical Security Control;
- Virus Control;
- Business Continuity;
- Control of Proprietary Software;
- Safeguarding BA and POCL Records;
- Information Classification;
- Compliance with Data Protection and other legislation;
- Information Exchange Control;
- External Contractors and Suppliers;
- Compliance with Security Policy;
- The management of fraud and risk during service operation.

The implementation of a security policy with the features described is one means by which risk can be assessed, monitored and controlled. The suppliers will have additional policies that achieve the same objectives.

The Service Provider shall be compliant with BS7799.

Clarification:

The following clarification is provided in relation to paragraph 2 of this requirement:

POL00028118

'Safeguarding BA and POCL Records' should read as 'Safeguarding DSS and POCL Records'

'External CONTRACTORs and CONTRACTORs' should read 'External contractors and CONTRACTOR's sub contractors and suppliers'

POL00028118

Requirement	699	Release No	spr 7
Programme Grouping	General	**Subject Heading**	General Audit

Requirement Description:
Audit Trail

1. An audit trail must be maintained during periods of service operation including fallback and recovery.
2. The audit trail must record all data file transfer, messaging and processing, whether as a result of manual or automated action.
3. The information recorded must be sufficient to identify the action, by whom it was undertaken, when it was undertaken, why it was undertaken and the resulting outcome.
4. The audit trail must allow activities that utilise more than one of the services provided to be traced across the services from start to finish, or from an intermediate service in any direction, with certainty.
5. The audit trail must provide information to allow the original transaction to be recreated.
6. The content of the audit trail must be agreed explicitly with the AUTHORITIES.
7. Audit trail records must be retained for a period consistent with Companies Act requirements.
8. The audit trail must be available for inspection by the AUTHORITIES.
9. The audit trail must have a level of security such that it cannot be altered or deleted.
10. The integrity of the audit trail must be continued during periods of partial or complete service loss or failure.
11. It must be possible to provide a suitable legal assurance as to the integrity of the audit trail.
12. Technological changes must not render the audit trail unusable.

Clarification:

The following clarification is provided in relation to this requirement:

POL00028118

3. The information provided should also indicate where the action was undertaken

7. Records should be provided for a period consistent with Companies Act requirements, or a period of 18 months, whichever is the greater

POL00028118

Requirement	700	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Systems - design

Requirement Description:
The CONTRACTOR shall supply and issue Benefit Payment Cards to the correct Authorised Person, to support benefit payment when notified by CAPS. Only changes to personal details authorised by the DSS through CAPS may be made.

POL00028118

Requirement	**701**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Policies & standards

Requirement Description:
All Benefit Payment Cards and Temporary Tokens remain the property of the Secretary of State.

POL00028118

Requirement	**702**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Policies & standards

Requirement Description:
The Card can only be used for benefit payment unless authorised by the Secretary of State.

POL00028118

Requirement	**703**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Policies & standards

Requirement Description:
Card designs are subject to approval of the Secretary of State.

POL00028118

Requirement	**704**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - development

Requirement Description:
The CONTRACTOR must ensure that they will supply and maintain cards of more than one livery / logo.

Clarification:

The following clarification is provided in relation to this requirement:

The CONTRACTOR will ensure that at any time an Authorised Person will not have more than one valid card

POL00028118

Requirement	705	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
Details to appear on the card are as follows:-

* NINO
* Authorised Person Initials & Surname
* Card ID No
* Expiry Date

POL00028118

Requirement	706	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
Every card number shall be unique and must conform to financial industry numbering standards as within the Benefit Payment Card technical specification document.

POL00028118

Requirement	**707**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
The CONTRACTOR must ensure that a facility is available to allow for emergency encashment when a valid Card is not available, i.e. Temporary Token.

Clarification:

The following clarification is provided in relation to this requirement:

If Temporary Tokens are to be used, there will need to be a secure method of supplying the Temporary Tokens, recording and replenishing stock levels at the prescribed points of issue.

POL00028118

Requirement	708	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Policies & standards

Requirement Description:
The CONTRACTOR must conform to the relevant financial industry standard for Card usage. They must also conform with the agreed life expectancy of the Card, to be agreed between the CONTRACTOR and the DSS.

POL00028118

Requirement	709	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
The CONTRACTOR must provide a migration strategy to Integrated Circuit (IC) smart Card technology for all Benefit Payment Services within a time frame to be agreed within the DSS.

POL00028118

Requirement	**710**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
The CONTRACTOR must ensure that a series of successively more secure anti-fraud measures can be deployed using the proposed underlying architecture, infrastructure and interfaces without the need for significant re-engineering and must not have an impact on the overall transaction time.

POL00028118

Requirement	**711**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
The CONTRACTOR must be capable of updating any chosen security verification details or procedures without adversely affecting the Authorised Persons ability to collect Authorised Payments and must not have an impact on the overall transaction time.

POL00028118

Requirement	**712**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
Card production, personalisation and size must conform to relevant International Standards Organisation (ISO) and Association of Payment and Clearing Services (APACS) standards as detailed within the Benefit Payment Card technical specification document.

POL00028118

Requirement	**713**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Systems - design

Requirement Description:
CMS will renew a Card when the Card has reached the end of its life expectancy and CAPS has not indicated that no further Cards are required.

POL00028118

Requirement	**714**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
Renewal Cards must be available for the Authorised Person in good time, so that the renewal does not impinge upon the Authorised Persons ability to collect benefits and there is no impact on DSS offices.

POL00028118

Requirement	715	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
Replacement Cards must be available for use by the Authorised Person in time to access their benefits following notification from the DSS that any of the Authorised Persons details relating to the Card (Card type) or details shown on the Card have changed or where the Authorised Person has reported the Card as lost, stolen, damaged, or not available.

POL00028118

Requirement	716	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
CMS will accept a notification from CAPS when a Authorised Person no longer requires a Card and will send no further Cards to that Authorised Person. On expiry CMS must remove the Authorised Persons details from the operational database in accordance with archiving policy (x-ref 753).

POL00028118

Requirement	717	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
When a Card is renewed CMS will invalidate the previous Card when it expires or when the new Card is activated, whichever occurs first. Until the old Card is invalidated, CMS must not allow the new Card to be used.

POL00028118

Requirement	**718**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
The CONTRACTOR will ensure that the issue of initial, renewal and replacement Cards does not adversely affect the Authorised Persons ability to collect Authorised Payments.

POL00028118

Requirement	**719**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
The CONTRACTOR shall distribute CARDS by secure method(s) agreed in advance of their use by the DSS and the CONTRACTOR.

POL00028118

Requirement	**720**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Systems - design

Requirement Description:
The CONTRACTOR shall ensure that CMS will record:-

1. Date and time of request received from CAPS to issue a Card;
2. Date, time, location of production facility, destination of the Card issued by the CONTRACTOR;
3. Expected date of arrival of the Card at its destination;
4. Method of Card delivery (if appropriate);
5. Card received at the collection location (date, time, and location received at) if appropriate;
6. Card returned from location,if appropriate and to include (date, time and reason for return e.g. damaged, uncollected)
7. Pick Up Notice (PUN) issued if appropriate and to include (date, time, method of delivery, destined collection location);
8. Card in Authorised Persons possession;
9. Cards incapable of activation and use by the Authorised Person due to the Card being damaged or unserviceable on delivery;
10. If the CONTRACTOR intends to use a collection location, CMS must record the issue of a reminder to the Authorised Person after (initially but subject to review) forty (40) days of non-collection of the Card requesting that they pick up the Card or contact the DSS to inform them of any change of circumstances.

POL00028118

Requirement	**721**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
If the CONTRACTOR intends to use a collection location for the issue of new or replacement Cards they shall ensure that Authorised Persons are notified of their availability.

POL00028118

Requirement	**722**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
Card Authentication methods must be positive rather than negative, resistant to forgery or other unauthorised manipulation and include a mechanism agreed by the CONTRACTOR and the DSS for identifying the attempted use of non genuine and invalid Cards and Temporary Tokens.

POL00028118

Requirement	723	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
Cardholder Verification methods must be resistant to impersonation and shall include a mechanism agreed by the CONTRACTOR and DSS for identifying the attempted use of a Card or Temporary Token by a person other than an Authorised Person.

POL00028118

Requirement	**724**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
CMS will on request from the DSS, invalidate a Card or Temporary Token and change and record the new status.

POL00028118

Requirement	**725**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
The CONTRACTOR shall automatically and immediately invalidate a Card or Temporary Token when CMS determines that it has not been received at the collection location or home address within three (3) working days of the expected arrival at that location.

POL00028118

Requirement	726	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
The CONTRACTOR shall automatically and immediately invalidate a Card if it is not in the Authorised Person's possession within (initially but subject to review) 56 (fifty six) calendar days of its issue. Temporary Tokens will be invalidated (initially but subject to review) seven (7) calendar days from the date of issue.

POL00028118

Requirement	727	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
The CONTRACTOR shall on receipt of the appropriate data, invalidate a Card or Temporary Token following a report of loss, theft, destruction or damage beyond use of the Card or Temporary Token by the Authorised Person or the DSS.

POL00028118

Requirement	**728**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
CMS must be able to monitor the issue, distribution, collection, usage and status of current or previous Cards, ensuring that status confirmation is available for secure and auditable enquiry by all DSS staff at locations to be agreed by the CONTRACTOR and the DSS, but as a minimum all DSS offices.

POL00028118

Requirement	**730**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Customer services

Requirement Description:
The CONTRACTOR shall provide a Customer service Help Desk facility (accessed via a Freephone or low rate call service), to deal with general enquiries, reports of loss, damage and theft of Cards from Authorised Persons.

POL00028118

Requirement	731	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Interface with BA staff

Requirement Description:
The CONTRACTOR shall provide secure and auditable access to CMS to enable authorised DSS staff to notify the CONTRACTOR of a Card or Temporary Token termination.

POL00028118

Requirement	**732**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
In response to enquiries made via CMS, the CONTRACTOR shall ensure that the service displays as a minimum the following information:-
* Authorised Persons NINO;
* Card identification number;
* Card status;
* previous Card status and date status changed.

POL00028118

Requirement	733	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Customer services

Requirement Description:
The CONTRACTOR shall provide a Help Desk function for DSS staff as defined within the Service Levels and Remedies Schedule.

Clarification:

The following clarification is provided in relation to this requirement:

add "and the Service Interface Definition Document" at the end of sentence

POL00028118

Requirement	**736**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Integration of services

Requirement Description:
The CONTRACTOR shall ensure that a logical separation is maintained between CMS, PAS and POCL Infrastructure and have in place a detailed interface specification agreed between the CONTRACTOR and DSS to support this.

POL00028118

Requirement	**740**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
The CONTRACTOR shall ensure that all relevant information produced at the request of the DSS shall be evidentially admissible and capable of certification in accordance with the Police and Criminal Evidence Act.(PACE) 1984 and the Police and Criminal Evidence [Northern Ireland] Order 1989.

Clarification:

The following clarification is provided in relation to this requirement:

add "and equivalent legislation covering Scotland". After Order 1989

POL00028118

Requirement	**741**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Flexibility - services

Requirement Description:
CMS will support the payment of existing, new and additional benefits and any change to existing benefits.

POL00028118

Requirement	**742**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Interface with BA staff

Requirement Description:
The CONTRACTOR shall be aware of the requirements imposed by the Welsh Language Act 1993 and will ensure that the CMS has the capability of producing bi-lingual Cards and collateral material as required for those Authorised Persons living in Wales.

POL00028118

Requirement	**743**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Management information

Requirement Description:
Service Level reports must be received no less then five (5) working days before regular Service Review meetings. Reports required for ad hoc meetings will be provided in agreement with the AUTHORITIES.

POL00028118

Requirement	**744**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Management information

Requirement Description:
Service Level reports must indicate performance against all service levels detailed in the Service Levels and Remedies Schedule.

POL00028118

Requirement	**745**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
If the CONTRACTOR intends to use a collection location for the issue of new or replacement Cards, CMS must recognise the failure of an Authorised Person to collect the Card within forty (40) calendar days of issue and send a reminder note to the Authorised Person advising them to pick up the Card or contact the DSS.

POL00028118

Requirement	**746**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
The CONTRACTOR must have contingency procedures to allow payments to continue to be made without degradation of service if any failure occurs with any components of the Benefits Payment Service (BPS) or any service required to operate BPS.

POL00028118

Requirement	**747**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
All aspects of Card Management including production, storage, delivery and destruction of Cards must be secure, auditable and allow the production of audit trails of all Cards and collateral material.

POL00028118

Requirement	**748**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
The CONTRACTOR must deal directly with Card related enquiries ensuring that Authorised Persons are provided with a seamless, one stop service.

POL00028118

Requirement	**749**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
The CONTRACTORS Card distribution process must allow for circumstances where the Authorised Person is unable to visit a Post Office, DSS office or other office in person in order to collect their Benefit Payment Card.

POL00028118

Requirement	**750**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Customer services

Requirement Description:
If the CONTRACTOR intends to use a collection location for the issue of new or replacement Cards they must have contingency plans in place for the situation when a valid Card Pick Up Notice (PUN) is presented at collection location and there is no valid Card available, or when a Card is available and the PUN is lost, not received, stolen etc.

POL00028118

Requirement	**751**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Systems - design

Requirement Description:
The CONTRACTOR shall ensure that Authorised Payment information forwarded from CAPS to PAS is accepted and available for subsequent encashment from the due date until the end of the period of validity.

POL00028118

Requirement	752	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must recognise payments from CAPS that have been advanced due to a National or Regional holiday (so that the Post Office clerk and Authorised Person can be informed).

POL00028118

Requirement	753	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
CAPS will supply and revise personal details to PAS until they are no longer required, at which point personal details must be deleted from the operational database and archived in accordance with an archiving policy to be agreed between the CONTRACTOR and the AUTHORITIES (x-ref 716).

POL00028118

Requirement	**754**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
PAS must support Urgent Payments forwarded from CAPS.

POL00028118

Requirement	755	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
A facility to stop payments authorised must be available on stop request from CAPS, so that payments so identified cannot be encashed. Following the receipt of a request, PAS must notify CAPS of the success or failure of the stop (x-ref 766).

POL00028118

Requirement	756	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
PAS must accept new or changed personal details provided through CAPS and take them into account in any subsequent encashment or enquiry.

POL00028118

Requirement	758	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must recognise different types of payments according to the timing constraints of the payment (urgent,next day etc.) as defined in the Service Levels and Remedies Schedule.

For all payments PAS must recognise four (4) different types of status:
* stopped payments;
* encashed payments;
* uncashed payments;
  a) received but not due;
  b) due but not collected and within the validity period;
* uncollected payments beyond validity period.

POL00028118

Requirement	**759**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service management

Requirement Description:
PAS must support the authentication process to ensure that valid Cards are accepted and invalid Cards rejected.

POL00028118

Requirement	760	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Customer services

Requirement Description:
Following the successful authentication process to validate the Card, PAS must provide the data to support verification of Authorised Person's identity. If an Authorised Person is collecting benefits on behalf of other Beneficiaries the verification and authentication checks must only be required once per visit to the Post Office counter.

POL00028118

Requirement	**761**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Security

Requirement Description:
PAS must have the provision to advise the Post Office clerk of the action to be taken when Card Authentication or Cardholder Verification checks are not satisfied.

POL00028118

Requirement	**762**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
PAS must respond to CAPS requests for encashment status on particular payments, with either the relevant encashment data or with an indicator that the payments has not been encashed.

POL00028118

Requirement	763	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
PAS must allow for payment of cash and tokens (e.g milk tokens) as authorised by CAPS.

POL00028118

Requirement	**764**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must support the production of legible receipts with details as follows:-
* Authorised Person's name and abbreviated NINO;
* Appointee's Name and abbreviated NINO; (if appropriate)
* Name of Permanent Agent and Signing Agent and abbreviated NINO (if available) (including Casual Agent if possible.);
* Benefit Payment Description;
* Amount(s);
* Signature - (space for signature clearly identifiable);
* Time - (numerical 24 hour clock);
* Date - (DD/MM/YY);
* Due dates;
* Token Type;
* No.of token(s);
* Code of Post Office of payment;
* Predicted due date of next payment;
* Total amount encashed;
* Declaration of Entitlement (combined or otherwise);
* Message (subject to physical constraints of receipts and CAPS);

The receipt must also include the following details produced externally from PAS;

* Unique encashment transaction identifier;
* Unique Post Office counter clerk transaction identifier.

Clarification:

The following clarification is provided in relation to this requirement:

amend first and third bullet points to read:-

** Beneficiary's name and abbreviated NINO*

POL00028118

** Name and abbrieviated NINO (if available) of Person collecting payment(s) eg Permanent Agent, Signing Agent, Casual Agent (if possible)*

and in brackets after bullet point "Unique encashment transaction identifier the following wording":-

(Either this must be the same as that passed back to CAPS with the encashment confirmation or it must be possible to cross reference for audit purposes).

Receipts for any Authorised Person receiving a benefit from a Post Office in Wales can receive a receipt in Welsh if required (thereby complying with the Welsh Language Act 1993).

POL00028118

Requirement	765	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Process - development

Requirement Description:
PAS must support the process to prompt the post office clerk to retain the original signed receipt (together with any other forms presented) for us by the DSS. The forms to be accepted are to be agreed between the CONTRACTOR and the DSS.

POL00028118

Requirement	766	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must support the process necessary to allow the encashment to be terminated before it is completed if the Authorised Person or DSS so requests (x-ref 755).

POL00028118

Requirement	**767**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must support payment to Authorised (as identified within the payment data passed from CAPS) and Casual Agents.

POL00028118

Requirement	768	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
As a minimum, any conditions which apply to the Authorised Person or payments made to them will also apply to a Casual Agent encashment (x-ref 944).

Clarification:

The following clarification is provided in relation to this requirement:

While procedures for Casual Agent encashment may be more stringent than current procedures, they must not cause undue hardship to DSS Customers

POL00028118

Requirement	769	Release No	spr 21
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must support the use of Nominated Post Offices, as notified by CAPS. Appointees, Alternative Payees and Permanent Agents will have their own Nominated Post Office for their Card (if applicable) and payment collection, distinct from that of the main Authorised Person.

POL00028118

Requirement	770	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
Foreign Encashments must be limited to (x) in a rolling (y) week period (where (x) and (y) are parameters to be provided by the DSS, initially (x)=2 and (y)=26), PAS must prompt the Post Office clerk to inform the Authorised Person on the final allowable Foreign Encashment, of the date of the next allowable Foreign Encashment (equivalent information to be printed on the receipt), and that to collect further payments a change of Post Office is required, or return to the Nominated Post Office. PAS must not identify the Nominated Post Office. Social Fund payments must be excluded from the rule, except where other benefits are encashed at the same time. Encashment of Temporary Tokens are also excluded from this rule as they will have a Post Office nominated by the DSS at the time of issue.

Clarification:

The following clarification is provided in relation to this requirement:

When the CONTRACTOR is notified by the AUTHORITY that for whatever reason the Nominated Post Office is closed the Authorised Person will be allowed to encash their benefit at a Post Office other than their Nominated Post Office and the transaction will not be recorded as a Foreign Encashment . If the Post Office is closed and the Authorised Person is subject to a restriction in where they encash their benefits, the Authorised Person should be referred to the DSS Office for a contingency Post Office to be nominated.

POL00028118

Requirement	771	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
PAS must restrict encashment to one specific Post Office's when notified by CAPS to do so. Restriction will be in respect of an Authorised Person, or any person collecting benefit on their behalf.

POL00028118

Requirement	772	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must provide for an encashment to proceed in the event of a Card Read Failure, subject to Card Authentication and Customer Verification checks being satisfied.

POL00028118

Requirement	773	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
PAS must ensure that encashment confirmation is provided to CAPS for each Authorised Payment that is collected.

POL00028118

Requirement	**774**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
Uncollected payments that have reached the end of their validity period must be invalidated.

POL00028118

Requirement	**776**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
The CONTRACTOR must provide a Help Desk function for DSS staff.

POL00028118

Requirement	778	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
The CONTRACTOR must ensure that any services are able to interface and exchange information with CAPS.

POL00028118

Requirement	**779**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Security

Requirement Description:
Integrity of payment details must be maintained to ensure data is not alterable once transferred from CAPS, except where specified in requirement 798.

POL00028118

Requirement	**780**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service management

Requirement Description:
Police and Criminal Evidence Act 1984 and PACE(NI) Order 1989 certification must be provided to demonstrate services were operating within normal parameters at time of an alleged offence.

Clarification:

The following clarification is provided in relation to this requirement:

The CONTRACTOR shall ensure that all relevant information produced at the request of the DSS shall be evidentially admissible and capable of certification in accordance with the Police and Criminal Evidence Act (PACE) 1984, the Police and Criminal Evidence (Northern Ireland) Order 1989 and equivalent legislation covering Scotland.

POL00028118

Requirement	**781**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
Any records denoted as sensitive must be treated in accordance with the Social Security IT Security Standards document.

POL00028118

Requirement	**782**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
PAS must provide the facility to allow the Contracting Authority to identify where and when a card or number of cards are being used, within two (2) seconds of use.

Clarification:

The following clarification is provided in relation to this requirement

Where DSS Investigations staff (i.e. BA OFT) require immediate information on where a specific Card has been used the CONTRACTOR will allow secure password controlled access to the PAS helpdesk for the information. Information to be provided immediately. The number of DSS staff with the access will be limited and will be for agreement between the DSS and CONTRACTOR. This facility would be in addition to any access that may be provided to DSS staff in general to support payment enquires (should this be required by the CONTRACTORS solution).

POL00028118

Requirement	783	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must support payment of existing, new and additional benefits and any change to existing benefits or frequency of payments.

POL00028118

Requirement	**785**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Management information

Requirement Description:
Service Level reports must be received no less than five (5) working days before regular Service Review meetings. Reports required for ad hoc meetings will be provided in agreement with the DSS.

POL00028118

Requirement	**786**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service management

Requirement Description:
Service Level reports must indicate performance against all service levels detailed in the Service Levels and Remedies Schedule.

