

PATHWAY/PERITAS PURCHASE AGREEMENT - REF. NO. PE001 - VERSION 8.0 15/07/96
JULY 1996 EDITION

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This Purchase Agreement ("this Agreement") (ref no. PE001) is made the 26th day of July... 1996

between ICL Pathway Limited ("Pathway")
of 1 High Street, Putney, London, SW15 1SW, England

and Peritas Limited ("the Supplier")
of Beaumont, Burfield Road, Old Windsor, Berkshire, SL4 2JP

WHEREAS Pathway has entered into a contract (hereinafter called "the Main Agreement") with the Department of Social Security (hereinafter "the DSS") and Post Office Counters Limited (hereinafter "POCL") to computerise and operate a computerised service in respect of the DSS's benefits payment system and POCL's counter infrastructure.

NOW IT IS HEREBY AGREED as follows:

1 DEFINITIONS

- 1.1 "Acceptance" shall be taken to have occurred when the relevant Acceptance Procedure defined in Schedule A Clause A1.2 has been successfully completed; "Accept" shall be construed accordingly.
- 1.2 NOT USED
- 1.3 "Change" means a change to this Agreement, or to an Order, or to the specification of any of the Supplies.
- 1.4 NOT USED
- 1.5 "Confidential Information" means all information designated as such by either party in writing together with all other information which relates to the business, affairs, products, Supplies, developments, trade secrets, know-how, personnel, customers and suppliers of either party or the DSS or POCL, or information which may reasonably be regarded as the confidential information of the disclosing party or the DSS or POCL.
- 1.6 "Hardware" means any hardware to be supplied by the Supplier hereunder or under an Order, including:
 - 1.6.1 the physical media on which any Software is supplied; and
 - 1.6.2 any tangible object.
- 1.7 "Implementation Plan" means the plan produced by Pathway and given to the Supplier, showing the phasing of training associated with the roll-out of the Pathway systems into post offices. See Appendix 2.
- 1.8 "Order" means an order placed by Pathway, in accordance with Schedule B, for the Supplies from the Supplier under the terms of this Agreement.
- 1.9 "Performance Measure" means a measure of delivery or performance by the Supplier of the Supplies, as contained in Schedule G.

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- 1.10 "Service" means a service to be performed by the Supplier hereunder or under an Order.
- 1.11 NOT USED
- 1.12 "Specification" means the specification of the Supplies set out and/or referred to in Schedule A.
- 1.13 NOT USED
- 1.14 "Supplies" means the Hardware, software, Services, articles or things to be supplied by the Supplier hereunder or under an Order.
- 1.15 NOT USED

2 DURATION

- 2.1 This Agreement shall be effective from the date shown above and shall, subject to the rights of termination herein, continue in operation until Pathway has completed the roll-out phase of the Main Agreement, or until Pathway informs the Supplier by giving one (1) month's notice in writing that it has no further requirements for the Supplies, whichever is later.

3 AGREEMENT

- 3.1 The Supplier undertakes to supply Pathway with or perform the Supplies against Orders placed by Pathway under the terms of this Agreement, and in accordance with the Implementation Plan. The maximum limits, if any, to the size and frequency of each delivery or performance occasion of the Supplies are stated in Schedule A Clause A7; the Supplier shall not be obliged to deliver or perform in excess of such limits, but shall nevertheless use reasonable endeavours to do so when requested by Pathway.
- 3.2 This Agreement constitutes an Order in respect of the items in Schedule D3.

4 QUALITY AND DESCRIPTION

- 4.1 The Supplies shall conform to the quality requirements contained in the Specification and in Schedule A Clause A2.

5 DELIVERY, TITLE AND RISK

- 5.1 The Supplier shall at its own expense deliver any Hardware, suitably packed and marked with the relevant product name, code and serial number, to or at the place specified by Pathway. All packages must be marked with the supplier's name, the delivery address as notified by Pathway or otherwise agreed, and the number of separate packages must be identified.
- 5.2 Title, risk and property in any Hardware shall pass to Pathway on delivery of the Supplies.
- 5.3 NOT USED

6 TIME FOR DELIVERY AND PERFORMANCE OF THE SUPPLIES

6.1 The Supplier shall deliver or perform the Supplies at the time or times necessary to keep up with the Implementation Plan, or as otherwise agreed with Pathway. The Supplies may not without Pathway's agreement be delivered or performed earlier or later than the due delivery or performance date. Keeping up with the agreed roll-out schedule shall be of the essence of the performance of the Services.