POL00028118

Requirement	**787**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
Where an Authorised Person has nominated an Alternative Payee who may collect specified benefit(s), PAS must ensure that the payment can also be collected by either person, but paid only once.

POL00028118

Requirement	**788**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Security

Requirement Description:
Where an Authorised Person is collecting payments for more than one beneficiary PAS must allow the Authorised Person to select the beneficiary for whom they want to collect.

Clarification:

The following clarification is provided in relation to this requirement:

An Appointee for more than one Beneficiary may select the beneficiary' they wish to collect for. This requirement should be cross referenced with requirement 767 and vice versa

POL00028118

Requirement	789	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
If the Authorised Person is collecting payments for more than one Authorised Person i.e. Permanent/Casual Agent encashments (including potentially himself), PAS must enforce a separate handover of payment supported by a separate receipt for each.

Clarification:

The following clarification is provided in relation to this requirement:

after Authorised Person, amend "i.e" to "e.g"

POL00028118

Requirement	790	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
Where a system failure requires manual keying of a Card number the CONTRACTOR must provide a system for the detection of incorrect keying of Card numbers to prevent the wrong account being accessed.

POL00028118

Requirement	**791**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must inform CAPS if an encashment is attempted which would infringe a restriction to a single Post Office imposed by the DSS.

POL00028118

Requirement	792	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Customer services

Requirement Description:
The CONTRACTOR shall ensure secure transfer from the Post Office, and retention at a storage location, of the signed receipt and any collateral material presented at the counter to confirm entitlement to benefit and authority to collect (e.g. Permanent Agent or Casual Agent). The period of retention must be for a minimum period of twelve (12) months from delivery at the storage location. The facility must allow for rapid recovery of the original receipt plus any collateral material to the DSS within a timescale to be agreed between the DSS and the CONTRACTOR.

POL00028118

Requirement	**793**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
The CONTRACTOR must ensure that for every payment encashed there must be a Declaration of Entitlement signed by the Beneficiary (or, where appropriate the Appointee or Alternative Payee).
A signature is also required from the Authorised Person collecting the payment to confirm receipt.
Where appropriate (i.e. it is the same person) a single signature will serve to confirm entitlement and receipt.
A further signature may be required from the Authorised Person to authorise collection by a Permanent Agent or Casual Agent.

POL00028118

Requirement	**794**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Customer services

Requirement Description:
Access to PAS can only be achieved within the Post Office by the use of a valid and genuine Card or a valid and genuine Temporary Token.

POL00028118

Requirement	**795**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
PAS must determine the total amount of benefit available for encashment (based on Requirement 904). The individual amounts (as supplied by CAPS) and the total must be shown, to the Post Office clerk.

POL00028118

Requirement	**796**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Customer services

Requirement Description:
If no payment is due PAS will prompt the Post Office clerk to return the Card to the Authorised Person and in cases of dispute or enquiry advise them to contact the DSS. In these circumstances if the Authorised Person requests it, PAS must have the facility to produce a receipt showing nil entitlement due.

POL00028118

Requirement	**797**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service management

Requirement Description:
As part of the contingency arrangements for failure of CAPS, PAS must be able to continue payments to Authorised Persons based on the most recent payment successfully passed from CAPS. This facility must be enabled only if and when explicitly requested by the DSS. Such emergency payment must be for the same payment value and be due on the "next payment earliest encashment date" as specified in the last correctly authorised payment from CAPS (but only if that due date has not passed). For a given Authorised Person, emergency payments must be limited to no more than one for each benefit type, unless specifically requested by DSS.
At the explicit request of the DSS, contingency payments made on this basis may need to be repeated (using the appropriate interval between the last correctly Authorised Payment and the next payment due i.e. weekly, four weekly etc.)

Clarification:

The following clarification is provided in relation to this requirement:

line 8 delete wording in brackets beginning (but only if that due date....)

line 10 change Authorised Person to Beneficiary

POL00028118

Requirement	**798**	Release No	spr 8
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service management

Requirement Description:
PAS must accept change of Nominated Post Office at the counter, if required by the Authorised Person(s) (or an Appointee or legal representative). This change must be supported by completion of form P80MA or equivalent. This change must take effect, so that any due payment can be collected. This facility must not be available to those restricted to a single Post Office. The Nominated Post Office can only be changed to that in which the request is made. PAS must pass the change to CAPS.

POL00028118

Requirement	799	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service - design

Requirement Description:
APS Token Issue

The CONTRACTOR shall provide a facility that permits the issue at Outlets of replacement APS Tokens and APS Tokens for new customers, as directed by POCL.

POL00028118

Requirement	**800**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Serve Customers (A)

EPOSS must support the recording of all transactions between the customer and the clerk.

EPOSS must allow the selection of a customer session to allow for:

- normal customer service or,
- a customer refund or,
- a reversal to correct errors in data entry.

EPOSS must uniquely identify a customer session and each transaction within the balance period.

EPOSS should allow customer session completion in an ordered fashion. This is required to encourage a 'one customer one session' rule.

EPOSS must allow a cash tendered facility to calculate change due to the customer. Use of this feature must be at the discretion of the user and not forced by EPOSS.

POL00028118

Requirement	**801**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Product Styles.

EPOSS must support the current range of business performed within Outlets that are generically grouped as:

- Value Stock,
- Method of Payment,
- a counter shortage known as a "Loss",
- a counter overage known as a "Gain",
- a Retail sales product
- an inpay supported by a Client voucher (receipt)
- an outpay supported by a Client voucher (payment)

EPOSS must support the customer transaction by price type:

- Fixed Price (price fixed to that looked up by the system) or
- Variable Price (price set by the clerk, overwriting a default looked up by the system).

Variable Price products are of one of two forms:

- Open Price where the clerk will enter the actual price, If the valid range excludes zero, the clerk will be forced to change to enter a non zero price.
- Default Price where the default price is non zero. The clerk can either accept this price or can overtype to change it within the legal range.

Where necessary 'Composite' products will be broken down and declared at individual denomination level by the clerk as part of the balancing activity.

POL00028118

Requirement	**802**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Value Stock Management

EPOSS must maintain the current stock record for value stock products and MoPs to reflect the transactions done, so that if a postal order and the associated fee are sold for cash the stock of the former is decreased and that of the cash is increased.

EPOSS must allow compensating errors to be remedied without the need to perform a reversal or a sale.

POL00028118

Requirement	**803**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Data Resilience.

EPOSS must accurately maintain data and avoid recording a one sided transaction session.

If the OPS is interrupted or fails during a customer session the system must ensure that data capture is resiliant and consistent with the need to retain a balanced status.

POL00028118

Requirement	**804**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Transaction Log /Inspection

A journal of all transaction data must be available to allow the User to refer back to a previous transaction.

EPOSS must provide a transaction log for any balancing period in the current accounting period by stock unit.

This function maybe used in conjunction with a transaction reversal where the User need to identify the unique transaction identification.

The Transaction Log must be readily available for the resolution of enquiries.

POL00028118

Requirement	**805**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Audit/Event Log and Inspection.

EPOSS must maintain a log of activities attempted and actioned at stock unit level.

EPOSS must provide an Audit/Event Log for any balancing period in the current accounting period by stock unit.

EPOSS must provide a facility to allow the User to inspect activities on the stock unit within the accounting period so that for example all attempts to access a stock unit can be detected.

The Audit/Event Log must be readily available for the resolution of enquiries.

POL00028118

Requirement	**806**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Set Date and Time

Maintain the date and time as accurate within EPOSS and remain instep with the GMT and BST.

POL00028118

Requirement	807	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Transfers between Stock Units.

EPOSS must allow and record the movements of value stock products and MoPs into and out of stock units within the same office.

Allow a transfer event for one or more value stock products and/or MoPs.

The data should be entered in a transaction set similar to a customer session except that the session total comes to the transfer total rather than to zero.

The system adjusts product stock levels when the data entry session is complete so that the "Balance" of the system is maintained.

Each transfer is entered to the current balance period for the stock unit.

POL00028118

Requirement	**808**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Office balance

EPOSS must provide a facility to reconcile non value items with unique serial numbers.
Reconciliation will be by volume initially and by stock unit as:

- number on hand at the start of the outlet accounting period (plus)
- number received (equals)
- number on hand at close of outlet accounting period (plus)
- number issued/spoilt/returned.

EPOSS must provide a suspense account facility where items that cannot be cleared operationally during one outlet accounting period can be identified and carried forward to the next.

EPOSS must provide an on demand office balance report to a POCL agreed format that will provide a snap shot of Outlet position with the current outlet accounting period.

POL00028118

Requirement	809	Release No	spr 9
Programme	POCL	**Subject**	POCL Applications
Grouping	Applications	**Heading**	(EPOSS) Service - design

Requirement Description:
EPOSS - Customer Session

Within a customer session maintain:
- a running record of all transactions performed
- the current balance
- the accounting sense (pay out/take in)
- settlement details.

Multiple transactions for the same customer must be logically grouped into a single customer session.

POL00028118

Requirement	**810**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Transaction Rules

EPOSS will allow the refund or reversal of a transaction with access maintained at user level. Note that certain transactions may not be refundable or reversible to comply with Client and POCL accounting and business rules.

EPOSS must be able to validate against reference data. For example price look up and Client parameters.

Provide the ability to 'rate shop' against a value input for a fixed price product.

POL00028118

Requirement	**811**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Data transmission

EPOSS must allow the facility for all recorded information to be passed to TMS or other authorised remote location.

EPOSS must be flexible enough to support the introduction of new Client services in an integrated manner and thereby ensure that any new product is event driven and that EPOSS is automatically updated.

POL00028118

Requirement	**812**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Transaction Reversal

EPOSS must allow a reversal transactions for customer service and transfers either within the Outlet or to a remote location.

Reversal transactions may be entered for normal transactions (but not for reversal transactions) as follows:
Only for customer service transactions which are not part of other services e.g. BES or APS or disallowed in reference data.

All such reversals need not correspond to a particular transaction on the transaction log, which allows for correction of bulk figures where the requirement is to get the totals right but the detail is not critical.

POL00028118

Requirement	**813**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Revaluation of Value Stock.

EPOSS must allow revaluation of fixed price value stock products and MoPs when the price changes.

While price changes would not normally apply to MOPs, the possibility is allowed in case of future alternative currencies, e.g. the "Euro". However, the remainder of this requirement is written in terms of value stock.

When a price changes for a fixed price value stock item, the stock value must change to maintain the relationship stock value = stock quantity x price. The change in stock value must be "balanced" by one or more transactions for designated products (and thence reported on designated cash account lines). Thus the requirement for maintaining an equal and opposite effect on the stock unit is maintained.

EPOSS must allow efficient revaluation of multiple value stock products of the same generic type e.g. postal order fees.

EPOSS must ensure that only allowable value stock products can be accessed.

POL00028118

Requirement	**814**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Enter Cash on Hand

EPOSS must provide a function to enter to the system the value of cash held in the stock unit by denomination for two distinct purposes:

- as part of the cash flow reporting process;
- as part of the stock unit balancing process.

The declaration screen may be shared by both activities to avoid unnecessary duplication when balancing.

As part of the cash flow/balancing reporting process:

- at any time but normally daily as part of the end of day activity
- enter by cash value for each denomination and total value declared (validate each field entry as an integer)

The total entered is used in the stock unit balance report and the difference between this total and the system figure for the "Cash" MoP stock value will generate a loss or gain.

The system stock value for the "Cash" MoP is not altered during the process. The user is advised of any discrepancy to warn of potential errors and (in balancing) the implied balancing loss or gain.

A zero cash holding is declared by using the function in the normal way and confirming zero entries.

EPOSS must allow the last known declaration to be carried forward for cash flow reporting purposes where no activity has occurred to change the last known cash position. This is required to cater for rest days

POL00028118

including offices that shut on Saturdays etc.

In offices that 'Team Work' allow cash declaration across all the tills that contribute to the stock unit position.

POL00028118

Requirement	**815**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Process Dormant Stock Units

EPOSS must allow a function to bring unused stock units (and their stock unit information) forward into the next Outlet Accounting Period.

A dormant stock unit is one for which no activity has taken place since its last final balance.

This function may be used at any time to ensure that all stock units registered in an Outlet are recorded as fully up to date, prior to producing the Cash Account for that OAP.

The co-ordination of this activity is under the control of the office manager.

POL00028118

Requirement	816	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Audit

EPOSS must maintain/retrieve and review (but not amend) a complete set of outlet records for a rolling period of 18 months.

All record retrieval must be packaged in weekly batches as a complete outlet accounting period cycle.

Outlet enquiries will centre upon activities performed in the recent past (16 weeks for POID) and therefore records must be made available - say at 24 hours notice. Outlets will have need of more recent record retrieval on demand, for the previous 2 complete outlet accounting periods.

EPOSS must record all events and data entries including fallback and recovery actions. Require entry of user identity and password to access the system.

Action each facility with a user authority level (clerk, supervisor, manager). Provide reasonable safeguards against accidental or deliberate access by other than the normal means to software or data.

Within an Outlet there should be a facility to maintain and allocate a user access and privilege level log.

POL00028118

Requirement	**817**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Discounting

EPOSS must allow discounting for all discountable products. A list of discountable products will be maintained in reference data.

EPOSS must allow discount by an entered percentage for the last transaction or for all discountable product transactions in the customer session.

EPOSS must allow discount by an entered value for the last transaction or for all discountable product transactions in the customer session.

POL00028118

Requirement	818	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Reference Data

EPOSS must provide a facility to update reference data files with reference data supplied from TIP. It must be possible for a date and time stamp to be applied to reference data to facilitate timely price changing.

The reference data content must be available as a locally produced report. Changes made in reference data should be presented clearly. The changes must be brought to the attention of the local Outlet by electronic means.

EPOSS must maintain other reference data. This will depend upon the design but will include parameters for products, product groups and subgroups, external transfer sources and destinations. Various formatted outputs including the cash account and the cash flow report. Changes to the product range and the internal reporting structure within current principles should possible by reference data rather than software.

EPOSS should check consistency, reporting errors, warning of non critical and preventing critical errors. Refuse deletions if there is dependent business data. Pass reference data to the counter terminals. Check reference data consistency and report exceptions.

POL00028118

Requirement	**819**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - The Outlet Trial/Final Cash Account

EPOSS must sustain a dynamic set of cash account tables that will allow Outlets to introduce additional reporting lines as new products are introduced within the Business. It should be noted that more than one cash account format must be supported and currently there are three in use - London, Provincial and CRU and there are validation rules that could be applied to individual line entries as some are unique to certain types of outlets.

A printed format that allowed reference data product mapping through to the appropriate line(s) would be advantageous.

EPOSS must provide a facility to assign cash account details including week end date and week number. The association of period to number is controlled and sanctioned yearly. However under certain authorised circumstances an authorised Outlet may produce one cash account to span a 2/3 week period and this must be managed by EPOSS. Within this variation there is a requirement to correctly associate the week number with a specific transaction according to a Client's requirements. This will be one of either:

- the week in which the transaction took place or;
- the final week in when the cash account is produced.

EPOSS must (initially) support the production of the cash account in two formats - printed and electronic.

There is a requirement for the printed copy cash accounts to include a 2D bar code.

There should be a facility to allow users to produce trial office cash accounts.

POL00028118

EPOSS needs a facility to move forward into the next outlet accounting period once a final cash account has been produced.

POL00028118

Requirement	820	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Fallback and Recovery

EPOSS shall provide a means of controlling user access to its data, processes, and functions.

EPOSS shall provide fallback facilities for situations where the user cannot use the OPS for any reason. These facilities shall maintain the integrity, security and levels of customer service consistent with the need to maintain trading.

EPOSS shall ensure that, following an Incident, or if operationally desirable for any other reason:

(a) the user can return to a complete and recent position;

(b) no corruption of secured data has occurred; and

(c) a full recovery can be effected swiftly and in an auditable manner.

EPOSS must allow the backing up of stock unit and Outlet data in order to maintain confidence in the ability to return to a recent known position for fallback and recovery. There are also strategic times within the cash account cycle (pre/post cash account roll over) when local control is desirable.

EPOSS must allow recovery of data to a known recent position. This may include both the Outlet and individual stock unit data where this is necessary to maintain system integrity. Recovery should not itself constitute a risk e.g. a one shot only option. Thus in the event of a power down/ power interruption during a recovery activity further recovery attempts can be made later.

EPOSS must ensure that the committal process for a transaction is robust and consistent across all

POL00028118

transaction types so that an interruption will/should not result in an unrecoverable systems error.

EPOSS must ensure that in the event of a system failure, recovery can be performed from a known position and with the minimum of disruption to the user. Data re-entry must be minimal where previously committed transactions have to be re-entered.

EPOSS must warn the user where there is the possibility of working with a corrupt data set.

POL00028118

Requirement	**821**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Business Rules

EPOSS shall be flexible enough to provide the ability to define the transaction range available at specific Outlets, including:

(a) preventing specific transactions from being available locally (by Outlet);

(b) declining to use specific non-mandatory transactions locally (by Outlet);

or

(c) modifying specific transactions, where allowed, for specific Outlets.

(d) EPOSS shall be flexible enough to introduce new functionality as agreed with POCL.

EPOSS shall provide facilities to:

(a) prepare EPOSS transaction data and EPOSS processed data for export to, and

(b) import data from other systems outside the OPS.

POL00028118

Requirement	822	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Inventory Management

EPOSS must support IM and allow the ordering, receiving and despatching of goods by consignment. EPOSS must allow for the replenishment and/or return of money, value stock and security stock products as managed by the POCL Inventory Management System.

The main thrust of IM is that by means of a daily declaration of monies in hand, electronic sales gathering and a weekly declaration of value stock (along with other stock items) IM will be made aware of the replenishment needs of each Outlet.

EPOSS will be required to maintain accountability within a stock unit by recording details of these external transfers.

Within EPOSS the Outlet will order goods at product level supported by a locally generated order note and 'a required by' delivery date. The Outlet will in turn then receive through the IM system confirmation of the order from the Warehouse along with the consignment order number and the proposed despatch date.

When the goods are received into the Outlet, the supporting documentation relating to the goods will be reconciled with the system held order details and accepted into the Outlet as a remittance. The remittance activity will be recorded within a stock unit and the value stock/monies fields incremented accordingly.

EPOSS will receive stock adjustments messages from IM at office level for checking, confirming and noting within EPOSS. Such messages will be advisory (as by their nature they are retrospective) as the Outlet will have previously performed any necessary stock adjustments as part of the weekly balancing activity.

POL00028118

POL00028118

Requirement	823	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Data Management

Ensure that all EPOSS transaction and process data captured through EPOSS are available to any Service delivered through the medium of the OPS and agreed with POCL as requiring access to data.

EPOSS shall ensure that, in the event of an Incident, data integrity is maintained and that no corruption of data is introduced arising from the interruption of any uncompleted activity.

POL00028118

Requirement	**824**	Release No	spr 9
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS - Weighing Scales

EPOSS must provide the price for a particular weight of package (provided by the scales), with the contention being handled by the scales accepting or denying a connection by a counter terminal.

The counter terminal will request the scales only when needed and can only proceed with the scales associated service if the scales accepts its request. The counter terminal will release the scales as soon as it has finished with it.

POL00028118

Requirement	825	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
Serve Customer (B)

Provide an EPOSS function to record all sales.

EPOSS must be event driven so that both data capture and the recording of services such as BES and APS are dynamic.

All counter transactions are to be maintained within a session.

Data should be automatically recorded in EPOSS if captured during another service e.g. BES, APS or OBCS.

Multiple transactions for the same customer must be logically grouped into a single customer session.

Within a customer session maintain:

- a running record of all transactions performed;
- the current balance;
- the accounting sense (pay out/take in);
- settlement details.

EPOSS must accept single or multiple methods of payment as settlement.

EPOSS must allow the implementation of new methods of payment including EFTPOSS and Debit Cards.

EPOSS must allow a customer session to be suspended and then recalled for completion at a later date. In between the clerk must be able to continue to enter and complete further sessions as required.

Provide a "Void" facility. Note that Client and POCL acounting and business rules may prohibit use of "Void"

POL00028118

for certain transactions.

EPOSS will allow the refund or reversal of a transaction with access maintained at user level. Note that certain transactions may not be refundable or reversible to comply with Client and POCL accounting and business rules.

Some POCL products are linked and must remain so within customer service, including for refund/reversal or voiding purposes. In most cases the link is a coupling although not exclusively so, for example a Postal Order of £1.00 is associated with a fee product of £0.25 pence. As part of this linkage it should be noted that items with no current price may be re-classified as value stock items e.g. tax discs.

EPOSS must have the facility to read data from a variety of media such as, tokens, keyboard, electronic scales, bar codes and to add functionality to capture data from other approved peripheral devices.

EPOSS must allow the input of weight values where scales are not linked.

EPOSS must be flexible enough to support the introduction of new Client services in an integrated manner and thereby ensure that any new product is event driven and that EPOSS is automatically updated.

POL00028118

Requirement	**826**	Release No	spr 9
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Flexibility - systems

Requirement Description:
Requirement
Future flexibility - sharing of specialist peripherals.

It is likely that, in due course, specialist peripherals will need to be connected to OPS in such a way that they can be accessed by two or more terminals. A possible example would be parcel scales. Generically OPS must be able to support this type of connection.

In such a case it must be possible to restrict access to a subset of the terminals in the outlet.

POL00028118

Requirement	827	Release No	spr 9
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Flexibility - systems

Requirement Description:
Requirement
Ability to maintain authorisation data.

It is likely that, in due course, re-engineered POCL products will require specific authorisation, either through access to a computer system external to the services provided or within the services provided.

1. The supplier must confirm that the solution can be developed to support the maintenance and use of
- stop lists
- go lists
- other authorisation types.