6.2 NOT USED

6.3 The Supplier shall deliver or perform the Supplies in accordance with the Performance Measures contained in Schedule G. Any failure to achieve the Minimum Acceptable Level shall confer the rights on Pathway defined by Clauses 6.3.1 and 6.4.

For the avoidance of doubt, only the underlined frequency or frequencies in the relevant Performance Measure apply to that Performance Measure. For the further avoidance of doubt, those frequencies refer to the frequency with which the Supplier shall report its achieved performance level to Pathway. The period over which the performance is to be measured is monthly and quarterly for Performance Measures PE201, PE204 and PE207. For Performance Measures PE202, PE203 and PE205 and PE206, performance is to be measured on a per course basis.

6.3.1 If in relation to any delegate attending the training course, the Minimum Acceptable Levels defined by Performance Measure PE205 are not achieved, the Supplier shall at no additional cost to Pathway undertake remedial training for that delegate.

If in relation to any training course the Minimum Acceptable Levels defined by Performance Measure PE203 are not achieved, the Supplier shall reduce its charges for that course in line with the damages schedule quoted on the Performance Measure.

If delivery or performance of the Supplies or any part thereof, measured over the performance review period is below the Contract Review Level, then the Supplier shall produce a report, outlining the causes, and the proposed corrective action (Problem Notification Report). Pathway shall at their discretion, call a contract review meeting with the Supplier. The level and seniority of the attendees of the Supplier's personnel shall be as required by Pathway, although Pathway shall provide reasonable notice for such a meeting. Such a review to be called no more than thirty (30) days, after the receipt of the Problem Notification Report.

No remedies are applicable in relation to failure to achieve the Minimum Acceptable Levels of Performance Measures PE201, PE202, PE204, PE206, PE207 and PE208. The Supplier shall nevertheless use its best endeavours to exceed such Minimum Acceptable Levels.

6.3.2 NOT USED

6.4 If delivery or performance of the Supplies or any part thereof, measured over a period of any rolling three (3) months, is below the Termination Review Level, where applicable, Pathway shall be entitled to terminate this Agreement, either summarily in writing or at

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Pathway's discretion by giving up to thirty (30) days' written notice. Except that in relation to Performance Measure PE208, Pathway may only terminate the Management of Change Service.

Pathway's entitlement to terminate shall however lapse, if not already exercised, thirty (30) days after the circumstances which gave Pathway its right to terminate under this clause have occurred, provided delivery or performance of the Supplies reaches and remains continuously at or above the Minimum Acceptable Level during such thirty day period.

If Pathway terminates this Agreement under the terms of this Clause 6.4 Pathway shall be entitled to return Supplies already delivered or performed (insofar as such Supplies are capable of return) but not yet paid for, and shall have no further liability to the Supplier (other than to pay for Supplies delivered or performed but not paid for and which Pathway does not return). Such termination shall be without prejudice to any other rights that Pathway may have in respect of the Supplier's failure to deliver or perform the Supplies at or above the Termination Review Level.

- 6.5 Pathway's remedies under this Clause 6 are cumulative and not alternative rights in respect of any given failure by the Supplier to achieve the Minimum Acceptable Levels.
- 6.6 The time for delivery or performance shall be extended by a reasonable period if delay is caused by act of God, refusal of licence (where the application has been timely and appropriately filed) or other governmental act, fire, explosion or by any other cause beyond the Supplier's reasonable control; for the avoidance of doubt, a delay caused by an industrial dispute between the Supplier and its own workforce, and a delay caused by a dispute between the Supplier and Pathway or a sub-contractor or supplier to the Supplier are deemed not to be beyond the Supplier's reasonable control. Should the Supplier experience any such cause then the Supplier shall promptly notify Pathway in writing of the cause and the likely duration of such delay. Pathway shall at its option be excused from accepting or paying for the Supplies for the duration of such cause. Pathway may cancel the Order or terminate this Agreement without liability in the event of more than thirty days delay in delivery or performance of the Supplies for any such cause and in such event the supplier shall immediately repay to Pathway any sums paid by Pathway for any Supplies not retained by Pathway.
- 6.7 Where delivery or performance is delayed by reason of delay in the granting of any necessary import or export licence then the provisions of Clause 13.7 shall apply.
- 6.8 If, after the date of the Agreement, the Supplier shall have been delayed or impeded by an act or omission of Pathway or any circumstances beyond the reasonable control of the Supplier, and providing the Supplier shall have notified Pathway in writing of such delay or impedance, the Supplier shall be granted such extension of time as may be reasonable and in the case of acts or omissions of Pathway, POCL, the DSS or other suppliers or sub-contractors to Pathway, Pathway shall be liable for any and all such costs or expenses incurred by the Supplier as a direct result of such act or omission.