2. The supplier must confirm that the solution will support authorisations through access to external computer systems.

POL00028118

Requirement	828	Release No	spr 10
Programme Grouping	General	**Subject Heading**	General Security

Requirement Description:
Data Security

The confidentiality, integrity, validity and completeness of data must be maintained throughout all storage, processes and transmissions, including during periods of service failure and recovery from service failure.
Clarification; The CONTRACTOR must ensure that all data passed from PAS and CMS to CAPS will adhere to the current DSS Business Data Standards Document and any future amendments.

POL00028118

Requirement	829	Release No	spr 10
Programme Grouping	General	**Subject Heading**	General Security

Requirement Description:
Prosecution support

The CONTRACTOR shall ensure that all relevant information produced at the request of the AUTHORITIES shall be evidentially admissible and capable of certification in accordance with the Police and Criminal Evidence Act (PACE) 1984 and the Police and Criminal Evidence (Northern Ireland) Order 1989.

At the direction of the AUTHORITIES, audit trail and other information necessary to support live investigations and prosecutions must be retained for the duration of the investigation and prosecution irrespective of the normal retention period of that information.

Clarification:

The following clarification is provided in relation to the first paragraph of this requirement:

'relevant information' should also be evidentially admissible and capable of certification in accordance with relevant Scottish legislation

POL00028118

Requirement	**830**	Release No	spr 10
Programme Grouping	General	**Subject Heading**	General Security

Requirement Description:
Contingency

The CONTRACTOR must describe the contingency arrangements that will be used to ensure continuity of service to the AUTHORITIES. The arrangements must consider the impact of failures affecting the AUTHORITIES' other systems that connect to the contractor's services.

Clarification:

The following clarification is provided in relation to this requirement:

Contingency Plans:

1. The CONTRACTOR will ensure that all services are supported by Contingency Plans including Fallback Transactions that will minimise or negate the impact of failure in any part of the services.

2. The CONTRACTOR will ensure that the Contingency Plans for each service are compatible with an overall Service Continuity framework.

3. The Contingency Plans will be based on Impact and Risk Assessments agreed between the CONTRACTOR and the AUTHORITIES

4. Ownership of all contingency actions will be identified.

5. The Contingency Plans will include activation procedures and time periods within which the contingency measures will be activated.

6. The Contingency Plans will include a testing strategy with two distinct parts:

POL00028118

6.1 Initial testing on implementation and deployment
6.2 Regular testing

7. The Contingency Plans will include without limitation the following:

7.1 Prevention measures
7.2 Preparedness measures
7.3 Contingency measures
7.4 Recovery of normal service
7.5 Change control procedures
7.6 Contact lists
7.7 Service levels - the CONTRACTOR will be liable as per Service level agreements

8. The Contingency Plans will be subject to joint review by the CONTRACTOR and AUTHORITIES

POL00028118

Requirement	**831**	Release No	spr 10
Programme Grouping	End to End Service	**Subject Heading**	Interfaces Integration of services

Requirement Description:
POCL INTERFACES

The CONTRACTOR will support the interfaces between POCL systems and Service components as defined in the POCL Interfaces document which is maintained under change control by POCL. These will include:

1. Inventory Management (IM) system interfaces to/from Outlets via TMS

2. Transaction Information Processing (TIP) system interfaces to/from TMS and Outlets

3. Interfaces between Outlets, TMS and POCL clients

4. TIP / TMS interface for authorisation data:
   - provide the capability for reconciliation between POCL and its clients by ensuring TIP receives a copy of all original authorisation data via TMS as agreed and specified on an individual client basis by POCL.

The POCL interfaces document is intended to cover: data content in logical groupings, physical layouts, controls (including security), timings, volumes, technical interface specifications (initially options and constraints), configuration management and contingency arrangements

A draft version of this document is made available to show current POCL thinking.

The POCL interfaces document does not cover further potential interfaces in respect of:

- EFTPOS
- benefit receipt / declaration storage facilities

POL00028118

- reconciliation and exception reporting
- operational management information
- performance monitoring
- inspection of transaction and event logs for audit and security purposes
- transitional arrangements in relation to the automated payments / ALPS host
- transitional arrangements in relation to 'cash account processing'

The detailed format of all interfaces must be agreed with POCL.

The specification details will be subject to refinement while the TIP and IM systems in particular are being defined.

POL00028118

Requirement	832	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Process - development

Requirement Description:
EPOSS Business Processes

The overall business processes following the automation of transaction processing at the counter are to ensure that:

- the capture of data at the Outlet is complete, accurate and robust e.g. a unique reference per transaction;

- any transfer of data is secure, complete, accurate and robust;

- whether on line or off line the service must be capable of validating transactions by format and value;

- in the event of fraud it can be proved that the service was operating without defect;

- for specific transactions receipts are automatically generated for customers and a copy retained in the Outlet to allow recovery or problem resolution;

- accountability for cash, stock and any supporting documentation is maintained by Outlet and user where appropriate;

- the method of payment is recorded at the point of sale;

- the access control system allows segregation of responsibilities and a log of users and the functions to which they have access must be available to Outlet managers;

POL00028118

- a back up of all transactions is taken each day;

- operator and device are uniquely identified within each Outlet;

- data should undergo a balancing procedure to enable a final review and authorisation;

- all transactions are collected using a secure method at the earliest opportunity;

- transactions not collected from previous days are clearly identifiable;

- all transactions can be reconciled to an appropriate supporting voucher and
  where necessary these vouchers are to be available for central validation
  of amounts collected;

- maintain an up to date record of cash and stock on hand for audit purposes
  and be capable of reporting current balances;

- all transfers to and from other Outlets and between staff are clearly recorded;

- all specified summaries are produced automatically when required and
  all transactions are included since the last summary was completed;

- items posted to suspense accounts can be identified for future investigation;

- information to show compliance with the relevant legislation, e.g. Health
  and Safety, Data Protection Act, Companies Act;

- an Outlet must be able to continue operating and to maintain an audit trail in
  the event of system failure.

POL00028118

Requirement	**833**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Training

Requirement Description:
EPOSS - Training Mode

EPOSS should provide a training mode to allow familiarisation with the package and must operate in such a way as to preclude any corruption of live data.

POL00028118

Requirement	**834**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
Transitional / Contingency Arrangements

The service provider must ensure that adequate contingency arrangements are available for all Outlets both during and after roll-out.

Due consideration needs to be given to the implementation plan for parent and satellite offices.

To provide adequate contingency cover during and after roll-out, each automated Outlet must be capable of producing plain summaries to a format agreed with POCL.

The outlet platform at every office must be capable of printing a 2 dimensional bar-code on any plain paper summary.

POL00028118

Requirement	835	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Systems - design

Requirement Description:
EPOSS Related

Benefits encashment and other automated transactions must be integrated with the transaction recording elements of EPOSS such that:

- there is no necessity to seperately notify the EPOSS system of the transaction;
- there is a single transaction record created and stored locally to provide the basis for office summarisation and balancing and transaction level data transfer;
- transaction records created and stored locally must be entirely consistant with any data transferred at the time of the transaction to PAS or other systems;
- transaction times are kept to a minimum.

EPOSS must be capable of providing summaries of any type of transaction for comparison with physical records contained within the office. For example the system must be able to:

- summarise the quantity of tax discs on hand;
- summarise the quantity of milk tokens on hand;
- list and total cheques accepted by value;
- list and total benefits transactions made via BES for comparison against physical records (office copy of receipts).

As transactions become automated the relevant summaries should be enhanced to include details of items issued/on hand, by individual serial number.

POL00028118

Requirement	836	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - development

Requirement Description:
Service Development

PostShops are equipped with EPOSS terminal - CRISP (Counters Retail Information Systems in PostShops) which is a stand alone system, but POCL would be interested in integration options.

Where an Agent of the Post Office may in future use the counter infrastructure (e.g. EPOS) for his own business, it will be necessary to identify the transactions seperately from Post Office work, in particular for financial accounting.

Automation of transaction processing at the counter - the following information must be captured:

- value of each transaction
- volumes of transactions
- a unique code for each product so that detailed information can be made available across all Clients (e.g. breakdown by denomination of Royal Mail stamps sold)
- source (e.g. outlet , clerk and till idntification)
- client reference and Client scheme or product reference for each transaction
- customer identification and details (e.g. for transactions involving cheques, passports, motor tax discs)
- method of payment
- date and time of the transaction.

The counter application will require the ability to add further applications to the service. Service Providers should be willing to integrate and operate these via the service agreeement, provided that there are no valid technical reasons that preclude their inclusion in the service.

POL00028118

POL00028118

Requirement	837	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS Reporting

EPOSS must support the production of a variety of reports in pre-defined formats as:

- transaction level reports by stock unit for Clients using pre-printed cut sheets (client stationery);
- transaction level reports by stock unit for Clients printed on plain paper;
- reports on the current level of value stock products at stock item level;
- reports on transaction volumes and values;
- cash account reports;
- reconciliation reports for non-value stock items e.g. Milk Tokens, Tax Discs;
- reports on transfers of cash and value stock;
- ad-hoc reports for management information purposes.

Reports can be produced at the users discretion, subject to POCL and Client rules on frequency of despatch and designed accounting periods. Client reports are produed on a daily or weekly basis. Where operationally appropriate, several weekly reports may be produced during an accounting period.

POL00028118

Requirement	838	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Management information

Requirement Description:
EPOSS - General

EPOSS must have the facility to allow input of transaction related data after the event for items required for management information purposes, e.g. for Clients, Agents pay, which does not impact on the Outlet balance e.g. non value items, value recorded for information only.

EPOSS must also support the input of data for local schemes where the value is not recorded for accounting purposes but the volume is.

POL00028118

Requirement	839	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service - design

Requirement Description:
EPOSS Retail Functionality

EPOSS must provide the point of sale retail functionality in use in PostShops.
This includes, but is not restricted to:

- till functionality;
- discounting;
- coupon management;
- multibuys;
- promotions;
- marketing;
- reporting.

POL00028118

Requirement	**840**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
The Benefits Encashment Service must support the facility to check the validity of a card and to verify the identity of the customer presenting the card.

POL00028118

Requirement	**841**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
A signature is required to confirm receipt of benefit and entitlement, verification of an Authorised Person will only be required once per visit.

POL00028118

Requirement	**842**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will operate the Cardholder Verification Methods as required to enable the identity of an authorised person to be verified. [e.g. if the POCL clerk is suspicious.]

POL00028118

Requirement	**843**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will prompt the counter clerk to impound the Card when necessary, eg on instructions from PAS in line with the contractors proposals to be agreed with the contacting authorities.

POL00028118

Requirement	**844**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will present relevant payment information to enable the customer to encash their entitlements as instructed by PAS.

POL00028118

Requirement	**845**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will allow the POCL clerk to terminate the transaction before the encashment procedure is complete, if the authorised person so requests, and subject to appropriate security standards.

POL00028118

Requirement	**846**	Release No	spr 19
Programme	POCL	**Subject**	POCL Applications
Grouping	Applications	**Heading**	(BES) Service - design

Requirement Description:
BES will forward confirmation of every encashment of authorised benefits to PAS and TIP via TMS.

POL00028118

Requirement	**847**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
At the end of the transaction BES will prompt the POCL clerk to confirm the transaction has been completed successfully including the retention of the signed top copy of the receipt and issuing a copy to the authorised person.

POL00028118

Requirement	**848**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will enable customer to encash their benefit entitlement when due.

POL00028118

Requirement	**849**	Release No	spr 10
Programme	POCL	**Subject**	POCL Applications
Grouping	Applications	**Heading**	(BES) Service - design

Requirement Description:
BES will enable customers to receive payments away from their Nominated Post Office in accordance with guidelines laid down by the contracting authorities [currently proposed as (2 in a 26) week period] and must be adaptable to meet any changes to those.
Foreign encashments must be limited to (x) in a rolling (y) week period (where (x) and (y) are parameters to be provided by the Contracting Authority, initially (x) = 2 and (y) = 26).

POL00028118

Requirement	**850**	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will facilitate the batching, filing and dispatch of signed receipts, plus any associated froms, within POCL locations.

POL00028118

Requirement	**851**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
The encashment information provided to PAS from the outlet must be identical to the information recorded on the outlet transaction file.

POL00028118

Requirement	**852**	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
Back up systems will be in place to ensure continued payments of benefits on failure, for any reason, of all or any elements of BES.

POL00028118

Requirement	853	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
Auditable recovery of benefit data will be provided in the event of a failure of a service used by BES [e.g. OPS].

POL00028118

Requirement	**854**	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
Arithmetic checks should be made by BES to ensure that the sum of the individual encashment amounts equal the total encashment figure.

POL00028118

Requirement	855	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Security

Requirement Description:
The PO clerk must not be able to manipulate data to and from PAS. E.g. the authorised amount due for each individual benefit.

POL00028118

Requirement	**856**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
Systems and procedures will be in place to allow encashment to proceed if a Card Read Failure occurs.

POL00028118

Requirement	**857**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Interface with PAS

Requirement Description:
Requests for confirmation of a benefit transaction from the outlet to PAS must include data specified by the AUTHORITIES.

POL00028118

Requirement	**858**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Interface with PAS

Requirement Description:
BES will have the facility to advise the POCL clerk with a message in the event of an attempted foreign encashment in accordance with information from PAS. It will not identify the Nominated Post Office to them.

POL00028118

Requirement	**859**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Interface with PAS

Requirement Description:
Encashment details from the outlet to PAS must include data specified by the Contracting Authorities.

POL00028118

Requirement	860	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Supporting services

Requirement Description:
Help desk facilities will be available.

POL00028118

Requirement	**861**	Release No	spr 19
Programme	POCL	**Subject**	POCL Applications
Grouping	Applications	**Heading**	(BES) Service - design

Requirement Description:
BES will enable an Alternative Payee arrangement to operate where specified by the DSS.

POL00028118

Requirement	**862**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
If no payment is due BES will prompt the POCL clerk to return the Card to the Authorised Person and in cases of dispute or enquiry advise them to contact their local Benefit Office

POL00028118

Requirement	863	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES can only be accessed by a genuine and valid Benefit Payment Card or genuine and valid Temporary Token.

POL00028118

Requirement	**864**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Interface with PAS

Requirement Description:
BES will only permit encashment in-line with authorised payment details from PAS.

POL00028118

Requirement	865	Release No	spr 10
Programme	POCL	**Subject**	POCL Applications
Grouping	Applications	**Heading**	(BES) Service - design

Requirement Description:
BES will enable benefits to be encashed on behalf of authorised customers by:- casual agents; permanent agents; appointees.

POL00028118

Requirement	**866**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Interface with PAS

Requirement Description:
BES will identify customers requiring milk /other tokens, from the information provided by PAS, specify the number to be issued and enable the issue of tokens to be recorded via EPOS.

POL00028118

Requirement	867	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will allow customers to make changes to their nominated Post Office.

POL00028118

Requirement	**868**	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Customer interface

Requirement Description:
Customer enquiries in post offices about the Benefit Payment Service should be minimised i.e. BES should be designed in a flexible way so as changes can be readily made to reduce the number of enquiries.

POL00028118

Requirement	**869**	Release No	spr 10
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (SLA) Service levels

Requirement Description:

Transaction Monitoring System (TMS) service levels.

1. BA/POCL are not concerned with the performance of individual sub-systems per se. The primary concern is with the overall performance of the service as it impacts upon the their own systems, clients, staff, agents and customers. Targets for the level of internal performance between Service Provider's sub-systems will therefore not be set by BA/POCL. However internal sub-system performance will be judged by BA/POCL as it affects overall service performance.

2. Service Providers must specify the internal performance requirements of any sub-system that potentially may be re-tendered. Service providers will therefore need to maintain and report actual measured performance for TMS as it interfaces to other subsystems.

3. For the TMS Service Providers must specify the performance requirements and tolerances for:

3.1 hours of operation of TMS

3.2 response time required between TMS and

3.2.1 PAS

3.2.2 CMS

3.2.3 OPS

3.2 the number of outages of TMS, identifying types of outages monitored

3.3 the availability of TMS

4. Service Providers must report against all performance requirements identified in section 3 above.

5.Service Providers must maintain detailed technical documentation of the interfaces from TMS to PAS, CMS, OPS and all attachable computer systems. In the event of changes to any interface to TMS, this must be notified to and agreed with BA/POCL in advance, with updates to the technical documentation being provided within 10 working days of the change being implemented.

POL00028118

Requirement	**870**	Release No	spr 10
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Service levels

Requirement Description:
EPOSS - transaction times .

1. The EPOSS system must not slow down the activity of the counter clerk in serving customers and as such each transaction in EPOSS must be designed to minimise the number of key depressions (or other clerk interaction with peripheral devices). In all cases the system response to any peripheral input must be instantaneous.

2. Summarisation and balancing activities, including processing and printing, must be optimised and avoid re-processing when data is changed during accounting.

3. The supplier must identify technical measures which will relate to the transaction times identified in sections 1and 2 above and monitor these measures and report against them. The measures must be capable of identifying trends in transaction times and in identifying specific outlets where transaction times are significantly better or worse than the average.

4. For each outlet where the overall transaction times are more than 10% greater than the average the supplier must agree a remedy with BA/POCL.

POL00028118

Requirement	871	Release No	spr 10
Programme	POCL	**Subject**	POCL Applications
Grouping	Applications	**Heading**	(SLA) Service levels

Requirement Description:
EPOSS - general service levels .

1. EPOSS must be implemented such that the version of any reference data being referenced from outlets has been updated with the latest version of reference data. The version of the reference data is fully updated once all updates have been applied. If one days worth of updates have not been applied then the version is deemed 1 day behind and so on.

On any business day:
95 % of outlets must be referencing a version which is fully updated
99% of outlets must be referencing a version which is no more than 1 day behind.
100% of outlets must be referencing a version which is no more than 2 days behind.

2. Transaction data must normally be forwarded to POCL central systems (e.g. TIP) soon after the completion of the business day on which the transaction occurred as part of a batch transmission. Transaction data not available for the next batch transmission must be include in a subsequent transmission.

Data which is included in the first batch transmission to take place after the time of the transaction is deemed to be in the first batch transmission and so on.

Transaction data from the outlets must reach the POCL central computer system(s) as follows:-

the data from 90% of outlets must reach within the first batch transmission
the data from 98% of outlets must reach within the first or second batch transmissions
the data from 100% of outlets must reach within the first, second or third batch transmissions

POL00028118

3. Batch transmission times will be agreed for each POCL central system, but will not be scheduled to complete before 04.30. For each system primary and secondary transmission windows will be agreed.

For each client
99% of all transmissions must complete within the primary transmission window
100% of all transmissions must complete within the primary or secondary transmission window.

POL00028118

Requirement	872	Release No	spr 11
Programme Grouping	General	**Subject Heading**	General Security

Requirement Description:
Nationally Sensitive Cases

Cases marked as Nationally Sensitive must be handled in accordance with the current version of the DSS IT Security Standards.

POL00028118

Requirement	873	Release No	spr 11
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Flexibility - services

Requirement Description:
BES must be flexible and, without impinging the agreed service and security levels, the designed solution must be capable of introducing and supporting outpayment services for other Post Office Counters clients.

POL00028118

Requirement	**874**	Release No	spr 11
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
When a terminated card is presented, BES will prompt the counter clerk to take appropriate action.

POL00028118

Requirement	**875**	Release No	spr 11
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will prompt the counter clerk to impound the temporary token when necessary, e.g. on instruction from PAS in line with the contractors proposals to be agreed with the contracting authorities.

POL00028118

Requirement	**876**	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Flexibility - services

Requirement Description:
BES should be flexible and provide the facility to support the encashment of new benefits or changes to existing benefits with the minimum disruption and cost.

POL00028118

Requirement	**877**	Release No	spr 11
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES must provide, or be linked to, a token management system which is capable of being used for Benefit or other POCL clients and which will allow card receipt and card issue to be managed effectively.

POL00028118

Requirement	**877**	Release No	spr 11
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES must provide, or be linked to, a token management system which is capable of being used for Benefit or other POCL clients and which will allow card receipt and card issue to be managed effectively.

POL00028118

Requirement	**878**	Release No	spr 11
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Integration of services

Requirement Description:
Benefits encashment transactions must be integrated with the transaction recording elements of EPOSS. (See Requirement No 835).

POL00028118

Requirement	**879**	Release No	spr 11
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
All foreign encashments must be identified as such in the single transaction file.

POL00028118

Requirement	**880**	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
Transaction data from the outlet to TIP (via TMS) must be as specified by the Contracting Authority. (See Requirement No 831)

POL00028118

Requirement	**881**	Release No	spr 11
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES must be capable of producing a nil receipt on request (no benefit due).

POL00028118

Requirement	**882**	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
In addition to producing a single declaration for signature by the customer and retention in the Post Office, BES must be capable of producing a legible receipt for each encashment, to satisfy customer requests, notwithstanding any equipment failure.

POL00028118

Requirement	**885**	Release No	spr 11
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (SLA) Service levels

Requirement Description:
Payment Authorisation Service (PAS) internal service levels.

1. BA/POCL are not concerned with the performance of individual sub-systems per se. The primary concern is with the overall performance of the service as it impacts upon the their own systems, clients, staff, agents and customers. Targets for the level of internal performance between Service Provider's sub-systems will therefore not be set by BA/POCL. However internal sub-system performance will be judged by BA/POCL as it affects overall service performance.
2. Service Providers must specify the internal performance requirements of any sub-system that potentially may be re-tendered. Service providers will therefore need to maintain and report actual measured performance for PAS as it interfaces to other subsystems.
3. For the PAS Service Providers must specify the performance requirements and tolerances for:
3.1 hours of operation and function provided by PAS in support of other internal subsystems.
3.2 response time required between PAS and
3.2.1 TMS
3.2.2 CMS
3.2 the number of outages of PAS, identifying types of outages monitored
3.3 the availability of PAS
4. Service Providers must report against all performance requirements identified in section 3 above.

POL00028118

Requirement	**887**	Release No	spr 11
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (SLA) Service levels

Requirement Description:
Card Management Service (CMS) internal service levels.

1. BA/POCL are not concerned with the performance of individual sub-systems per se. The primary concern is with the overall performance of the service as it impacts upon the their own systems, clients, staff, agents and customers. Targets for the level of internal performance between Service Provider's sub-systems will therefore not be set by BA/POCL. However internal sub-system performance will be judged by BA/POCL as it affects overall service performance.
2. Service Providers must specify the internal performance requirements of any sub-system that potentially may be re-tendered. Service providers will therefore need to maintain and report actual measured performance for CMS as it interfaces to other subsystems.
3. For the CMS Service Providers must specify the performance requirements and tolerances for:
3.1 hours of operation and function provided by CMS in support of other internal subsystems.
3.2 response time required between CMS and
3.2.1 TMS
3.2.2 PAS
3.2 the number of outages of CMS identifying types of outages monitored
3.3 the availability of CMS
4. Service Providers must report against all performance requirements identified in section 3 above.

POL00028118

Requirement	888	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (SLA) Service levels

Requirement Description:
PAS Helpdesk - service levels.

1. INTRODUCTION
This paper documents the key help desk service requirements for the Payment Authorisation System.

2. HELP DESK SERVICE
2.1 General
The CONTRACTOR will provide a help desk service which will act as the first point of contact for customers of the service. The Customers are DSS staff. The CONTRACTOR's help desk service will provide 1st and 2nd level services. The help desk must respond to calls within 10 seconds.

2.2 1st Level Service
The CONTRACTOR's 1st level service will provide an immediate problem and query solving service for all simple and straightforward cases, which can be resolved within 5 minutes. The 1st level member who takes the call owns the problem/query from initial logging through to resolution to the customers satisfaction. The CONTRACTOR must cater for 1st level members being off duty.

Help desk contact will be over the telephone.

2.3 2nd Level Service
The CONTRACTOR's 2nd level service will provide answers to more complex queries which cannot be answered within 5 minutes by the 1st level service, but which can be resolved within 30 minutes.

Calls will be referred electronically from the 1st level service to the 2nd level service. 2nd level staff will have access to a prioritised list of outstanding queries, and all the details on the query entered by 1st level staff. Query answering at 2nd level will be over the

POL00028118

telephone.

2.4 Hours of Service
The CONTRACTOR will provide a continuous help desk service as specified below:
1st Level - 08:00-18:00
2nd Level - 08:00-18:00

The CONTRACTOR, given 2 working days notice, will extend the 2nd level service to whatever is needed. In emergency circumstances, the CONTRACTOR will, given 5 hours notice, provide a 2nd level service outside normal hours.

2.5 Problem and Query Management
The CONTRACTOR will provide a problem/query management system to record the problem/query details such as:
unique problem/query serial reference, generated automatically by the problem/query management system
customer reference, contact, address, location and telephone number
help desk contact
description of the problem/query, including frequency of occurrence
serial references of similar faults and previous occurrences
problem/query category
estimated elapsed time to solve problem/query
any change of referral point
date and time of referral

The CONTRACTOR will update the problem/query management system with the following information, as appropriate:
date and time of update
help desk contact updating record
textual description of the work done, or the fact that the problem/query had to be referred, elsewhere and who has taken it on
date and time problem/query was cleared
date and time the solution was accepted by the customer
actual elapsed time to solve problem/query.

The CONTRACTOR will manage the resolution of any problem using documented procedures agreed with the AUTHORITIES. These procedures must be comprehensive in that they cover all aspects of problem resolution from initial logging

POL00028118

through to closure. Escalation procedures must be included. A problem/query can only be cleared when a customer has confirmed satisfaction with the resolution.

2.6 Resilience

The CONTRACTOR is responsible for ensuring that a contingency plan is in place to cater with any help desk incident, e.g. loss of staff, loss of telephone system, loss of problem/configuration management systems. The contingency plan is to be agreed with the AUTHORITIES and must state how quickly the service will be restored in the event of an incident.

2.7 Training

The CONTRACTOR will provide any necessary training to ensure AUTHORITIES staff work effectively with the help desk. The CONTRACTOR will develop training plans for its own staff.

2.8 Personnel

The CONTRACTOR will ensure that all staff have suitable and appropriate skills and training and that sufficient skilled resources are available to cater for holidays, sickness and natural wastage within the CONTRACTOR's organisation.

The CONTRACTOR will resolve at least 95% of calls assigned to level 2 within 30 minutes. The CONTRACTOR will resolve 100% of calls assigned to level 2 within 45 minutes.

The percentage of 'calls not answered' will be less than 1%. This includes calls where the line is busy as well as calls answered but put on the 'waiting queue'.

3. Service Monitoring

The CONTRACTOR will produce service information, in electronic form, and will deliver this information to the AUTHORITIES within 5 working days of the end of the period to which they relate. The following is an example of the information required:

number of calls outgoing/received/number of calls not answered

% of calls answered within target times

number of problems/queries logged

number and % of problems/queries solved within target

POL00028118

times
number of problems/queries assigned to level 1 that were not cleared within 10 minutes
number of problems/queries with secondary complications (e.g. repeat calls)
number of problems/queries escalated
% of time full help desk was available

The AUTHORITIES may wish to analyse the information by:
category of problem/query
level and solving group at which the problem/query was solved
customer group and location
mean time to clear.

The CONTRACTOR will maintain help desk records for a minimum of 18 months.
Each quarter a survey will be conducted by the AUTHORITIES to determine user satisfaction with the help desk. The AUTHORITIES and CONTRACTOR will agree the approach to be taken and the format/content of the questionnaire.

The CONTRACTOR will, on request, provide on-line access to the problem Management System. The AUTHORITIES will inform the CONTRACTOR of who is authorised to access the system. The CONTRACTOR will provide ad-hoc reports, as requested by the authorised representatives of the AUTHORITIES, within three working days.

POL00028118

Requirement	889	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (SLA) Service levels

Requirement Description:
CMS Helpdesk - service levels.

1. INTRODUCTION
This paper documents the key help desk service requirements for the Card Management Service.

2. HELP DESK SERVICE
2.1 General
The CONTRACTOR will provide a Card Management help desk service which will act as the first point of contact for customers of the service. Customers include both Benefits Agency staff and members of the public. The CONTRACTOR's help desk service will provide 1st and 2nd level services. The help desk must respond to calls within 10 seconds.

2.2 1st Level Service
The CONTRACTOR's 1st level service will provide an immediate problem and query solving service for all simple and straightforward cases, which can be resolved within 5 minutes. The 1st level member who takes the call owns the problem/query from initial logging through to resolution to the customers satisfaction. The CONTRACTOR must cater for 1st level members being off duty.

Help desk contact will be over the telephone.

2.3 2nd Level Service
The CONTRACTOR's 2nd level service will provide answers to more complex queries which cannot be answered within 5 minutes by the 1st level service, but which can be resolved within 30 minutes.

Calls will be referred electronically from the 1st level service to the 2nd level service. 2nd level staff will have access to a prioritised list of outstanding queries, and all the details on the query entered by 1st level

POL00028118

staff. Query answering at 2nd level will be over the telephone.

2.4 Hours of Service
The CONTRACTOR will provide a continuous help desk service as specified below:
1st Level - 24 hours a day, 7 days a week; all year round (Xmas day excepted)
2nd Level - 08:00-18:00

The CONTRACTOR, given 2 working days notice, will extend the 2nd level service to whatever is needed. In emergency circumstances, the CONTRACTOR will, given 5 hours notice, provide a 2nd level service outside normal hours.

2.5 Problem and Query Management
The CONTRACTOR will provide a problem/query management system to record the problem/query details such as:
- unique problem/query serial reference, generated automatically by the problem/query management system
- customer reference, contact, address, location and telephone number
- help desk contact
- description of the problem/query, including frequency of occurrence
- serial references of similar faults and previous occurrences
- problem/query category
- estimated elapsed time to solve problem/query
- any change of referral point
- date and time of referral

The CONTRACTOR will update the problem/query management system with the following information, as appropriate:
- date and time of update
- help desk contact updating record
- textual description of the work done, or the fact that the problem/query had to be referred, elsewhere and who has taken it on
- date and time problem/query was cleared
- date and time the solution was accepted by the customer
- actual elapsed time to solve problem/query.

The CONTRACTOR will manage the resolution of any problem

POL00028118

using documented procedures agreed with the AUTHORITIES. These procedures must be comprehensive in that they cover all aspects of problem resolution from initial logging through to closure. Escalation procedures must be included. A problem/query can only be cleared when a customer has confirmed satisfaction with the resolution.

2.6 Resilience

The CONTRACTOR is responsible for ensuring that a contingency plan is in place to cater with any help desk incident, e.g. loss of staff, loss of telephone system, loss of problem/configuration management systems. . The contingency plan is to be agreed with the AUTHORITIES and must state how quickly the service will be restored in the event of an incident.

2.7 Training

The CONTRACTOR will provide any necessary training to ensure AUTHORITIES staff work effectively with the help desk. The CONTRACTOR will develop training plans for its own staff.

2.8 Personnel

The CONTRACTOR will ensure that all staff have suitable and appropriate skills and training and that sufficient skilled resources are available to cater for holidays, sickness and natural wastage within the CONTRACTOR's organisation.

3. Service Monitoring

The CONTRACTOR will produce service information, in electronic form, and will deliver this information to the AUTHORITIES within 5 working days of the end of the period to which they relate. The following is an example of the information required:

number of calls outgoing/received/number of calls not answered

% of calls answered within target times

number of problems/queries logged

number and % of problems/queries solved within target times

number of problems/queries assigned to level 1 that were not cleared within 10 minutes

number of problems/queries with secondary complications (e.g. repeat calls)

POL00028118

number of problems/queries escalated
% of time full help desk was available

The AUTHORITIES may wish to analyse the information by:
category of problem/query
level and solving group at which the problem/query was solved
customer group and location
mean time to clear.

The CONTRACTOR will maintain help desk records for a minimum of 18 months.
Each quarter a survey will be conducted by the AUTHORITIES to determine user satisfaction with the help desk. The AUTHORITIES and CONTRACTOR will agree the approach to be taken and the format/content of the questionnaire.

The CONTRACTOR will, on request, provide on-line access to the problem Management System. The AUTHORITIES will inform the CONTRACTOR of who is authorised to access the system. The CONTRACTOR will provide ad-hoc reports, as requested by the authorised representatives of the AUTHORITIES, within three working days.

POL00028118

Requirement	**890**	Release No	spr 11
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (APS) Service levels

Requirement Description:
APS Reconciliation.

The CONTRACTOR shall ensure and demonstrate that all committed transactions have successfully passed from the Outlets through POCL and Clients.

The CONTRACTOR shall enable at least one point in the day when all transactions to be sent to a Client are in step with those to be sent to POCL.

POL00028118

Requirement	**891**	Release No	spr 15
Programme Grouping	End to End Service	**Subject Heading**	Shared Services Accounting & reconciliation

Requirement Description:
RECONCILIATION REQUIREMENTS

a) General Requirements

Ensure that all captured data is complete and accurately reflected in the appropriate outward interfaces:
- this applies to transaction data of all types and modes (including normal working, fall-back and recovery, and to normal usage, amendment, reversal, and so forth) and to stock and money levels;
- and reference data changes, both local and as received from the AUTHORITY:
  * DSS in respect of reference data for PAS and CMS;
  * otherwise from POCL's TIP system except for any specific transient arrangements;
    e.g. OBCS Stop Lists;
- apply equally at all levels and across service components:
  * e.g. ensure that data captured in EPOSS is accurately reflected in TMS interfaces.

Synchronise data flows and storage:
- monitor data transfers and account for data brought forward, received, passed on and carried forward;
- monitor data transfers and account for data, across interfaces and Service components;
- for example, EPOSS transaction data collected by TMS and passed to TIP:
- where a single datastream is "switched" to more than one recipient: reconcile any timing differences between transfers; account for any differences in processing or accounting cycles of the recipients of related flows; and provide information to each recipient to enable them to reconcile with the other recipients of related data.
  * for example, POCL needs (at least) daily volume and value totals of APS transactions sent to its

POL00028118

Clients by Client/batch-transfer, optionally sub-totalled by Client/Service, in order to reconcile with each Client.

Ensure that data is consistent between the levels where transaction or stock and money level data is held, maintained or transferred at more than one level:

* for example, transaction data and summaries of it.

Perform daily operational cut-over reconciliations for any on-line interfaces with external systems:

* for example, between TMS and any EFTPOS merchant acquirer.

Report reconciliation results to the relevant AUTHORITIES, including any discrepancies and any doubtful items, and reporting progress on resolution of outstanding items:

- for interfaces between service components and AUTHORITIES:
- for external interfaces (to enable them to maintain their commercial relationships);
- between service components (to inform / assure the AUTHORITIES on status).

Apply appropriate integrity controls at all interfaces and provide information demonstrating integrity;

- agree protocols and controls with the relevant AUTHORITY for each interface.

Control the implementation of configuration changes, including changes to reference data:

- check and report the implementation of changes against instruction;
- maintain the integrity of other reconciliation processes across configuration changes;
  * demonstrate the capability to do this, e.g. in testing.

Meet all reconciliation requirements in contingency situations as well as normal working.

Targets for all reconciliation requirements are:

- full reconciliation with 100% of items demonstrably accounted for;

POL00028118

- provision of the ability to reconcile by agreed processes at detailed level, for example at transaction level for transaction data;
- any differences, doubtful items or errors to be resolved by the CONTRACTOR;
- reconciliation reports and identification of doubtful items and errors to be delivered to the relevant AUTHORITIES by 9 a.m. of the following day;
- the CONTRACTOR is expected to make all reasonable endeavours to resolve any doubtful items and errors promptly.

b) Post Office Outlet Reconciliation Requirements

Stock and money levels must be reconciled with Transaction data:

- by Customer session, at Outlet level and, where offices are so organised, by Stock Unit;
  * session, stock unit and office balancing are defined in EPOSS requirements:
  * note that stock and money movements between offices will be reconciled by the POCL Inventory Management System using data provided to it from EPOSS via TMS.

Office accounting information must reconcile, taking account of stock and money brought forward, carried forward, transaction data and local suspense items - details defined in EPOSS requirements:

- this must be sustained in fall-back and during recovery after any failures.

The above requirements must be satisfied effectively instantly:

* e.g. stock levels must be adjusted as sales from stock are recorded.

c) BPS Reconciliation Requirements

Apply BPS reconciliation to any tokens by type of token as well as to monetary amounts:

* for example, milk tokens.

POL00028118

Identify and resolve any differences between entitlements passed by CAPS to PAS and encashments as received by PAS, on an individual item basis (by "Authorised Payment Id" supplied by CAPS):

- take account of both:
  * amounts encashed as notified via TMS in normal circumstances;
  * any adjustments raised directly by the CONTRACTOR to resolve errors or due to maintenance activities (e.g. removal of time-expired items);
- inform CAPS of actual payment amounts encashed where there are any unresolved errors, (by "Authorised Payment Id"):
  * note that CAPS needs to know what payments have been made (rightly or wrongly) so that DSS staff can deal properly with Beneficiaries.

Reconcile payment amounts authorised to Offices by PAS via TMS against amounts encashed as advised by Offices via TMS to PAS:

- notify both DSS and POCL of any adjustments to PAS made resolving errors:
- means of processing CONTRACTOR's corrections must be agreed with the AUTHORITIES:
  * it may be necessary or desirable to pass some through service components and / or to agree timing or provide cross references, and so forth;
  * it will be necessary to agree the notification channels for different cases, e.g. what should be notified to POCL via TIP.

Provide a common basis for settlement between the AUTHORITIES

- ensure that the "amounts encashed as received by PAS via TMS" are reflected unchanged in the EPOSS transaction records as delivered to TIP via TMS;
  * any data recovered from other records, e.g. receipts, must be verified against PAS (or recovered from PAS on entry of the authorisation reference from the record);
- this may include identification and resolution of any differences by individual item (i.e. by "Authorised Payment Id" as supplied by CAPS).

POL00028118

- synchronise the CAPS, PAS and TIP streams to agreed settlement process dead-lines;
- report and agree the 'unencashed balance' by Agency code within CAPS and PAS by value and number of transactions, accounting for:
  * Authorised Payments due
  * payments encashed
  * items in transit
  * items under investigation for the defined settlement period (at least daily);
- produce a daily statement of the agreed (ie between CAPS and PAS) encashments, by encashment date, for both AUTHORITIES.

Ensure any archived transaction-related documentary evidence (e.g. receipts) is held so as to facilitate its retrieval:

- ensure the accuracy and completeness of the records, as defined by the automated data streams;
- demonstrate a capability to retrieve 99.99% of signed receipts on request within 5 days.

**Note that it may be necessary, for practical purposes, to use NINO and Authorised Payment Id (as defined by CAPS) for references rather than just Authorised Payment ID because of the data organisation in CAPS, despite the logical independence of Authorised Payment Id.

d) TMS Reconciliation Requirements

Provide operational control reports on operations, including polling and any loss of communications with Offices or with other Service Components:

* to alert operational management to situations and / or events requiring its attention.

Apply controls on file and data transfers:

- at all technical levels and, using relevant counts and financial totals, at business levels;
  * note that POCL will rely on information provided via TMS interfaces to its TIP and IM systems for reconciliation and control of various Office business processes.

POL00028118

Ensure that information provided to POCL via TIP makes explicit what transaction data has been sent to its clients.

e) Card Management Reconciliation Requirements

Reconcile DSS card and management actions against instructions received from BA;

* details to be agreed depending on the proposed solution;
* applies both to normal cards and to any emergency payment tokens that may be used.

Any POCL role as a subcontractor in card management processes will be agreed separately between and POCL and the Service Provider, and any reconciliations required must be specified as part of that process.

f) Commercial Reconciliation Requirements

Provide information to enable reconciliation of services provided with charges made;

* for example, the Service Provider may need to account to BA for the number of cards both issued and active in order to agree charges.

Act, and be seen to be acting, as an agent for the relevant AUTHORITIES in reconciliations with other parties, and provide the necessary information for them to exert appropriate management control over operations performed on their behalf:

- undertake the operational aspects and take responsibilities as defined in the Contract;
- ensure that the commercial relationships between the AUTHORITIES and third parties are not compromised.

POL00028118

Requirement	893	Release No	spr 11
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Systems - design

Requirement Description:
INTERFACE DATA CO-ORDINATION

Ensure all transaction references (encashment identifiers and payment authorisation references) are consistent across all interfaces to enable efficient communication about particular items in reconciliation and settlement processes:

- the EPOSS transaction reference will be used as the Encashment Id passed to PAS from EPOSS and thence to CAPS:
  * if the encashment is more than one EPOSS transactions, indicate the range concerned (e.g. nnn...n03 to nnn...n24 could be nnn...n0324);

- include in the EPOSS transaction log and the transaction data sent to TIP:
  * the Authorised Payment Id passed by CAPS to PAS;
  * the NINO of the Beneficiary, as opposed to any agent;
    (helps DSS to look-up corresponding item in their systems)
  * the Agency code provided by CAPS;

- ensure that BES receipts contain the EPOSS transaction reference(s) or Encashment Id to enable traces to both DSS and POCL records (not necessarily easily recognisable to the public).

POL00028118

Requirement	**894**	Release No	spr 11
Programme Grouping	General	**Subject Heading**	General Management information

Requirement Description:
Management Information Requirement

POCL needs management information over and above that specified under accounting, reconciliation and settlement to enable it to manage the contract and manage the service provided as well as supporting general business requirements.

1. Service Provider to provide details of the type of information they believe POCL will require to manage the contract and service,
2. POCL to have the right to request and receive during the contract, and after, any information it believes it requires to manage its business, the contract, any service, and also to facilitate re-letting and hand-over of contract,
3. Service Provider to provide data to enable resource, network, productivity and cash management,
4. Service Provider to provide data to enable marketing planning.

This data to include:
* operational and "event" data will include things such as:
  - office, user and stock unit registration/deletion and mutual association,
  - log-on/off,
  - completion of summaries and returns/reports, roll-over to new balances and/or Outlet accounting periods,
  - polling events,
  - receipt/implementation of new issues of software/ reference data, local reference data updates,
  - equipment failure/repair/replacement, down-time, recovery time, file corruption etc.
* information to enable POCL to monitor/manage SLAs,
* exception reports.

POL00028118

MIS captured will need to be by Outlet, Outlet type, region and any other organisational structure.

POL00028118

Requirement	895	Release No	spr 11
Programme Grouping	General	**Subject Heading**	General Security

Requirement Description:
Irregular Encashment Patterns

The requirement is for the service to be capable of monitoring irregular encashments and reporting on irregular encashments. Information is to be shared immediately with POCL audit/Security/Operations when it relates to a post office. Examples are defined as:-

1 Non encashment of a means tested benefit for a period of (4 weeks);
2 Non encashment of a non means tested benefit for a period of (6 weeks);
3 Change of nominated P.O. and encashments for a period of (6 weeks), where there is no notification of change of address being received by CMS from CAPS.
4 High Risk transactions indicating a potential exposure to fraud e.g.:
-Foreign encashments;
-Casual agent encashment;
-Regular casual agent encashment (4 consecutive weeks);
-Multiple encashments (will depend on period of validity - to be defined);
-Any combination of the above;
5 Any encashment made or attempted where a stop is in operation;
6 Any encashment of a payment where a subsequent loss report is received;
7 Presentation of a non genuine card;
8 Apparent presentation of a duplicate card (both to be cancelled immediately);
9 Any attempted keyed transactions out of specified service hours;
10 Multiple keyed or telephone authorised transactions by clerk and outlet, where there is no report of service or equipment failure (contingency transactions at a level anything above the agreed service efficiency levels);
11 Any transactions at a non-live post office i.e. one

POL00028118

reported as temporarily out of commission;
12 Usage of duplicate clerk identification devices or numbers (note that both must be cancelled immediately).

Clarification:

The following clarification is provided in relation to the first paragraph of this requirement:

'reporting of irregular encashments' is required to the DSS.