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6.9 Pathway shall at its own expense ensure that all the supplies that the Supplier requires to perform his obligations under this Agreement and that Pathway has contracted to supply are provided and delivered by Pathway in sufficient time in accordance with time or times as agreed in writing by the parties or specified in this Agreement.

7 **NOT USED**

8 **PRICES**

8.1 Pricing requirements and prices payable for the Supplies are set out in Schedule D.

9 **PAYMENT TERMS**

9.1 Following delivery or performance of the Supplies the Supplier shall submit itemised invoices on a calendar monthly basis in respect of the Supplies performed during the preceding month quoting the reference number of this Agreement and where applicable the relevant Pathway Order number. Settlement of such invoices shall be within thirty (30) days of either the date of delivery or performance of such Supplies or the date of receipt of such invoices, whichever is the later.

The Supplier shall also submit invoices in accordance with the provisions of the Standing Payment Profile contained as Schedule D3; settlement shall be within thirty (30) days of either the date of receipt of such invoices or the end of the month to which they relate, whichever is the later.

9.2 **NOT USED**

9.3 Neither the Supplier nor any sub-contractor or supplier to the Supplier, nor any other person, shall have a lien on any Supplies or items owned by or leased to Pathway or the DSS or POCL for any sum due to the Supplier, sub-contractor or supplier to the Supplier or other person, and the Supplier shall take all reasonable steps to ensure that the title of Pathway, the DSS or POCL as appropriate and the exclusion of any such lien are brought to the notice of all sub-contractors, suppliers and other persons dealing with such Supplies.

9.4 If Pathway fails to make payment or any part of payment due to the Supplier, the Supplier shall have the right, at the Supplier's absolute discretion, by notice in writing forthwith, to cease performance of all further obligations under the contract, until full payment of the outstanding sums have been received. Pathway will have no claim against the Supplier on account of any cessation by the Supplier by the aforesaid.

10 **NOT USED**

11 **PROJECT MANAGEMENT**

11.1 Schedule E defines the minimum project management and reporting requirements for the performance of the Supplier's obligations under this Agreement.

12 CHANGE CONTROL

12.1 In the event that either party wishes to propose a Change or modification, or Pathway fails to fulfil an obligation hereunder, the provisions of Schedule F shall apply.

12.2 NOT USED

12.3 NOT USED

13 STATUTORY REQUIREMENTS

13.1 NOT USED

13.2 NOT USED

13.3 The Supplier shall be responsible for ensuring that any of its employees or other persons performing this Agreement or carrying out an Order who enter Pathway's premises or pursuant to this Agreement the premises of any other supplier or customer of Pathway are suitably clothed and issued with correct and safe protective equipment, that they are duly warned of hazards which they may encounter on the relevant premises and that they adhere to all health and safety rules and regulations which are applicable from time to time. Pathway shall be responsible for providing to the Supplier any rules concerning health or safety before the employees or persons performing this Agreement are required to enter the said premises.

13.4 The Supplier 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.

13.5 The Supplier shall take all reasonable steps to ensure the observance of the provisions of Clause 13.4 by all servants, employees, agents and consultants of the Supplier and all sub-contractors and suppliers to the Supplier.

13.6 The Supplier shall be responsible for obtaining any import or export licence or government consents which may be necessary for delivery or performance of the Supplies, including but not limited to those required by the UK Export of Goods (Control) Order and the USA Export Administration Regulations.

13.7 If the delivery or performance of the Supplies is delayed by reason of delay in the granting of any necessary import or export licence (where the application has been timely and appropriately filed), the delivery or performance date for the Supplies shall be extended for such period as may be reasonable in all the circumstances and the parties shall consult in order to establish such extension.

13.8 If application for a necessary import or export licence has been finally rejected, following the taking of all reasonable steps by way of representations or appeals, the requirement for the relevant part of the Supplies or the Order for the Supplies concerned may be cancelled without liability, by either party giving written notice to the other party.