POL00028118

Requirement	896	Release No	spr 12
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Documentation

Requirement Description:
POCL is keen to explore the benefits and advantages of using electronic communications in the user documentation area.

POL00028118

Requirement	897	Release No	spr 12
Programme Grouping	General	**Subject Heading**	General Security

Requirement Description:
BPS Security Standards

The CONTRACTOR's security objectives must be in conformance with the security objectives stated in the BPS Security Statement.

There must be an appropriate countermeasure to each threat identified in the security Statement.

Clarification:

The following clarification is provided in relation to the last paragraph of this requirement:

The 'security Statement' refers to the BPS Security Statement.

POL00028118

Requirement	**898**	Release No	spr 21
Programme Grouping	Order Book Control Service	**Subject Heading**	Order Book Control Service Service - design

Requirement Description:
Order Book Control Service (OBCS) - general requirements.

The Order Book Control Service must be quoted for as a separate service, which the AUTHORITIES may take up in nominated outlets, at the AUTHORITIES discretion, to be available when the platform rolls out.

1. OBCS must be implemented using TMS and OPS.

2. The implementation of OBCS must comply with the Style Guide.

3. Help Desk support must be available to all Users of OBCS.

4. OBCS must be available at every counter position in any automated outlet requiring the service during the normal opening hours of that outlet.

POL00028118

Requirement	899	Release No	spr 21
Programme Grouping	Order Book Control Service	**Subject Heading**	Order Book Control Service Service - design

Requirement Description:
Stop list maintenance.

The Order Book Control Service must be quoted for as a separate service, which the AUTHORITIES may take up in nominated outlets, at the AUTHORITIES discretion, to be available when the platform rolls out.

1. The CONTRACTOR must maintain a stop list recording details of order books which have been stopped, and against which no further payments are to made, and order books which have been recalled. In the case of recalled books orders may be paid for a number of days following receipt of the recall; the last allowable order date must be calculated within the OBCS service.

2. A communications link must be initiated between the DSS computer and the TMS 7 nights each week and a datafile containing stop list updates transferred. The stop list updates will include entries that are to be added and reference to those that are to be deleted. Notices not deleted by the DSS should be removed after an appropriate period and archived.

3. Stop list update files must be applied in the order in which they are delivered.

4. The maximum size of the stop list will be 1.5 million entries.

5. The maximum size of a stop list update will normally be 100,000 entries. In the event that an update of greater size is needed special arrangements will be made.

6. The minimum size of a stop list update will be 0 (zero) entries; in this case a file with an appropriate header and footer will be sent.

7. Details of the stop list update interface with the DSS

POL00028118

computer system are given in <document reference number>

POL00028118

Requirement	900	Release No	spr 21
Programme Grouping	Order Book Control Service	**Subject Heading**	Order Book Control Service Service - design

Requirement Description:
Order book processing - barcoded books.

The Order Book Control Service must be quoted for as a separate service, which the AUTHORITIES may take up in nominated outlets, at the AUTHORITIES discretion, to be available when the platform rolls out.

There must be a facility for dealing with barcoded order books presented for encashment of benefits at automated outlets requiring the service.

1. The barcode must be scanned, validated and checked against the stop list:-
   - when the order book is received at the outlet
   - when the order book is issued to a Beneficiary
   - when the order book is presented for payment.

2. Whenever the barcode on an order book is scanned the system must provide both a visual and an audible indication of the result of the scan. There must be a clear difference between the audible indication given for 'success or normal' and 'failure or exception'. There must be a clear distinction between the instructions to 'impound' and ' cash and impound'.

3. When an order book is received the barcode must be scanned, and checked against the stop list. The electronic record of the transaction must be transmitted to the DSS computer system within a datafile.

3.1 If the order book is on the stop list then the system must instruct the clerk to impound, hole punch the book and return it to the DSS.

3.2 The system must be capable of recording the re-direction of the order book to another outlet or its return to the DSS.

POL00028118

3.3 If there are three consecutive failures to read the barcode the system must prompt the clerk to enter the barcode information via the keyboard. Subsequently the system must instruct the clerk to hole punch the book and return it to the DSS. The system must record the book as unreadable.

3.4 The maximum number of order books received in an outlet on a business day is expected to be approximately 600.

4. When an order book is issued to the Beneficiary the barcode must be scanned, and checked against the stop list. The electronic record of the transaction must be transmitted to the DSS computer system within a datafile. The rules for making payments and order book retention are as for encashments below.

4.2 The maximum number of order books issued at any one outlet in a business day is expected to be approximately 100, but it should be borne in mind that there will be an uneven distribution across days, with peaks expected on Mondays and Thursdays.

5. When an encashment is made against the order book the barcode must be scanned and checked against the stop list. Details of the transaction must be transmitted to the DSS computer system within a datafile.

5.1 If the barcode is not valid, or the book is identified as counterfeit, then the system must instruct the clerk to impound the book without payment. The transaction must be recorded by the system.

5.2 If the order book is not on the stop list then the system must instruct the clerk to pay normally and prompt for the number of vouchers encashed. A default number of one should be presented with the clerk having the ability to override this.

5.3 If the order book has been recalled then the system must instruct the clerk to pay up to a specified date and prompt for the number of vouchers encashed. A default number of one should be presented with the clerk having the ability to override this with a valid number,

POL00028118

including zero. The system must instruct the clerk to retain the book, hole punch it, and return it to the DSS.

5.3 If the order book has been stopped the system must instruct the clerk to make no payment and impound the book , hole punch it and return it to the DSS.

5.4 If there are three consecutive failures to read the barcode the system must prompt the clerk to enter the barcode information via the keyboard. If the book is on the stop list for impounding then this takes precedence, otherwise the system must instruct the clerk to pay one voucher and then hole punch the book and return it to the DSS. The system must record the book as unreadable.

6. Details of the interface with the DSS computer system for receiving transaction records noted above are given in <document reference number>.

POL00028118

Requirement	901	Release No	spr 21
Programme Grouping	Order Book Control Service	**Subject Heading**	Order Book Control Service Service - design

Requirement Description:
Order book processing - non-barcoded books.

The Order Book Control Service must be quoted for as a separate service, which the AUTHORITIES may take up in nominated outlets, at the AUTHORITIES discretion, to be available when the platform rolls out.

1 If the book is identified as counterfeit, then the system must instruct the clerk to impound the book without payment. The transaction must be recorded by the system.

2. When an order book with no barcode is presented for encashment the system must prompt the clerk to enter the number of vouchers to be encashed. A default number of one should be presented with the clerk having the ability to override this.

3. For each outlet for each business day a single electronic record giving the total number of vouchers encashed must be transmitted to the DSS computer system within a datafile.

3. Details of the interface with the DSS computer system for receiving voucher totals records noted above are given in <document reference number>.

POL00028118

Requirement	902	Release No	spr 21
Programme Grouping	Order Book Control Service	**Subject Heading**	Order Book Control Service Service - design

Requirement Description:
Order Book Control Service (OBCS) - transaction times .

The Order Book Control Service must be quoted for as a separate service, which the AUTHORITIES may take up in nominated outlets, at the AUTHORITIES discretion, to be available when the platform rolls out.

The following transaction times must be achievable using the OBCS:-

1. Logging the receipt of an order book, measured as the time from any point in the cycle for one order book to the same point in the cycle for the next order book assuming an the books do not appear on the stop list, must take no more than <> seconds.

2. In issuing an order book to a beneficiary, assuming that the order book is not on the stop list, the checking against the stop list using OBCS must not add more than <> seconds to the time that would have been taken with no stop list check.

3. In making an encashment, assuming the order book is not on the stop list, the checking against the stop list using OBCS must not add more than <> seconds to the time that would have been taken with no stop list check.

POL00028118

Requirement	903	Release No	spr 21
Programme Grouping	Order Book Control Service	**Subject Heading**	Order Book Control Service Service - design

Requirement Description:
Order Book Control Service (OBCS) - general service levels .

The Order Book Control Service must be quoted for as a separate service, which the AUTHORITIES may take up in nominated outlets, at the AUTHORITIES discretion, to be available when the platform rolls out.

1. The stop list functionality must be implemented such that the version of the stop list being referenced from outlets has been updated with the stop list updates from the DSS computer. The version of the stop list is fully updated once all updates received have been applied. If one days worth of updates have not been applied then the version is deemed 1 day behind and so on.

On any business day:
96 % of outlets must be referencing a version which is fully updated
98% of outlets must be referencing a stop list which is no more than 1 day behind.
100% of outlets must be referencing a stop list which is no more than 2 days behind.

2. Transaction data must normally be forwarded to the DSS computer system soon after the completion of the business day on which the transaction occurred as part of a batch transmission. Transaction data not available for the next batch transmission must be include in a subsequent transmission.

Data which is included in the first batch transmission to take place after the time of the transaction is deemed to be in the first batch transmission and so on.

Transaction data from the outlets must reach the DSS computer system as follows:-

POL00028118

the data from 96% of outlets must reach DSS within the first batch transmission

the data from 98% of outlets must reach DSS within the second batch transmissions

the data from 100% of outlets must reach DSS within the third batch transmissions

POL00028118

Requirement	**904**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must allow collection of all payments that the Authorised Person is entitled to collect, ensuring that:-
* each payment only to be cashed once and for the amount authorised by CAPS;
* partial encashment of any single payment is not permitted.

The following rule must apply for each encashment;

Each Authorised Person must collect all monies due to each Authorised Person for whom collection is being made. A person who is authorised to collect payments in respect of more than one Authorised Person will be able to select the Authorised Person for whom they want to collect. An Alternative Payee, for example, will choose whether or not to collect their partner's Child Benefit.

All other payees must encash all monies due if the total is less than the limit (initially £1,000.00 but it must be possible to vary this).If the total exceeds this limit then the Customer has a choice, as follows :

I. take all;
II. take nothing;
III. take all payments, in multiples of total weekly entitlement, up to but not exceeding the limit.

The priority order for collecting benefits will be to take any ongoing benefit entitlements, oldest payment first - before any one off benefit entitlement e.g. Social Fund or bonus payments. Social Fund or bonus payments must always be collected in full.

Clarification:

The following clarification is provided in relation to this requirement:

POL00028118

Authorised Persons collecting payments under £1,000.00 have 2 options:-

** take all*

** take nothing*

Second paragraph last sentence - However, an Alternative Payee will be able to choose whether or not to collect their partner's Child Benefit.

POL00028118

Requirement	905	Release No	spr 12
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Systems - design

Requirement Description:
The system must be designed in order to give the user support in maintaining transaction accuracy and to assist the transfer of accurate product information to customers

POL00028118

Requirement	906	Release No	spr 12
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Roll-out

Requirement Description:
The service provider will plan so as to harmonise roll-out and BES card availability. Offices should be provided with new terminals on the day of installation. Installation covers physical placement, connection to the system and testing

POL00028118

Requirement	908	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will produce a receipt containing the information as specified in Requirement 764. Additionally, it may be necessary to generate and record a unique transaction identifier to enable recovery following equipment failure.

POL00028118

Requirement	909	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES will enable an Authorised Person, or the Authorised Person's casual agent, to encash benefits on behalf of people living in Nursing/Residential/Retirement homes with a single signature on a summarised receipt. The receipt, in these circumstances, should identify those individuals on whose behalf a transaction has taken place. It is not uncommon for 30 or more benefits to be collected in one visit; there should be no maximum in terms of numbers or cash value imposed by the system. The CONTRACTOR may wish to consider whether separate security verification check(s) should be introduced for signing agents.

POL00028118

Requirement	**910**	Release No	spr 12
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
BES must support the ability to vary the limit below which the payee must encash all monies due (requirement 904), preferably by use of one or more system parameters.

It should be borne in mind that some payees (i.e. recipients of social fund payments and Alternative Payees) are not limited in the same way. It is desirable that this rule is also implemented by system parameter(s).

POL00028118

Requirement	911	Release No	spr 13
Programme Grouping	End to End Service	**Subject Heading**	General Service - design

Requirement Description:
INTEGRITY ACROSS CHANGES

Maintain accounting and reporting integrity across changes, including structural changes to software and reference data, changes to controls and/or control mechanisms, and so forth.

This should include implementation of changes, reverting to previous states (should this prove necessary, for example in fall-back and recovery), co-existing before and after states (e.g. if simultaneous implementation does not occur) and reporting across change boundaries (e.g. using appropriate reference data versions for each part of a report).

POL00028118

Requirement	**912**	Release No	spr 13
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (SMS) Systems - steady state

Requirement Description:
Portable Appliance Testing

The service provider shall carry out any regular testing of equipment installed as part of the services in post offices and on any other Authority premises as required by legislation

POL00028118

Requirement	**913**	Release No	spr 13
Programme Grouping	Implementation	**Subject Heading**	Service Level Agreements Documentation

Requirement Description:
POCL user documentation service level agreement

1. Introduction
Comprehensive user documentation is required for all users of the automated platform, and by other users, as notified by POCL.

2. Availability
2.1 Users of the automated platform
User documentation must be available to all users of the automated platform 100% of the time that the automated platform is in use.

2.2 Other users
User documentation must also be available to others, (such as helpline operators, non serving staff in retail outlets, Retail Network Managers etc.) 100% of the time that the automated platform is in use.

2.3 Contingency/disaster recovery arrangements
User documentation which contains information to users on contingency/disaster recovery arrangements, such as what to do during a system failure, must be available to all users during all hours of business.

3. Content of user documentation
User documentation must contain all information which a user of the documentation requires to complete all business transactions at post office sites. This includes topics such as:
- performing counter transactions
- accounting
- balancing, including value stock taking
- stock ordering
- stock acceptance, disposal, destruction, remitting etc.
- contingency arrangements e.g. system failure
- giving information to customers e.g. how to obtain a duplicate Motor Vehicle Licence disc

POL00028118

- product information for specific products e.g. posting restrictions
- performing business transactions at Remittance Units e.g. Girobank deposits.

4. Accuracy of information
All information in user documentation must be accurate.

5. Design of documentation
5.1 Visual identity
All user documentation must conform to POCL's 'Design Applications Guidelines', which is part of POCL's 'Visual Identity' policy.

5.2 Communications policy
All user documentation must conform to POCL's communications policy, which is covered in the draft document 'A Guide to Head Office Communications Team' (first draft to be released in February 1996).

5.3 Environmental policy
All user documentation must conform to POCL's Environmental policy.

6. Documentation for a new product/service
6.1 Notification of requirement by POCL
POCL must advise the CONTRACTOR of the requirement for documentation for a new product/service [] days before the implementation of that new product/service.

6.2 Drafting of documentation
The final copy of user documentation for a new product/service must be completed [] days before the implementation of that particular product/service.

6.3 Final approval by POCL
All user documentation for a new product/service must be given final approval by POCL [] days before the implementation of that particular product/service.

6.4 Availability
User documentation which contains the details of a new product/service must be available to all users of the documentation immediately prior to implementation of the new product/service.

POL00028118

7. Updating user documentation
7.1 Planned changes
7.1.1 Notification of changes by POCL
POCL must advise the CONTRACTOR of the requirement to update user documentation [] days before the implementation of the change.

7.1.2 Drafting of documentation
The final copy of updated user documentation must be completed [] days before the implementation of that particular change.

7.1.3 Final approval by POCL
All updated user documentation must be given final approval by POCL [] days before the implementation of that particular change.

7.1.4 Availability
Updated user documentation must be available to all users of the documentation immediately prior to implementation of that particular change.

7.2 Emergency updates
Emergency updates to user documentation must be made available to all users of the documentation within [24] hours of the changes being notified to the CONTRACTOR by POCL.

8. Requests for new/replacement copies
Any request for a new or replacement copy of user documentation must be fulfilled within [3] days of notifying the Helpdesk. (This is only required if paper based documentation is produced).

9. User satisfaction
9.1 Frequency of monitoring
User satisfaction with user documentation must be measured annually.

9.2 Target for user satisfaction
User satisfaction with user documentation must be no less than 90%.

9.3 Topics to be covered

POL00028118

Topics to be covered by the user satisfaction survey will include areas such as:

- overall use/effectiveness of documentation
- comprehensiveness of index/indices
- accuracy of index/indices
- relevance of any cross references
- accuracy of any cross references
- layout, style and language etc.
- readability/size/usefulness of graphics
- quality and clarity of text.

POL00028118

Requirement	**914**	Release No	spr 13
Programme Grouping	Implementation	**Subject Heading**	Service Level Agreements Supporting services

Requirement Description:
SERVICE LEVEL AGREEMENT
OPERATIONAL SYSTEMS HELP DESK

1. INTRODUCTION
This paper documents the key help desk service requirements for the operational systems.

2. HELP DESK SERVICE
2.1 General
The CONTRACTOR will provide a help desk service which will act as the first point of contact for customers of the service. Customers include both AUTHORITIES staff and staff of POCL clients having a direct interface with the services provided. AUTHORITIES staff includes BA and POCL staff as well as the ITSA service delivery function.
The CONTRACTOR will:
act as a central point for information on the working state of the services provided
keep customers notified of any scheduled interruptions
assist in any negotiations between the AUTHORITIES and its customers where interruptions to the services provided are scheduled
will keep customers informed of when the service will be restored
The CONTRACTOR's help desk service will provide 1st, 2nd and 3rd level services. The help desk must respond to calls within ten seconds.

2.2 1st Level Service
The CONTRACTOR's 1st level service will provide an immediate problem solving service for all simple and straightforward problems, which can be resolved within 5 minutes, and all general enquiries.

The 1st level member who takes the call owns the problem from initial logging through to resolution to the

POL00028118

customers satisfaction. The CONTRACTOR must cater for 1st level members being off duty.

Help desk contact will be over the telephone.

2.3 2nd Level Service
The CONTRACTOR's 2nd level service will provide a diagnostics and fixing service for all problems which cannot be fixed within 5 minutes by the 1st level service, but which can be resolved within 30 minutes.

Calls will be referred electronically from the 1st level service to the 2nd level service. 2nd level staff will have access to a prioritised list of outstanding problems, and all the details on the problem entered by 1st level staff.

2.4 3rd Level Support
If the help desk is unable to resolve a problem at the 1st or 2nd level the CONTRACTOR will categorise and prioritise the problem so that it can be actioned and completed within a standard timescale.

2.5 Hours of Service
The CONTRACTOR will provide a continuous help desk service as specified below:
1st Level 05:00-00:00, Mon-Sun(*), all year round (Xmas day excepted)
2nd Level 05:00-00:00, Mon-Sun(*), all year round (Xmas day excepted)
* - NB: Approximately 200 outlets would currently using the system on Sundays although this may increase.

The CONTRACTOR shall ensure that calls made to the help desk outside specified hours are accepted by CONTRACTOR.

The CONTRACTOR will provide the facility to transfer calls which are received and are outside its area of responsibility. The CONTRACTOR will also provide the facility to receive transferred calls from POCL help desks and helplines.

The CONTRACTOR, given 2 working days notice, will extend the level of service to whatever is required. In emergency circumstances, the CONTRACTOR will, given 5

POL00028118

hours notice, provide a 1st and 2nd level service outside normal and extended working hours.

2.6 Problem Management

The CONTRACTOR will provide a problem management system to record the problem details such as (but not exclusively):

unique problem serial reference, generated automatically by the problem management system
customer contact, address, location and telephone number
date and time problem occurred
date and time problem was reported to help desk
help desk contact
description of the problem, including frequency of occurrence
serial references of similar faults and previous occurrences
hardware equipment involved; serial number etc.
software product and release version
assessed impact on customers business
priority for solution
problem category
estimated elapsed time to solve problem
any change of referral point
date and time of referral

The CONTRACTOR will update the problem management system with the following information, as appropriate:

date and time of update
help desk contact updating record
textual description of the work done, or the fact that the problem had to be referred, elsewhere and who has taken it on
date and time problem was cleared
date and time the solution was accepted by the customer
actual elapsed time to solve problem.

The CONTRACTOR will also keep a record of all problems relating to the failure of uploading and downloading data.

The CONTRACTOR's 1st level service staff will assign a priority to the problem. Possible priorities could be:

Priority Description

POL00028118

1. Live working disrupted. Office cannot continue normal working.
2. Live working disrupted but work around possible.
3. Minor inconvenience. Help desk provide short term resolution.

Throughout the life of the problem the CONTRACTOR staff will monitor the progress of the problem and inform the customer at regular intervals, to be agreed with the AUTHORITIES. This would apply to 2nd and 3rd level services.

The CONTRACTOR will manage the resolution of any problem using documented procedures agreed with the AUTHORITIES. These procedures must be comprehensive in that they cover all aspects of problem resolution from initial logging through to closure. For example, in the event of a major service failure at a post office, procedures must exist to cover the possible closure of the post office and the re-allocation of its responsibilities to other post offices. Escalation procedures must be included.

A problem can only be cleared when a customer has confirmed satisfaction with the resolution.

The help desk service will be the contact point for requesting consumables, training and documentation.

2.7 Systems and Services Supported

The CONTRACTOR will maintain user, asset, problem and change management databases.

2.8 Resilience

The CONTRACTOR is responsible for ensuring that a contingency plan is in place to cater with any help desk incident, e.g. loss of staff, loss of telephone system, loss of problem/configuration management system. The contingency plan is to be agreed with the AUTHORITIES and must state how quickly the service will be restored in the event of an incident.

2.9 Training

The CONTRACTOR will provide any necessary training to ensure AUTHORITIES staff work effectively with the help

POL00028118

desk. The CONTRACTOR will develop training plans for its own staff.

2.10 Personnel

The CONTRACTOR will ensure that all staff, including back-up staff, employed on the help desk service must have suitable and appropriate skills and training. The CONTRACTOR must ensure that sufficient skilled resources are available to cater for holidays, sickness and natural wastage within the CONTRACTOR's organisation.

2.11 Service Targets

The CONTRACTOR will answer at least 98% of all calls to the help desk within ten seconds during level 1 support hours. 100% of calls must be answered within 20 seconds.

The percentage of 'calls not answered' will be less than 1%. This includes calls where the line is busy as well as calls answered but put on the 'waiting queue'.

The CONTRACTOR will resolve at least 95% of calls assigned to level 1 within 5 minutes. The CONTRACTOR will resolve 100% of calls assigned to level 1 within 10 minutes.

The CONTRACTOR will resolve at least 95% of calls assigned to level 2 within 30 minutes. The CONTRACTOR will resolve 100% of calls assigned to level 2 within 45 minutes.

3. Service Monitoring

The CONTRACTOR will produce service information, in electronic form and/or paper, and will deliver this information to the AUTHORITIES within 2 working days of the end of the period to which they relate. The following is an example of the information required:

number of calls outgoing/received/number of calls not answered

% of calls answered within target times

number of problems/queries logged

number and % of problems/queries solved within target times

number of problems/queries assigned to level 1 that were not cleared within 10 minutes

number of problems/queries with secondary complications

POL00028118

(e.g. repeat calls)
number of problems/queries escalated
% of time full help desk was available
supplier performance against agreed service levels for response
service availability at each office.

The AUTHORITIES may wish to analyse the information by:
category of operational problem/query
level and solving group at which the problem/query was solved
customer group and location
mean time to closure.

The CONTRACTOR will maintain help desk records for a minimum of 18 months.

Each quarter a survey will be conducted by the AUTHORITIES to determine user satisfaction with the help desk. The AUTHORITIES and CONTRACTOR will agree the approach to be taken and the format/content of the questionnaire.

The CONTRACTOR will, on request, provide on-line access to the problem Management System. The AUTHORITIES will inform the CONTRACTOR of who is authorised to access the system. The CONTRACTOR will provide ad-hoc reports, as requested by the authorised representatives of the AUTHORITIES, within three working days.

POL00028118

Requirement	915	Release No	spr 13
Programme Grouping	Implementation	**Subject Heading**	Service Level Agreements Training

Requirement Description:
Training Services SLA

1. Introduction

This paper documents the training requirements and key measurables that will be used to assess the effectiveness of the training service as a whole.

2. Training Services

2.1 General
The Training provided will enable both AUTHORITIES staff or Agents to achieve acceptable standards in key competencies in the use of the Suppliers Service.

The Training Services will incorporate the development design and delivery of agreed training events and support materials.

2.2 Specific Responsibilities

Supplier
- Design of Training events
- Development of Training materials (Day to day and maintenance)
- Delivery of Training - To delegates (as appropriate)
  - To Trainers
- Communication of Training activity - To delegates
- To Authorities
- To Regions
- To District Offices
- With BA/POCL

POL00028118

- Management of training processes - Training Plans

- Call up notices

- Site selection and preparation

- Provision of appropriate kit

- Management Information (Training)
  - Provide defined reports on training completed for agreed periods.

- Attend regular training review meetings

- Identify Improvement to training services

Authority

- Agree and sign off supplier training proposals and processes.

- Monitor and review performance

- Attend regular training review meetings

- Identify improvements to training services.

3. Key measurables

3.1 Timeliness

Training courses should be available within 10 working days notice being provided .

Training should not be delivered more than 5 working days before live usage of the system.

3.2 Quality

Trainees satisfaction with the training venue will be measured by a training satisfaction questionnaire and should not be less than 85%.

The training must have received a positive rating of not less than 95% as a result of a training measurement

POL00028118

questionnaire.

3.3 Cycle Time

Training should take no longer than x days/Hours in total to enable delegates achieve the required standard of competence.

3.4 Contingency/disaster recovery

Notification of course cancellations must be issued at the earliest possible time . A minimum of 48 hours notice must be provided for 98% of cases.

No more that 2% of courses should be cancelled by the supplier.

When a designated training site becomes inoperative an alternative must be made available and functioning within xx days to enable continuation of the training plan.

3.5 Data Accuracy & integrity

There will be no degradation to any transaction data in the live system environment as a result of accessing localised training packages.

Training course content will have no factual errors at the time of acceptance and release.

3.6 Competence levels

The training services provided must ensure that 95% of trainees on completion of the course will be able to demonstrate achievement of the agreed level of competence, which shall reflect a score of 90% for knowledge related areas for transactions and the operating platform.

Competence levels will be measured for delegates to x level of the Kirkpatrick model utilised by POCL.

4. Communication

Delegate performance feedback will be provided for each

POL00028118

person attending a training course.

Regional Offices will be provided with a status report on delegates whose attainment level of the key competencies for their user group is below the agreed standard within 5 days of course completion.

Trainees should receive call up papers one month prior to proposed date of training course.

Call up notices should provide options as to days and times of attendance for courses.

5. Monitoring Training Services

The CONTRACTOR will supply information to the AUTHORITY in the agreed format which identifies actual performance against the key measurables stated.

6. Training review meetings

Review meetings will be held on an agreed regular basis

Operational Trial - Bi-weekly
1st 6 Months Live running - Monthly
7 months > 18 Months - Quarterly
18 Months + Adhoc or emergency review meetings may be called by either party.

Note : Meetings timing will be subject to agreement these are only indicators

7. Escalation Procedures

Failures in service levels will be managed and rectified between the nominated SLA managers of the AUTHORITY and the SUPPLIER whenever possible.

Issues which cannot be rectified will follow the agreed escalation path as detailed within the Service Management schedule

8. Change Management

Permanent variations to the agreed levels of service and

POL00028118

or the training services provided will be progressed through the standard change control process.

9. Training Service SLA Management

This SLA will be managed on a day to day basis by :

- The XXXXXXXXXXXXXX Manager for BA/POCL

- The XXXXXXXXXXXXXX Manager for CONTRACTOR

The SLA will be managed within the overall framework of the agreed Service Management schedule.

POL00028118

Requirement	**916**	Release No	spr 14
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Customer education

Requirement Description:
Specify recommendations for marketing and education about the Benefit Payment Service, for all external DSS and SSA customers (i.e. Social Security benefit recipients and War Pensioners), and POCL customers, using as a guideline the AUTHORITIES' Marketing and Education Plan 1996. This should include measurable objectives, media to be used and detailed costings for each stage of the implementation of the Contract, from the Award of Contract.

POL00028118

Requirement	917	Release No	spr 14
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Customer education

Requirement Description:
Specify recommendations for marketing and education about the new infrastructure and POCL applications, for all POCL external customers, using as a guideline the AUTHORITIES' Marketing and Education Plan 1996. This should include measurable objectives, media to be used and detailed costings for each stage of the implementation of the Contract, from the Award of Contract.

POL00028118

Requirement	918	Release No	spr 14
Programme Grouping	General	**Subject Heading**	General Customer education

Requirement Description:
Process requirement for DSS, SSA and POCL:

Communications, marketing and education will be managed by the AUTHORITIES and the CONTRACTOR. Within this structure, make recommendations on the allocation of roles and responsibilities, working processes, cost and resourcing implications. The AUTHORITIES will retain the right of veto on all communication, marketing and education for all DSS, SSA and POCL customers, DSS and SSA staff, POCL employees, subpostmasters and other agents and their staff.

POL00028118

Requirement	919	Release No	spr 14
Programme Grouping	General	**Subject Heading**	General Customer education

Requirement Description:
Specify and provide costs for the production of education material in Welsh in accordance with the Welsh Language Act 1993, about the Benefit Payment Service, for all Welsh speaking DSS customers and provide this service if required.

POL00028118

Requirement	920	Release No	spr 14
Programme Grouping	General	**Subject Heading**	General Supporting services

Requirement Description:
Provide advice and information in support of internal communications activity to DSS and SSA staff, POCL employees, subpostmasters and other agents and their staff.

POL00028118

Requirement	921	Release No	spr 14
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Security

Requirement Description:
The OPS will provide a secure timeout facility for each counter terminal and back office terminal.

The facility must allow the clerk to resume work with the minimum delay consistent with achieving security.

It must be clear that the facility is in use to remove any confusion between a terminal with the facility activated and a terminal that is available for use by any authorised user.

Under circumstances where the facility has been activated and the clerk is no longer able to cancel it, for whatever reason, with appropriate authority:-

the completion of clerk and office balances must be possible;
it must be possible to make the terminal available to another authorised clerk;
the circumstance must be logged to the audit trail.

POL00028118

Requirement	922	Release No	spr 15
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (OPS) Systems - design

Requirement Description:
The acoustic noise emission of any item of OPS equipment must not exceed 60dB(A) measured at a distance of 1m.

POL00028118

Requirement	**924**	Release No	spr 15
Programme	POCL	**Subject**	POCL Applications
Grouping	Applications	**Heading**	(BES) Service - design

Requirement Description:
Through BES it must be possible to reconcile the cards actually held at an outlet against those recorded on the system(s)

POL00028118

Requirement	925	Release No	spr 19
Programme Grouping	Implementation	**Subject Heading**	Implementation (Joint) Operational Trial

Requirement Description:
Operational Trial Requirements

There are 2 elements to this requirement:

1. The Operational Trial element (in which the 3 phases "must finish in sequence", and the live trial is of 3 months duration, initially in 10 outlets, expanding to 60 outlets).

2. Steady State Testing (which continues for the life of the contract, relates to new or amended services, and for whose live trials parameters will be agreed between the CONTRACTOR and the AUTHORITIES).

The second stage may start before the first has finished.

A. The CONTRACTOR must comply with the AUTHORITY'S approach to, and measurement of, the operational trial and acceptance testing, contained in the control document ref. 011 (Operational Trial-Technical & Model Office test requirements of the service suppliers). Each operational trial (be it the initial Operational Trial Stage or subsequent Operational Trials of new or amended services, individually or in groups) will consist of three distinct phases, which may overlap but must finish in sequence. Phase 3 must in each case must not start until the relevant Phase 2 has been successfully completed .

The phases are listed below:

1 A technical test that confirms that the underlying systems function correctly.

2 A model office test that simulates the service provision from end to end.

3 A live trial that tests the service with live data and true users and customers.

POL00028118

B The CONTRACTOR will undertake the technical test. The AUTHORITIES will oversee the technical test. The AUTHORITIES will agree the test plans and monitor to ensure that the test is completed effectively. Control document Ref. 011 contains full details of testing activities.

C Testing will continue for the life of the contract. As new services are added or existing services amended these will be subject to detailed technical, model office and live trial testing.

D The CONTRACTOR will produce all of the deliverable documents defined in control document Ref. 011.

E The CONTRACTOR will produce test scripts to reflect all test conditions supplied by the BA/POCL test team. The BA/POCL test team reserve the right to define and produce other test scripts for more testing as required.

F The CONTRACTOR will support the testing taking place in the POCL Model Office. The Model Office testing is intended to simulate as far as possible the live operation of the end to end system without using live operational data.

G The CONTRACTOR will install hardware, communications and software and will commission the test equipment in the agreed configuration at the Model Office site. It is estimated that 48 terminals will be required at the Model Office site.

H The live trial phase of the Operational Trial will be of 3 months duration. It will initially take place in 10 outlets and expand to 60 outlets. The AUTHORITIES and the CONTRACTOR will agree the location and types of outlets.

POL00028118

All live trials will include, but not exclusively:

1 Training of users

2 Installation processes

3 Synchronisation of services

4 Live data handling from end to end

I All new or current products to be migrated on to the platform must undergo a technical test, a model office test and a live trial. The parameters of live trials taking place after the initial (3 month 10 to 60 outlets) trial will be agreed between the AUTHORITIES and the CONTRACTOR.

K For maintenance and upgrade purposes the CONTRACTOR will, in the Operational Trial Stage, proceed as agreed in close liaison with the AUTHORITIES, and will, subsequent to that stage, regard the Model Office in all respects as an outlet.

POL00028118

Requirement	926	Release No	spr 15
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Roll-out

Requirement Description:
DSS Implementation - Generic Requirement

All roll out plans and changes to the plans to be agreed with the AUTHORITIES. Any changes to functionality will be implemented only with the agreement of the AUTHORITIES. A change control procedure for all aspects of the service will be agreed with the AUTHORITIES.

The AUTHORITIES will reserve the right to suspend the roll out programme if the CONTRACTOR fails to deliver the agreed service levels.

POL00028118

Requirement	**927**	Release No	spr 15
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Documentation

Requirement Description:
DSS Implementation - Procedural Documentation

The CONTRACTOR shall provide information to the DSS to enable them to complete procedure manuals, forms and leaflets for internal DSS use. The information must include sufficient detail to allow DSS staff to understand what happens in the Post Office and the type of problems Customers are likely to encounter. The information is required within twenty one (21) days of the award of contract. *In addition, CMS guides will need to be provided directly by the CONTRACTOR.*

There will be an agreed process for updating information in the procedure manuals, forms and leaflets. This information must be available, where timescales allow, four (4) months before the proposed change.

POL00028118

Requirement	**928**	Release No	spr 15
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Documentation

Requirement Description:
DSS Implementation - Technical Documentation

The DSS will have copies of the Service Architecture and Design documentation describing CMS, PAS and BES. The content and level of detail of the Service Architecture and Design documentation to be agreed with the DSS within x days of the award of Contract (x to be agreed by the DSS and CONTRACTOR).

The Service Architecture and Design documentation will be updated to ensure information is always current.

POL00028118

Requirement	**929**	Release No	spr 19
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Roll-out

Requirement Description:
DSS Implementation - Foreign Encashment

From the start of use of the Card it must be possible for an Authorised Person to be paid using a Card at his/her Nominated Post Office and, in accordance with the rules for Foreign Encashments:

- at any other automated office
- in any main office.

There are approximately 1500 Post Offices classified as 'main' detailed in schedule X (to be issued).

The CONTRACTOR should bear in mind that procedures in Post Offices will not be allowed to impact on quality of service measures, and thus it is seen as desirable that some automated system, enabling at least payments to be authorised, is implemented in main Post Offices as soon as possible after the start of roll out. It is anticipated that some automation will be needed in all main Post Offices to support Foreign Encashments within twelve (12) months of the start of roll out.

POL00028118

Requirement	**930**	Release No	spr 15
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Installation

Requirement Description:
DSS Implementation - Installation

If the CONTRACTOR's solution requires any activity within DSS nominated sites the roll out schedule must be agreed with the DSS.

POL00028118

Requirement	931	Release No	spr 19
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Supporting services

Requirement Description:
DSS Implementation - Support Services

The CONTRACTOR shall ensure that all agreed support services will be available to DSS staff and Authorised Persons at least four (4) weeks before Card payments are made and all services to perform to agreed Service Levels.

Appropriate levels of support services must be available:
* to provide support when Users have access to the system;
* to cover the operation of interfaces with other systems;
* to provide support for all other Help Desks linked to the CONTRACTOR Help Desk facility;
* to provide replacement Cards to Authorised Persons who have reported them lost/damaged/not received.

If appropriate a CONTRACTOR Help Desk will deal with calls relating to Equipment and Software installed in DSS nominated sites. This will include, but is not exclusive to:
* Fault diagnosis
* Maintenance call out
* Caretaking advice
* Configuration management.

POL00028118

Requirement	**932**	Release No	spr 15
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Training

Requirement Description:
DSS Implementation - Training

The CONTRACTOR shall provide information to the DSS to enable them to complete training material. This information is required within twenty one (21) days of the award of contract. It must be possible to update this information to incorporate any changes. This information must be available, where timescales allow, four (4) months before the proposed change.

The CONTRACTOR will provide training for a limited number of CAPS training development staff. This training will be available during Implementation and Steady State.

POL00028118

Requirement	**933**	Release No	spr 20
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Service - design

Requirement Description:
Roll out of Card Payments

The current state of roll out planning is for a 3 month pilot - September to December 1996, followed by a 24 month roll out. There are two key drivers to the volumes during this period; firstly benefit systems being made Card ready - this timetable is covered in the CAPS component release strategy; and secondly the automation schedule for the Post Offices. There is currently general agreement between BA and POCL on this schedule.

For planning purposes, the assumption is that both the above drivers produce linear conversions over the 24 month roll out from January 1997 to December 1998. This would produce a hyperbolic curve for the number of Card payments throughout this period - for example, after 12 months, both roll outs would be 50% complete allowing only 25% of payments to be made by Card. This curve will be further refined as more detailed plans can be applied.

POL00028118

Requirement	**934**	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Interface with CAPS

Requirement Description:
SERVICE BOUNDARY DEFINITIONS

1. Service Boundary : CAPS to CMS.

1.1. Business supported across the boundary.

The following business transactions must be supported across this boundary:

Transactions initiated by CAPS:

* Personal details notification - all DSS Customers (Beneficiaries and payees) will be referred to throughout the BPS by their NINO. The first such transaction involving CMS that relates to a specific Customer will always be a personal details notification. The CONTRACTOR must treat this notification both as a statement that this Person must be able use to any CMS supported services and also that the personal details supplied must be used in any CMS supported interaction involving that Customer. Specifically, once accepted onto CMS the CONTRACTOR must ensure that a Card (or equivalent token) is always available to the Customer to enable collection of benefit payments. This facility must continue until 'end of interest' is received.

For changes to personal details notified later, the CONTRACTOR must ensure the revised details are used in all succeeding CMS supported interactions. Revisions to personal details will only be supplied via this route and the CONTRACTOR must ensure this is the only route available for changing the personal details used by CMS (the only exception is for Nominated Post Offices which may be changed by requests from the Post Office counter as defined in the CAPS to PAS Service Boundary).

* End of interest notification - when the DSS no longer

POL00028118

wishes a Customer to be able to use CMS supported facilities, an end of interest transaction will be sent. The CONTRACTOR must ensure that, until or if any subsequent personal details notification is received, the Person identified is unable to subsequently take any part in use of any CMS supported facilities (i.e. any transaction requiring them to hold a Card is rejected).

There are no transactions initiated by the CONTRACTOR.

1.2. System and Service responsibility

Business responsibilities are as outlined within the definition of each business transaction as are any transaction specific constraints that have been identified (including specific timing and sequencing constraints).

Over and above DSS office staff , equipment and infrastructure, the CONTRACTOR must provide any staff, premises, networks (voice and / or data), hardware, software, procedures and training required to deliver these services to the nominated CAPS hardware platforms. The CONTRACTOR is entirely responsible for rollout, operation and management of all such equipment subject to DSS approval. The CONTRACTOR must undertake to provide such connection(s) at sites nominated by the DSS which may change over the period of the contract.

At Version 1 the CAPS hardware platform will be ICL VME based and will be located in the ACCs currently operated for the DSS by EDS. It is for the DSS's operator of the CAPS services (at Version 1 EDS) and the CONTRACTOR to agree, subject to DSS approval, the technical nature of the connection.

The CONTRACTOR's service responsibilities extends to:

* transport of CAPS created transactions and associated information (e.g. reference data) from the CAPS service to their own services along with all subsequent processing. This normally includes detecting the availability of such transactions and data on the CAPS services;

POL00028118

* provision of all responses to such transactions (e.g. acknowledgements) along with delivery to the CAPS service and notification of their availability.

The CONTRACTOR is solely responsible for all activities required to discharge the above responsibilities. In all cases he must ensure integrity, security, auditability and maintenance of full audit trail of all transactions and data as it is transmitted and processed by him.

POL00028118

Requirement	**935**	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Interface with CAPS

Requirement Description:
1. Service Boundary : CAPS to PAS

1.1 Business supported across the boundary

The following business transactions must be supported across this boundary:

Transactions initiated by CAPS:

* Payment Authorisation - Customers who, having been adjudicated as entitled to benefit, will receive one or more payments. For those Customers who so elect, these payments may be collected at Post Offices and may require the use of the Card based method of payment. For each payment that is to be made available for collection in this way, the DSS will supply details of the payment and authorise the CONTRACTOR to enable its collection.

* Payment Stop Request - Having authorised the CONTRACTOR to make a payment collectable, the DSS need the facility to withdraw that authorisation (i.e. to stop the payment). This stop must be successful if issued at any time after a payment is authorised but before encashment.

* Payment Enquiry - Having authorised the CONTRACTOR to make a payment collectable, the DSS need the facility to enquire upon its current status (i.e. awaiting encashment or encashed). The CONTRACTOR must return the current status along with encashment details if status is encashed.

* Personal details notification - all DSS Customers (Beneficiaries and payees) will be referred to throughout the BPS by their NINO. The first such transaction involving PAS that relates to a specific Customer will always be a personal details notification. The CONTRACTOR must treat this notification both as a statement that

POL00028118

this Person must be able to use any PAS supported services and also that the personal details supplied must be used in any PAS supported interaction involving that Customer. For changes to personal details notified later, the CONTRACTOR must ensure the revised details are used in all succeeding PAS supported interactions. Revisions to personal details will only be supplied via this route and the CONTRACTOR must ensure this is the only route available for changing the personal details used by PAS (the only exception is for Nominated Post Offices which may be changed by requests from the Post Office counter).

*End of interest notification - when DSS no longer wishes a Customer to be able to use (or be referred to in)PAS supported facilities, an end of interest transaction will be sent. The CONTRACTOR must ensure that, until or if any subsequent personal details notification is received, the Person identified is unable to subsequently take any part in use of any PAS supported facilities (i.e. any transaction containing their NINO is rejected).

Transaction initiated by the CONTRACTOR:

* Expiry confirmation - CAPS defines the validity period of a payment and will treat the payment as expired if uncollected within the specified time. The CONTRACTOR must also supply confirmation that each such transaction is uncollectable once it has passed its expiry date.

* Encashment Notification - the CONTRACTOR must notify CAPS of all BPS encashments.

* Restricted Post Office Infringement - the CONTRACTOR must notify CAPS of all failed encashment attempts that would have contravened Post Office restrictions.

*Change Nominated Post Office Request - the CONTRACTOR must notify CAPS of any requests for Change of Nominated Post Office by a Card holding DSS Customer at the Post Office. If such changes are unacceptable to the DSS then revised Personal Details Broadcasts will be sent to PAS and CMS notifying the CONTRACTOR of the DSS authorised Post Office.

1.2. System and Service responsibility

POL00028118

Business responsibilities are as outlined within the definition of each business transaction as are any transaction specific constraints that have been identified (including specific timing and sequencing constraints).