13.9 NOT USED

13.10 NOT USED

14 INTELLECTUAL PROPERTY RIGHTS

14.1 The supplier shall fully indemnify Pathway and its customers against all liabilities, losses, costs and expenses including, but not limited to legal fees, arising from any infringement, or alleged infringement, of any patent, copyright, design, trade mark, trade name or other intellectual property right of any third party by the possession, use, performance, sale, sub-licensing or other exploitation of the Supplies.

In the event of any such infringement the supplier shall promptly either procure the right for Pathway and its customers to carry on possessing, using, selling, sub-licensing or otherwise exploiting the Supplies, or shall modify or replace the Supplies (at no cost or inconvenience to Pathway or its customers) by alternative products or services that are agreed by Pathway and that have at least equal performance and functionality to the infringing Supplies.

14.2 Pathway may copy and grant the DSS and POCL the right to copy any training material supplied pursuant to this Agreement, for their internal use in connection with the system being provided by Pathway pursuant to the Main Agreement ("the Pathway system"). Pathway may grant the DSS and POCL the right to use the training material to run training courses related to the Pathway system, using their own trainers.

Subject to Clause 15, Pathway shall take all reasonable steps necessary to prevent third parties other than the DSS and POCL using, copying or otherwise gaining access to the training material.

15 ASSIGNMENT

15.1 Subject to Clause 15.2, neither this Agreement nor any Order shall be assignable by either party without the written consent of the other except that Pathway may assign this Agreement or any Order to any company controlled directly or indirectly by ICL Pathway Limited or its direct or ultimate parent company or to any person, firm or corporation that may purchase or take an assignment of the business relating to the Supplies or any of them, always provided such purchaser or assignee shall assume the obligations of Pathway hereunder.

15.2 In the event that the Main Agreement expires or is terminated, then this Agreement, and all Orders, and any equipment rental or lease agreements which are entered into by Pathway and the Supplier pursuant to this Agreement, and any licences of intellectual property rights granted to Pathway, and all other (non-employment) contracts between Pathway and the Supplier which are necessary to the performance of this Agreement, are assignable by Pathway to the DSS or POCL or a third party selected by the DSS or POCL to replace Pathway and perform substantially the same functions as Pathway under the Main Agreement or a replacement thereof.

Furthermore in the event of expiry or termination of the Main Agreement, Pathway may at no cost to itself, the DSS, POCL or the said third party release to the DSS or POCL or the said third party a copy of all software, data, tools, utilities, documentation and anything else necessary to provide the Services. Such items shall be subject

to any applicable licence terms, provided that such terms shall not detract from the DSS's or POCL's or the said third party's ability to perform such substantially the same functions.

16 OTHER SUPPLIERS TO PATHWAY

16.1 The Supplier acknowledges that a variety of suppliers will be supplying goods and services to Pathway pursuant to the Main Agreement, and that Pathway will need to integrate such goods and services with the Supplies in order to fulfil the terms of the Main Agreement. Such integration may be done directly by Pathway or at Pathway's discretion by one or more third parties, or both. Additionally Pathway may engage other suppliers for other aspects of fulfilling the terms of the Main Agreement.

16.2 The Supplier shall fully and free of charge co-operate and liaise with Pathway and with all other relevant suppliers to Pathway in order to achieve the satisfactory working and performance pursuant to the Main Agreement of the Supplies and to assist such other suppliers to Pathway to achieve the satisfactory working and performance pursuant to the Main Agreement of the products and services that they are supplying. Such co-operation and liaison shall include the provision of direct access by Pathway and its suppliers to the Supplier's technical staff.

In the event that such satisfactory working and performance requires a Change, the provisions of Schedule F shall apply.

17 INSOLVENCY OR LIQUIDATION

17.1 If either party becomes insolvent or goes into liquidation or passes a resolution for its winding-up (other than solely for the purpose of amalgamation or reconstruction) or if a receiver, manager or administrator is appointed in respect of the whole or any part of either party's business then the other party may without liability cancel this Agreement or any Order summarily by notice in writing to the other and all supplies and other items at either party's premises which are owned by the other party or have been paid for by the other party shall be returned promptly to that other party and that other party may enter any premises to recover and remove such Supplies and other items.

18 CONFIDENTIALITY

18.1 All specifications, patterns, drawings and information supplied by, or at the expense of, either party shall remain the supplying party's property and shall be returned in good order and condition on request or on termination or expiry or completion of this Agreement or the relevant Order and shall not be copied or used for any purpose other than as allowed under this Agreement or the Order.