Over and above the DSS office staff , equipment and infrastructure, the CONTRACTOR must provide any staff, premises, networks (voice and / or data), hardware, software, procedures and training required to deliver these services to the nominated CAPS hardware platforms. He is entirely responsible for rollout, operation and management of all such equipment subject to DSS approval. The CONTRACTOR must undertake to provide such connection(s) at sites nominated by the DSS which may change over the period of the contract.

At Version 1 the CAPS hardware platform will be ICL VME based and will be located in the ACCs currently operated for the DSS by EDS. It is for the DSS's operator of the CAPS services (at Version 1 EDS) and the CONTRACTOR to agree, subject to DSS approval, the technical nature of the connection.

The CONTRACTOR's service responsibilities extends to:

* transport of CAPS created transactions and associated information (e.g. reference data) from the CAPS service to their own services along with all subsequent processing. This normally includes detecting the availability of such transactions and data on the CAPS services;

* provision of all responses to such transactions (e.g. acknowledgements) along with delivery to the CAPS service and notification of their availability;

* transport of CONTRACTOR created transactions and information from their own services to the CAPS service and notification of their availability.

* detecting CAPS generated responses to such transactions and transport of those responses to their own services along with subsequent processing.

POL00028118

The CONTRACTOR is solely responsible for all activities required to discharge the above responsibilities. In all cases he must ensure integrity, security, auditability and maintenance of full audit trail of all transactions and data as it is transmitted and processed by him.

POL00028118

Requirement	936	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Customer interface

Requirement Description:

1. Service Boundary : DSS Customer to CMS

In this context a DSS Customer is a Person who is currently or potentially a Beneficiary or payee involved in collecting benefit payments via the Benefit Payment Service.

Throughout this requirement the word 'Card' is used to mean either a personalised Card that will be valid for an extended period of time or any Temporary Token that is used for a limited duration (or limited number of events). The use of such a Temporary Token is entirely the CONTRACTOR's choice. It may be acceptable as a way of guaranteeing access to CMS supported services if there are circumstances where personalised plastic Cards cannot be delivered in time. The CONTRACTOR must limit, and fully define the restrictions applying to, the use of such Temporary Tokens.

1.1. Business supported across the boundary

The following business transactions must be supported across this boundary:

Transactions initiated by the CONTRACTOR:

* Customer Education - DSS Customers who will use the BPS must have information provided to them that enables them to understand both what facilities are available to them and how they may use such facilities. Normally the CONTRACTOR will provide all such information pro-actively to the Customer (i.e. without an explicit request from the Customer) although they must provide the facility for Customers to request such material. The CONTRACTOR may wish to deliver this element of the service via multiple interactions with the Customer.

POL00028118

* Card Issue - Having accepted a Customer as a valid User of CMS services it is the CONTRACTOR's responsibility to ensure a Card (or equivalent Token) is available to the Customer whenever required for benefit payment. An integral part of this process is therefore the ability to place a Card in the Customer's hand. The CONTRACTOR must ensure that they can get a Card to all Customers. Additionally they must monitor all aspects of the process to ensure problems lying with the CONTRACTOR or his sub-contractors are detected and resolved before they affect the Customer. The CONTRACTOR may wish to deliver this element of the service via multiple interactions with the Customer (for instance, the use of Pick-Up Notices (PUNs) and collection reminders is acceptable although not mandated.)

This function may be initiated for a variety of reasons which must include automatic initiation for:

* initial issue of Card to Customers newly authorised to use CMS facilities;

* replacement of a Card as a result of loss, theft, damage or destruction;

* renewal of Cards sufficiently frequently to minimise the number of Cards unusable as a result of normal wear and tear;

* replacement of Card due to revision of personal details as passed from CAPS to CMS wherever they affect what is on the Card.

Transactions initiated by the Customer:

* Customer Enquiries - The CONTRACTOR must provide a service whereby all of DSS's Customers are able to enquire on all aspects of the Card Management Service and receive prompt and accurate responses. Such enquiries depend on the services proposed by the CONTRACTOR but must, as a minimum, encompass enquiries about:

* the use of all CMS supported services available to the Customer;

POL00028118

* whether the Customer should expect to receive a Card or not;

* the status, type and expected availability (time and location) of any Card the Customer is expecting but has not yet received;

* the status of any Card(s) he currently holds (at a minimum which are valid for payment collection and which are not);

* the status of any Card(s) he previously held. It is for the CONTRACTOR to propose a retention period to be agreed by the DSS.

* Customer Reports - The CONTRACTOR must provide facilities by which the Customer can report various events relating to his Card(s). Having accepted such reports, the CONTRACTOR is responsible for all subsequent processing / recovery actions needed to ensure the Customer can collect whatever payments are due to him. The reports to be supported are dependant on the CONTRACTOR solution but must as a minimum include:

* report of non-receipt of Card by Customer - the CONTRACTOR must undertake ensuing recovering action to either ensure receipt of that Card by the Customer or invalidation of that Card along with its replacement;

* report of loss, theft, damage or destruction - the CONTRACTOR must take whatever invalidation and replacement actions are necessary.

There are common facilities that the CONTRACTOR must make available to support any interaction initiated by the Customer on this service boundary. These include:

* trace facilities to identify the Customer - although the DSS promotes the use of NINO in communications with Customers, the CONTRACTOR cannot rely on a Customer supplying his NINO in any interaction. Nor can the CONTRACTOR rely on the use of Card numbers (since the Customer will, in many cases, not have the Card at hand). Therefore the CONTRACTOR must have other facilities for identifying Customers based on other information

POL00028118

available to him. The CONTRACTOR must define what these facilities are and any circumstances in which they may require additional DSS support (and hence incur extra costs to the DSS);

* ensuring the Customer is who he claims to be - the CONTRACTOR must enforce checks that are sufficient to prevent fraudulent or malicious use of the services;

* applying agreed access criteria - the CONTRACTOR must define which Customers can access which services (for example can a husband report the loss of his wife's Card) and must gain agreement from the DSS for these restrictions. Such restrictions must be implemented in their solution

1.2. System and Service responsibility

All the Card Management functions described above are entirely the CONTRACTOR's responsibility. The use of DSS staff and facilities to deliver any part of this service is possible although subject to the following constraints:

* the CONTRACTOR must promote the use of his facilities for delivering all of the services above;

* the CONTRACTOR must minimise the operational impact of the BPS on DSS staff and services;

* the CONTRACTOR should use existing DSS office equipment and infrastructure (for example, telephones, terminals, cables, servers, exchanges, wide area network connections (voice and data, public and private)). The CONTRACTOR should not propose a solution that requires rollout of any additional equipment or any changes to existing equipment unless it is the most cost-effective taking full account of any disruption to DSS offices. Any such disruption costs will be evaluated as part of the cost-effectiveness of CONTRACTOR proposals;

* the CONTRACTOR must enable the DSS to deliver the Customer initiated elements of the above services to as high a quality as that delivered by the CONTRACTOR directly (although only for periods where DSS offices are

POL00028118

open to callers). The CONTRACTOR must take all cost-effective actions to minimise the use that Customers make of such DSS supported facilities;

* the use of DSS staff and facilities for any other part of these services is only acceptable if no other cost-effective solution is viable (for example, if the CONTRACTOR issues Temporary Tokens then physical delivering to Customer by DSS staff may be the most cost-effective solution);

* the cost (direct and indirect) of any use of DSS staff or facilities by the CONTRACTOR will be evaluated in assessing the overall cost effectiveness of their solution;

* the CONTRACTOR retains sole responsibility for all activity and must supply services that enable him to do so.

The detailed processes are for the CONTRACTOR to define but:

* must deal with all DSS Customers (including, for example, those of no fixed abode, those where the DSS has not been informed of an address, those who cannot attend the Post Office for Card collection, etc.);

* must not degrade existing service levels (for example, the Customer must not have to spend significantly more time or effort in collecting a Card and supporting material than he does in collecting current IOPs and supporting material);

* must not place other additional burdens on the Customer (for example, requiring long distance telephone calls is unacceptable).

Over and above the DSS office staff , equipment and infrastructure, the CONTRACTOR must provide any staff, premises, networks (voice and / or data), hardware, software, procedures and training required to deliver these services to all of the DSS's Customers. He is entirely responsible for rollout, operation and management of all such equipment subject to DSS approval. The CONTRACTOR must undertake to provide such facilities

POL00028118

to all Customers and via all DSS locations to be nominated by the DSS. The CONTRACTOR must provide connections to all such DSS sites which may be anywhere in the United Kingdom and which will change both in number and location over the period of the contract.

At Version 1 connections to all DSS offices are expected. DSS offices are within the DSS, DHSS(NI), and ES, and number approximately 2,000 currently (although this figure may change significantly before full implementation as well as subsequently).

For services involving DSS staff, the CONTRACTOR'S service responsibilities extend to:

- collecting information from the DSS clerk and all subsequent processing;

- presenting information back to the DSS clerk.

The CONTRACTOR is solely responsible for all activities required to discharge the above responsibilities. In all cases he must ensure integrity, security, auditability and maintenance of full audit trail of all transactions and data as it is transmitted and processed by him.

POL00028118

Requirement	**937**	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Interface with BA staff

Requirement Description:

1. Service Boundary : DSS Staff to CMS

In this context DSS staff are any individuals authorised by the DSS to administer benefit payment operations.

Throughout this requirement the word 'Card' is used to mean either a personalised Card that will be valid for an extended period of time or any Temporary Token that is used for a limited duration (or limited number of events). The use of such a Temporary Token is entirely the CONTRACTOR'S choice. It may be acceptable as a way of guaranteeing access to CMS supported services if there are circumstances where personalised plastic Cards cannot be delivered in time. The CONTRACTOR must limit, and fully define the restrictions applying to, the use of such Temporary Tokens.

1.1. Business supported across the boundary

The following business transactions must be supported across this boundary:
Transactions initiated by DSS Staff:

DSS Staff Enquiries - The CONTRACTOR must provide facilities whereby all authorised DSS staff are able to enquire on all aspects of the Card Management Service and receive prompt and accurate responses. Such enquiries depend on the facilities proposed by the CONTRACTOR but must, as a minimum, include all enquiries that a DSS Customer is able to make and also encompass enquiries about:

* for a particular Customer, the current status and type of all Cards related to him (i.e. all Cards the CONTRACTOR intends or ever has produced for this Customer regardless of whether the Customer has received them or not). For each such Card, a full history of all relevant

POL00028118

status changes must be available (including date, time and reason for each status change). Additionally, information must be available regarding likely dates and times of any future status changes (for example, when a Card in production is likely to be available for collection, when a currently valid Card is due to expire, etc.);

* for a particular Card, who is the Cardholder. In addition, all the information above should be available for that Card.

DSS Staff Reports - The CONTRACTOR must provide facilities by which DSS staff can report various events relating to the Card Management Service. Having accepted such reports the CONTRACTOR is responsible for all subsequent processing / recovery actions required to ensure the Customer has continuous, uninterrupted access to CMS supported services. The reports possible are dependant on the CONTRACTOR solution but must as a minimum include:

* report of non-receipt of Card by Customer - the CONTRACTOR must undertake ensuing recovering action to either ensure receipt of that Card by the Customer or invalidation of that Card along with its replacement;

* report of loss, theft, damage or destruction - the CONTRACTOR must take whatever invalidation and replacement actions are necessary.

There are common facilities that the CONTRACTOR must make available to support any interaction initiated by DSS staff on this service boundary. These include:

* facilities to identify the clerk and ensure he has security clearance to use the service;

* applying agreed access restriction to particular functions - the CONTRACTOR must define which categories of DSS staff can access which services and must gain agreement from the DSS for these restrictions.

Transactions initiated by the CONTRACTOR

POL00028118

None are mandated.

Other transactions the CONTRACTOR may propose:

The CONTRACTOR may, subject to various restrictions, propose solutions that require support for other interactions across this boundary. Such proposals may include (but are not limited to):

* transitional arrangements - for example to support Urgent Payment collection (see the CAPS to PAS Service Boundary requirement);

* support for other elements within the boundary of the CONTRACTOR's responsibility - for example the CONTRACTOR may propose DSS operational support for elements of the Card issue process (for instance, Temporary Tokens) or for tracing Customers the CONTRACTOR cannot identify (see below for restrictions on such proposals).

1.2. System and Service responsibility

All the Card Management functions described above are entirely the CONTRACTOR'S responsibility. The service delivered to DSS staff is subject to the following constraints:

* the CONTRACTOR must promote the use of his CMS facilities by the DSS's Customers;

* the CONTRACTOR must minimise the operational impact of delivering these services on DSS staff and services;

* the CONTRACTOR must use existing DSS office equipment and infrastructure (for example, telephones, terminals, cables, servers, exchanges, wide area network connections (voice and data, public and private)). The CONTRACTOR should not propose a solution that requires rollout of any additional equipment or any changes to existing equipment unless it is the most cost-effective taking full account of any disruption to DSS offices. Any such disruption costs will be evaluated as part of the cost-effectiveness of CONTRACTOR proposals;

POL00028118

* the use of DSS staff and facilities to deliver elements of the CONTRACTOR'S service is only acceptable if no other cost-effective solution is viable (for example, if the CONTRACTOR issues Temporary Tokens then physical delivering to Customer by DSS staff may be the most cost-effective solution). The cost (direct and indirect) of such of DSS staff or facilities by the CONTRACTOR will be evaluated in assessing the overall cost effectiveness of their solution.

Over and above the DSS office staff , equipment and infrastructure, the CONTRACTOR must provide any staff, premises, networks (voice and / or data), hardware, software, procedures and training required to deliver these services to all authorised DSS staff. The CONTRACTOR is entirely responsible for rollout, operation and management of all such equipment subject to DSS approval. The CONTRACTOR must undertake to provide such facilities to all locations to be nominated by the DSS. The CONTRACTOR must provide connections to all such DSS sites which may be anywhere in the United Kingdom and which will change both in number and location over the period of the contract.

At Version 1 connections to all DSS offices are expected. DSS offices are within the DSS, DHSS(NI), and ES, and number approximately two thousand (2,000) currently (although this figure may change significantly before full implementation as well as subsequently).

For services to DSS staff, the CONTRACTOR'S service responsibilities extend to:

- collecting information from the DSS clerk and all subsequent processing;

- presenting information back to the DSS clerk.

The CONTRACTOR is solely responsible for all activities required to discharge the above responsibilities. In all cases he must ensure integrity, security, auditability and maintenance of full audit trail of all transactions and data as it is transmitted and processed by him.

POL00028118

POL00028118

Requirement	938	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Management interfaces

Requirement Description:
SERVICE BOUNDARY: Data Protection Act 1984 to DSS

Business supported across Service Boundary.

DSS will require access to the information covered and provided under the Data Protection Act 1984 functional requirement. The nature and form of the access is not as yet defined in detail but will be needed to support some or all of the following:

Fraud detection and prevention;
Security violation investigation;
Probity assurance;
Criminal investigations;
Information to support DSS policy questions;

CONTRACTOR responsibility.

The CONTRACTOR is responsible for providing a detailed functional specification for approval by the DSS prior to implementing any services affected by the Data Protection Act 1984.

The CONTRACTOR is responsible for providing all services to support the functional requirements.

The CONTRACTOR is responsible for ensuring that any information supplied under the Data Protection Act 1984 is accurate and that assurances can be given as to the integrity of that information.

The CONTRACTOR is responsible for delivering any information requested under the Data Protection Act 1984 to the requesting body, Person or DSS as appropriate.

POL00028118

Outline Service requirements.

The Data Protection Act 1984 became law from 11/11/87, all subsequent alterations and reviews to this law must be integrated and adhered to.

The CONTRACTOR must record all written requests for a data protection print from a Customer, representative or DSS within forty (40) days of receipt of the request, and deal with queries raised within a timescale to be agreed with the AUTHORITIES.

All information provided under the Data Protection Act 1984 must be made available to facilitate inspection.

Details of responses of a request and response made under the Data Protection Act 1984 must be retained consistent with the Data Protection Act 1984 requirements.

Clarification

The following clarification applies to the last sentence of this requirement:

delete "responses of"

POL00028118

Requirement	939	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Management interfaces

Requirement Description:
SERVICE BOUNDARY: BPS MIS Reports to DSS

Business supported across Service Boundary

DSS will require access to the Management Information collected as part of the response to the BPS Management Information Catalogue requirements. The nature and form of presentation of this information is not as yet defined but is expected to be presented in report formats to be agreed with the DSS.
The Management Information will be required to support the following:-

- Fraud detection and prevention
- Security detection and investigation
- Failure investigation
- Service disputes
- Service quality
- Audit
- Accounting and validation
- Information to support policy development, policy monitoring, Parliamentary and Ministerial questions etc.

CONTRACTOR'S responsibility.

The CONTRACTOR is responsible for providing detailed response specifications for approval by the DSS prior to the commencement of collection and reporting of the MIS required.

The CONTRACTOR is responsible for providing all the services necessary to support the provision of the information requested within the BPS MIS Catalogue.

The CONTRACTOR is responsible for ensuring that the contents of the Management Information reports are

POL00028118

accurate and that any assurances or appropriate requests for confirmation of the integrity of the reports is available.

The CONTRACTOR is responsible for the delivery of the Management Information reports within an agreed period following the required completion of the information collection, and for filtering the limited reports to a number of central DSS services for further processing.

Outline Service Requirements.

The CONTRACTOR must make available utilities to facilitate inspection of the Management Information data by DSS.

The Management Information must be retained for a period consistent with the Companies Act requirements.

POL00028118

Requirement	**940**	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Management interfaces

Requirement Description:
SERVICE BOUNDARY: DSS to Transaction Receipts.

Business supported across Service Boundary.

DSS will require access to and retrieval of the Receipt retained as part of the Benefit Payment Service functional requirement. The nature and form of the access and retention is not as yet defined in detail but is likely to support all of the following:

- Fraud detection and prevention
- Security violation and investigation
- Probity assurance
- Failure investigation
- Service and Contractual disputes
- Criminal investigations
- Information to support policy development, policy monitoring, Parliamentary and Ministerial questions etc.

CONTRACTOR'S responsibility.

The CONTRACTOR is responsible for providing detailed functional specifications for approval by the DSS prior to implementing any such services.

The CONTRACTOR is responsible for providing all the services necessary to support the retrieval of the receipts as requested by the DSS.

The CONTRACTOR is responsible for ensuring that the retrieval of receipts and any information requested in relation to a receipt is accurate and that suitable legal assurances can be given as to the integrity of the information or receipt provided.

The CONTRACTOR is responsible for the delivery of the

POL00028118

receipt(s) to the appropriate destination within a period of time to be agreed with the DSS, and for filtering any related data to a number of central DSS services for further processing.

Outline Service Requirements.

The CONTRACTOR must make available utilities to facilitate inspection of receipts, associated forms and appropriate services by the DSS.

Receipts and associated forms must be retained for a period of twelve (12) months, consistent with that as detailed in the BPS requirements.

POL00028118

Requirement	**941**	Release No	spr 15
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Roll-out

Requirement Description:
DSS implementation - Post Office roll out

The planned go live for Post Office automation will be agreed by the CONTRACTOR and the AUTHORITIES, and the CONTRACTOR will inform DSS of the acceptance by POCL of each Post Office installation.

Northern Ireland will be a discrete area for roll out purposes.

POL00028118

Requirement	**942**	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Audit

Requirement Description:
SERVICE BOUNDARY: DSS to Supplier Audit Trails

Business supported across Service Boundary.

DSS will require access to the audit information captured as part of the audit trail functional requirement. The nature and form of the access is not as yet defined in detail but is likely to be needed to support some or all of the following:

- Fraud detection and prevention
- Security violation investigation
- Probity assurance
- Failure investigation
- Service and Contractual disputes
- Criminal investigations
- Information to support policy development, policy monitoring, Parliamentary and Ministerial questions etc.

CONTRACTOR'S responsibility.

The CONTRACTOR is responsible for providing a detailed functional specification for approval by the DSS prior to implementing any such services.

The CONTRACTOR is responsible for providing all services to support the functional requirements.

The CONTRACTOR is responsible for ensuring that the contents of the audit trail are accurate and that suitable legal assurances can be given as to the integrity of the audit trail.

The CONTRACTOR is responsible for delivering the total or a filtered subset of the audit trail to a limited number of central DSS services for further processing. The delivery should include any technical transformation

POL00028118

and/or reformatting that may be required to ensure the audit trail is understandable by the receiving services.

Outline Service requirements

The audit trail must be maintained during all periods of operation including fallback and recovery.

The audit trail must record all transaction and data passing across service boundaries and all major processing actions

The information recorded must allow tracking of a business transaction through the CONTRACTOR services and across service boundaries to other supplier's services.

The information recorded must identify origin of transaction, time and outcome.

The audit trail must be made available to the DSS as logically a single entity showing a chronological trail of events.

The CONTRACTOR must make available utilities to facilitate inspection of the audit trail by DSS.

The audit trail must be retained for a period consistent with the Companies Act requirements.

POL00028118

Requirement	**943**	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
PAS must restrict encashment to Great Britain or Northern Ireland for specific benefits when notified by CAPS.

POL00028118

Requirement	**944**	Release No	spr 15
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
Casual Agent encashment must be restricted to the Authorised Persons Nominated Post Office (x-ref. 768).

Clarification:

The following clarification is provided in relation to this requirement:

Note that Alternative Payees cannot nominate a Permanent Agent or Casual Agent to collect any payments for which they are the Alternative Payee.

POL00028118

Requirement	945	Release No	spr 15
Programme Grouping	Implementation	**Subject Heading**	Service Level Agreements Installation

Requirement Description:

1. This paper documents the Installation Service Level requirements for the operational systems.

2. Survey

2.1 The CONTRACTOR will provide [] working days written notice of the survey date to the OUTLET MANAGER.

2.2 The CONTRACTOR will agree with OUTLET MANAGER the number of positions to be automated, should this not be agreed by the region.

2.3 The survey date and time will be agreed with the OUTLET MANAGER.

2.4 The survey will be undertaken at the agreed date and time.

2.5 The surveyor will conform to the agreed identification process before starting the survey.

2.6 The survey will be completed in a maximum of [] visits.

2.7 The CONTRACTOR will give [] days notice to the OUTLET MANAGER and the database liaison of a cancelled appointment.

2.8 The CONTRACTOR will agree, within agreed parameters, with the OUTLET MANAGER and obtain sign off the siting of the OPS.

2.9 A quality survey will be conducted by the AUTHORITIES to measure User satisfaction with the survey. The AUTHORITIES and the CONTRACTOR will agree the approach to be taken and the format/content of the questionnaire.

POL00028118

2.10 The CONTRACTOR will achieve []% satisfaction rating from the survey.

3 Modifications

3.1 The CONTRACTOR will provide [] working days written notice of the modifications date to the OUTLET MANAGER.

3.2 The modifications date and time will be agreed with the OUTLET MANAGER.

3.3 The modifications will be undertaken at the agreed date and time.

3.4 The CONTRACTOR will give [] days notice to the OUTLET MANAGER and the database liaison of a cancelled appointment.

3.5 The CONTRACTOR will agree, within agreed parameters, with the OUTLET MANAGER and obtain sign off the siting of the OPS.

3.6 Cosmetic damage will be scheduled for repair within [ ] days of the requirement being raised.

3.7 98% of repairs will be carried out within their scheduled timescales.

3.8 Modifications will not be carried out during specified/ agreed period. These period will be agreed between the CONTRACTOR and the AUTHORITIES every quarter.

3.9 Visits to carry out further modifications will be scheduled with the OUTLET MANAGER.

3.10 A quality survey will be conducted by the AUTHORITIES to measure User satisfaction with the survey. The AUTHORITIES and the CONTRACTOR will agree the approach to be taken and the format/content of the questionnaire.

3.11 The CONTRACTOR will achieve [ ]% satisfaction rating from the modifications exercise.

4 Installation

POL00028118

4.1 The CONTRACTOR will provide [] working days written notice of the installation date to the OUTLET MANAGER.

4.2 The installation date and time will be agreed with the OUTLET MANAGER.

4.3 The installation will be undertaken at the agreed date and time.

4.4 The CONTRACTOR will give [ ] days notice to the OUTLET MANAGER and the database liaison of a cancelled appointment.

4.5 A quality survey will be conducted by the AUTHORITIES to measure User satisfaction with the survey. The AUTHORITIES and the CONTRACTOR will agree the approach to be taken and the format/content of the questionnaire.

4.6 The CONTRACTOR will achieve [ ]% satisfaction rating from the installation exercise.

4.7 The CONTRACTOR will inform the AUTHORITY at the end of each working day, in a format to be agreed, of the following, though not exclusively:

- The outlets that have been successfully installed
- Configuration details
- Serial numbers of the OPS

4.8 The AUTHORITIES will at the end of each calendar month inform the AUTHORITIES of any configuration changes or swapouts and the relevant serial numbers.

4.9 Cosmetic damage will be scheduled for repair within [ ] days of the requirement being raised.

4.10 98% of repairs will be carried out within their scheduled timescales.

POL00028118

Requirement	**949**	Release No	spr 16
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Training

Requirement Description:
The Service Provider must be capable of delivering POCL's total training requirement if required in due course.

POL00028118

Requirement	**950**	Release No	spr 16
Programme Grouping	General	**Subject Heading**	General Overview of Solutions

Requirement Description:
Requirement - Service Provider Solutions Document

The Supplier will provide an overview document which will describe and summarise the solutions they are proposing in response to the requirements documents sent to them. It is to be written in such a way that it logically links back to the requirements.

It is expected that this document will also include aspects of the overall end to end solution which are not explicitly defined in the individual responses to requirements.

The document should be text biased and not exceed 35 pages. It may be supported by annexes which could include flow diagrams of the technical solution and the support processes. It should be provided on floppy diskette in Word 6 (12 point)format accompanied by 3 hard copies.

The format is to cover the following:

BA
This should describe the CMS and PAS services and should include the following topics:-

- Hardware proposed and sizing
- Physical locations of central sites
- Software proposed
- Network(including topology, protocols)
- External Interfaces (including CAPS and POCL systems)
- Resilience and availability
- Security
- Fallback and Recovery
- Scalability

POCL
An end to end description of how the Post Office

POL00028118

Strategic Infrastructure will operate covering all outlets. This should cover the solutions for OP, TMS, SM, APS, BES, EPOS and OBCS services and should include the following topics:-

- Hardware proposed (with expected utilisation)
- Physical locations of central sites
- Software proposed (including operating system, middleware and application software)
- Wide Area Network (including topology, protocols, message authentication)
- Security (including any key management)
- External Interfaces (including POCL and client systems)
- Fallback and Recovery
- Resilience and availability
- Scalability
- System Management

Technical Interfaces
A description of how all the components of the system interact with each other and with other systems such as CAPS and Post Office accounting systems

Benefit Payment Service
This should draw together the specific solutions to CMS, PAS and BES into an integrated end to end picture of how the system will work. This should draw together the specific solutions to:-

- card design
- responsibilities
- security
- Fraud Investigation
- Contingency

Provision of Services
An end to end description of how the solutions will be implemented and should include:-

- Roll out through to steady state
- Migration of existing automation and services
- Training and Documentation
- Customer education and Marketing
- Support services, specifically Help facilities.

POL00028118

The report should be written at a level directed at Programme Team members who will have a knowledge of the solution proposed.

POL00028118

Requirement	**951**	Release No	spr 17
Programme Grouping	General	**Subject Heading**	General Systems - design

Requirement Description:
The Contractor must develop and maintain a document describing the design of the service architecture.

As a minimum the document must specify:

- the major components, provided directly or sub-contracted, used in providing the services

- the functionality within the major components

- the interfaces between the major components

- the service levels required across the interfaces to meet the objectives of the overall services

- all the interfaces with the Authorities' systems and with other parties

The audience for the document will be technical staff within the Authorities. It must be self contained, though it is expected that it will reference other documents to provide further levels of detail as appropriate. The level of detail within the document must be such that it gives a thorough background to the construction of the services and the rationale for the approach. It is anticipated that the document will be between 200 and 400 pages in length.

POL00028118

Requirement	**952**	Release No	spr 17
Programme	POCL	**Subject**	POCL
Grouping	Infrastructure	**Heading**	Infrastructure (OPS) Service - design

Requirement Description:
APS key management

The OPS must support a reliable, secure and encrypted means for the transfer of data that may subsequently be used for cryptographic applications at the counter e.g. the mechanism must be suitable for key management.

POL00028118

Requirement	953	Release No	spr 17
Programme Grouping	POCL Infrastructure	**Subject Heading**	POCL Infrastructure (OPS) Service - design

Requirement Description:
Concurrency

The OPS must support concurrent access to its services.

The OPS must ensure data integrity, e.g. reports printed at the back office whilst serving at the front office should be consistent, with a clearly stated policy of what front office data is included in the report.

The office performance should not be significantly degraded by other office activity, e.g. front office, back office and communications activities should not unduly impact each other.

POL00028118

Requirement	**954**	Release No	spr 20
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
If, before expiry of the existing Card and after CAPS has sent a notification that an Authorised Person no longer requires a Card, CAPS sends new personal details for that Customer , the CONTRACTOR must use the existing Card rather than issuing a new Card.

POL00028118

Requirement	955	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
The CONTRACTOR shall ensure that all Temporary Tokens, which will have a validity of seven (7) days, are terminated on payment of the single encashment authorised by the DSS. If a Authorised Person is entitled to benefit on successive days additional tokens may be issued for each days entitlement. All Temporary Tokens will be payable at the Post Office nominated by the DSS at the time of issue and retained by the Post Office clerk following encashment.

POL00028118

Requirement	**956**	Release No	spr 18
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Interface with OPS

Requirement Description:

1. Service Interface : ESNCS to OBCS

1.1. Business supported across the interface

The following business transactions must be supported across this boundary:

Transactions initiated by ESNCS:

Order Book stops - ESNCS will provide to OBCS amendments to the currently held list of Order Books that should be stopped and impounded when they are presented at a Post Office. That is, Order Books where no further payment on foils within the specified Order Book should be made;

Order Book recalls - ESNCS will provide to OBCS amendments to the currently held list of recalled Order Books with the recall date. A recalled Order Book will be impounded upon presentation at a Post Office but payments

Purge Order Book Notification - ESNCS will provide a list of Order Books which OBCS may purge from its list of recalls or stops. OBCS will not subsequently need to support any stop or recall action on such Order Books unless they are subsequently re-notified via either the stop or recall processes;

Restate Full List - ESNCS can, on request from either the DSS or the CONTRACTOR, provide a full list of all stops and recalls that are currently in force. This is an ad hoc transaction which requires negotiations between both parties before it can be initiated.

Transactions initiated by the CONTRACTOR:

Notification of outcome of Order Book receipt at Post Office - OBCS will notify ESNCS of the outcome of the Order Book receipt process in the Post Office. The outcome will be one of:

- the Order Book is acceptable;
- the Order Book is immediately impounded (due to a stop or recall request previously accepted from ESNCS);
- the Order-Book bar-code is found to be unreadable and is to be sent by the Post Office to a DSS Office for re-issue;

POL00028118

Notification of outcome of an Order Book redirection - the Post Office will detect delivery of an Order Book to the wrong Post Office and attempt to redirect it to the correct one. OBCS will notify ESNCS of the outcome of such events which will be one of:

- the Order Book is redirected successfully;
- the Order Book is immediately impounded (due to a stop or recall request previously accepted from ESNCS);
- the Order Book bar-code is found to be unreadable and is to be sent to a DSS Office for re-issue.

Notification of Outcome of Order Book handover to customer - OBCS will notify ESNCS of the outcome of the Order Book handover to customer. The outcome will be one of:

- the Order Book is handed over successfully;
- the Order Book is immediately impounded (due to a stop or recall request previously accepted from ESNCS);
- the Order Book bar-code is found to be unreadable and is to be sent to a DSS Office for re-issue;

Notification of Outcome of Order Book foil encashment - OBCS will notify ESNCS of the outcome of the Order Book foil encashment. The outcome will be one of:
the encashment is successful and the number of foils encashed is reported;

- no encashment is made and the Order Book is immediately impounded (due to a previous stop request accepted from ESNCS);
- one or more foils are encashed and the Order Book impounded (due to a previous recall request accepted from ESNCS);
- one foil is encashed and the Order Book is impounded due to the Order-Book bar-code being unreadable;

Post Office Summary transaction - OBCS will notify ESNCS daily for each Post Office of:

- the total number of non bar-coded Order Books presented at that Post Office;
- the total number of Order Books impounded without any encashments due to the bar-code being invalid.

1.2. System and Service responsibility

The CONTRACTOR must provide all networks, hardware, software, procedures and training required to connect and deliver services to the nominated ESNCS platforms. He is entirely responsible for rollout, operation and management of all such resources subject to the approval

POL00028118

of the DSS. The CONTRACTOR must undertake to provide such connection(s) at sites nominated by the DSS and which may change over time.

ESNCS is ICL VME and UNIX based and resides in the DSS Area Computer Centres operated for the DSS by EDS. It is for DSS's operator of the ESNCS gateway platform (currently SEMA) and the CONTRACTOR to agree the technical nature and implementation of the connection. This should be in negotiation with EDS and subject to DSS approval.

The CONTRACTOR cannot change the ESNCS interface as currently implemented in any way without the agreement of the DSS. The exception to this is the acknowledgement of Order Book stops and recalls which is in addition to the current implementation. A detailed specification is available to the CONTRACTOR.

The CONTRACTOR'S service responsibilities extend to:

- transport of ESNCS created transactions and any associated information (e.g. reference data) from the ESNCS service to their own services along with any subsequent processing. This normally includes detecting the availability of such transactions and data on the ESNCS services;
- provision of responses to transaction where requested along with delivery to the ESNCS service;
- transport of CONTRACTOR created transactions and information from their own services to the ESNCS service and notification of their availability if required.

The CONTRACTOR must agree a Service Level Agreement with the DSS prior to service commencement.

POL00028118

Requirement	957	Release No	spr 18
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Roll-out

Requirement Description:
DSS Implementation - Live Operational Trial

The live Operational Trial will last for approximately three (3) months. This will initially require X Post Offices in a small geographical location to be agreed with the AUTHORITIES within 7 (seven) days of the award of contract. During this period payments will be made to a limited number of Customers.

POL00028118

Requirement	958	Release No	spr 18
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Trials & Testing

Requirement Description:
DSS Implementation - Testing

Software and Equipment to be available for the purpose of end to end testing - to ensure the whole network of services and system from DSS feeder systems through PAS/CMS to the finance package are able to work as a whole.

The CONTRACTOR is required to provide infrastructure and support services for DSS testing environment.

The CONTRACTOR will produce a testing strategy and plan to be agreed with DSS within x days of the award of Contract (x to be agreed by the DSS and CONTRACTOR).

The Service Acceptance Test of the Operational Trial will not be closed until all aspects of the Acceptance Criteria have been met.

Clarification:

The following clarification is provided in relation to the last paragraph of this requirement:

'Service Acceptance Test' is a term used in previous draft versions of Clause 403 (Operational Trial). This clause no longer makes reference to this and is therefore no longer applicable as a distinct term. In the original drafting of Requirement 958 it was intended to be used as a generic term to describe a period during which all of the Acceptance Criteria would be satisfied and was not retrospectively removed from this requirement. For the purposes of Requirement 958 therefore this term is no longer appropriate and may be disregarded. The last line of this Requirement may therefore be interpreted as:

'The Operational Trial will not be closed until all aspects of the Acceptance Criteria have been met'.

POL00028118

POL00028118

Requirement	959	Release No	spr 18
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Service - design

Requirement Description:
The Urgent Payment and immediate stop facility will be required by July 1997.

POL00028118

Requirement	960	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (EPOSS) Accounting & reconciliation

Requirement Description:
ZERO-VALUE TRANSACTIONS

POCL records various zero-value EPOSS transactions to measure work done, for example for various Royal Mail and Parcelforce activities and for distribution of various forms, for example E111s. The measurement of work may be for charging clients, for remunerating subpostmasters, for monitoring work done to check assumptions in cases where the costs are subsumed in other charges, and so forth. Potential reasons for new zero-value transactions might be to provide data for clients in support of service level monitoring, for example recording transaction times for mail receipts.

The automated transactions need to be considered separately. Initially these will be:

* Automated Payments which fall into two categories:
  - smart cards, where "voids" from a clerk viewpoint are really recorded as reversals and any transactions are recorded (even if zero value) once the client has been identified since this implies interaction with the smart card;
  - swipe-cards or keyed transactions, where recording of zero value transactions is controlled by product parameters for minimum and maximum values but where a transaction can be made void during customer service and thus not recorded;

* Benefit Encashment transactions, which may be zero value for various reasons, e.g.:
  - customer terminates before signing the declaration, perhaps as a quasi-enquiry;
  - clerk terminates, perhaps if unsatisfied by customer identity, etc.;
  - no payment due;
  - no payment available at this office (e.g.

POL00028118

restricted office or foreign encashment);
- the transaction is normally zero value, e.g. requested change of nominated office, statement request;

* probably also associated benefit card transactions, expected to be "automated" but with POCL sub-contracted to the Service Provider as "client", recording:
  - receipt of batches of cards into offices and returns of uncollected cards;
  - issuing of cards to cardholders;

* perhaps recording of the dispatch of receipt/declaration bundles to the CONTRACTOR'S storage and retrieval facility, depending on how the CONTRACTOR wants this done;

* and also, potentially, transitional arrangements for OBCS with registration of order book receipt and issue in offices.

Particular aspects are:

a) zero value BES transactions should be recorded on the EPOSS transaction log and included in data passed to POCL's TIP system, as indicated in requirement 881 (nil-value receipts);

b) Automated Payments should continue as now;

c) extra automated transactions, including zero-value ones such as those indicated above for card/book/receipt movements should be designed as products in the normal way with normal transaction controls and data flows, including interfaces with POCL systems.

POL00028118

Requirement	**961**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Security

Requirement Description:
The CONTRACTOR shall ensure that the reverse of the Card mandates that Cards which are found ARE NOT returned to the Post Office but to a secure freepost address nominated by the CONTRACTOR.

POL00028118

Requirement	**962**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Customer education

Requirement Description:
The CONTRACTOR shall ensure that the reverse of the Card carries a message that reminds the Authorised Person of their responsibility in reporting changes in circumstances which may affect their entitlement to benefit, to the DSS. The content of the message is to be agreed between the DSS and the CONTRACTOR.

POL00028118

Requirement	**963**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
All payments made using contingency procedures must be clearly distinguishable from routine payments when notified to CAPS.

POL00028118

Requirement	**964**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Interface with CAPS

Requirement Description:
PAS must be able to handle temporary increases in the volume of data from CAPS during recovery of a CAPS failure (to catch up with data lost during the failure). The CONTRACTOR must specify what constraints their solution will impose under such circumstances.

POL00028118

Requirement	**965**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
The POCL counter clerk must not be able to enter the amount encashed. They must only be able to indicate whether the amount authorised by CAPS has been collected.

POL00028118

Requirement	**966**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
In the event of a postal dispute, or other unforeseen circumstances, CMS must be able to introduce new Authorised Persons to the service in a secure and auditable manner to allow collection of Authorised Payments on the due date. Such events must be clearly distinguishable from routine introductions to prevent duplication and to support audit.

POL00028118

Requirement	**967**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Interface with CAPS

Requirement Description:
CMS must be able to handle temporary increases in the volume of data from CAPS during recovery of a CAPS failure (to catch up with data lost during the failure). The CONTRACTOR must specify what constraints their solution will impose under such circumstances.

POL00028118

Requirement	968	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (CMS) Service - design

Requirement Description:
If the CONTRACTORS solution includes the issue of a Pick Up Notice (PUN) the DSS may require the issue of information notes prepared by the CONTRACTOR and any other associated collateral material (to be agreed between the CONTRACTOR and the DSS) to be issued with the PUN. It is not envisaged that the collateral material will increase postage costs. CONTRACTORS should separately identify the cost of providing such a service.

POL00028118

Requirement	**969**	Release No	spr 19
Programme Grouping	POCL Applications	**Subject Heading**	POCL Applications (BES) Service - design

Requirement Description:
When the CONTRACTOR is notified by POCL that for whatever reason the Nominated Post Office is closed unexpectedly (e.g. audit closure, safe failure, fire etc., but not including failure of the Operating Platform), BES will allow Authorised Persons to encash their benefits at a post office other than their Nominated Office. These transactions will not be recorded as a Foreign Encashment as outlined in requirement 770.

POL00028118

Requirement	**970**	Release No	spr 19
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Service - design

Requirement Description:
The CONTRACTOR must have a process for identifying (in conjunction with POCL) Post Offices that have been permanently closed (for any reason) and which alternative Post Office should be used.

POL00028118

Requirement	971	Release No	spr 19
Programme Grouping	Implementation	**Subject Heading**	Implementation (POCL) Interface with POCL applications

Requirement Description:
Farnborough requirement

It is a POCL requirement that its automated payment clients receive only one stream of unreconciled data irrespective of the source of the polling at outlets (via whether Farnborough or CONTRACTOR facilities). The CONTRACTOR and the AUTHORITY will agree a strategy to achieve this requirement from day 1.

The strategy will include, but not exclusively, a timetable separate from and shorter than the roll out timetable, for the CONTRACTOR to absorb the reducing workload from Farnborough.

POL00028118

Requirement	972	Release No	spr 19
Programme Grouping	Implementation	**Subject Heading**	Implementation (Joint) Roll-out

Requirement Description:
The CONTRACTOR will conform to the AUTHORITIES rollout strategy, which is as follows:

1. Installation will take place in major conurbations first.

2. The M25 area and Northern Ireland will be subject to separate rollout plans.

3. The M25 rollout will take place during the second half of the overall timetable.

4. The rollout will start in September 1996 and end in December 1998.

POL00028118

Requirement	**973**	Release No	spr 20
Programme Grouping	End to End Service	**Subject Heading**	Interfaces Flexibility - services

Requirement Description:
Services supplied by the CONTRACTOR may, during the lifetime of the contract or at termination, need to be replaced or supplemented with services provided by other suppliers. It must therefore be both technically and commercially viable for the CONTRACTOR'S services to be replaced by and/or interface to services from other suppliers. To support this, the CONTRACTOR must declare all internal interfaces between separate service components within the overall service boundary (including those between PAS and CMS, PAS and the POCL Infrastructure, CMS and the POCL Infrastructure). For each interface the supplier must provide an interface specification covering the same properties and to the same level of detail as Requirements 934-940 and 942. The CONTRACTOR must also describe the costing and charging basis for integration with other suppliers' services.

POL00028118

Requirement	**974**	Release No	spr 20
Programme Grouping	Implementation	**Subject Heading**	Implementation (DSS) Service - development

Requirement Description:
Benefits Agency Migration

The migration of benefit payments into CAPS and the CONTRACTOR's services will be in accordance with the Benefit Migration Timetable provided. This timetable is provisional, and may be subject to change.

POL00028118

Requirement	975	Release No	spr 21
Programme Grouping	Benefit Payment Service	**Subject Heading**	DSS Services (PAS) Flexibility - services

Requirement Description:
BPS must be flexible to allow other benefit payment postal authorities e.g. Channel Island Post Offices, British Forces Post Offices and Isle Of Man Post Offices, to be connected to it without significant re-engineering should the AUTHORITIES require to do so in the future.

POL00028118

Requirement	**976**	Release No	spr 20
Programme Grouping	Benefit Payment Service	**Subject Heading**	Interfaces Documentation

Requirement Description:
The CONTRACTOR should comply with the service interface requirements which are detailed in requirements 934 - 940 and 942, and in more detail in the BA/POCL Service Interface Definition Document.