18.2 Each party hereto undertakes not to disclose Confidential Information obtained from the other unless it is in the public domain or, as evidenced by its written records, is either already in the party's possession without restriction in relation to disclosure prior to disclosure by the other party, or is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure, or is subsequently independently developed by it by persons having no access to the Confidential Information of the other party provided that Pathway may make such disclosure if it is

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reasonably required in connection with the maintenance, operation, supply, potential supply, performance or potential performance of the Supplies to its customers; if Pathway makes any such disclosure it shall inform the Supplier of what it has disclosed.

- 18.3 The Supplier undertakes not to release any public statements mentioning Pathway or quoting the opinion of any of its employees regarding Pathway, this Agreement, the Main Agreement, the DSS, POCL or any of Pathway's other suppliers or sub-contractors without the prior written approval of Pathway.
- 18.4 Except with the written consent of Pathway, the Supplier shall not make any press announcements or publicise this Agreement or the Main Agreement in any way.
- 18.5 The Supplier shall ensure the observance of the provisions of Clause 18.4 by all its servants, employees, agents, consultants, sub-contractors and suppliers.
- 18.6 Neither Pathway nor the Supplier shall have a right to use the brand or logo of any Post Office Group member, or of any part of the DSS, or of the DSS and POCL jointly, or of Pathway, or of the Supplier, without the other party's prior written consent. Neither party shall do anything to injure such logos and brands or the reputation of POCL or the DSS or Pathway or the Supplier and, if either party uses such brands and logos, shall take all reasonable steps to enable the DSS and POCL to protect their logos and brands and the reputation of POCL and the DSS and Pathway but in no event less than the steps it would take in relation to its own logos, brands and reputation.
- 18.7 This Clause 18 shall not preclude Pathway from referring to the Supplies in advertising literature and elsewhere as Pathway's products or part thereof.
- 18.8 This Clause 18 shall not preclude any disclosure concerning this Agreement or any Orders hereunder which is required by applicable law, governmental rule or regulation, or judicial order or process or which either party considers necessary under applicable competition laws provided that prior written notice thereof is given to the other party.

19 PROTECTION OF PERSONAL DATA

- 19.1 The Supplier's attention is hereby drawn to the Data Protection Act 1984.
- 19.2 Both parties warrant that they will duly observe all their obligations under the Data Protection Act which arise in connection with this Agreement.
- 19.3 Section 123 of the Social Security Administration Act 1992 shall apply to this 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. Both parties warrant that they will duly observe all their obligations under the Social Security Administration Act 1992 which arise in connection with this Agreement.

20 SUPPLIER'S PERSONNEL

- 20.1 The Supplier hereby acknowledges and accepts that both the DSS and POCL reserve the right to refuse to admit:
- (a) (in the DSS's case) to any premises occupied by or on behalf of the Crown (which terms shall in this clause include all persons employed or engaged by the Crown and all persons providing services to the Crown); or
 - (b) (in POCL's case) to any premises occupied by or on behalf of any member of the Post Office Group or to any post office any person employed or engaged by the Supplier, or by a sub-contractor or supplier to the Supplier, whose admission would be, in the reasonable opinion of either the DSS or POCL as appropriate, undesirable.
- 20.2 If and when directed by Pathway, the Supplier 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 this Agreement to any 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 this Agreement and giving such other particulars as Pathway may reasonably require. The Supplier shall comply with any reasonable directions issued by the designated representative of the DSS, POCL or Pathway as to which persons may be admitted to such premises and at what times.
- 20.3 If and when directed by Pathway, the Supplier shall secure that any person employed or engaged by the Supplier or by a sub-contractor or supplier to the Supplier, 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 this Agreement.
- 20.4 The Supplier'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.
- 20.5 NOT USED
- 20.6 The decision of the DSS or POCL as appropriate 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.
- 20.7 The Supplier hereby acknowledges and accepts that the DSS or POCL as appropriate will be responsible for maintaining in accordance with its standard security requirements the security of any land or premises (including temporary buildings) made available to Pathway or the Supplier by the DSS or POCL as appropriate. The Supplier shall comply with all reasonable security requirements of the DSS or POCL as appropriate while on the premises, and shall procure that all of its employees, agents, sub-contractors and suppliers shall likewise comply with such requirements. Pathway shall provide the Supplier upon request copies of the DSS's and POCL's written security procedures and shall use reasonable endeavours to procure from the DSS and POCL upon

request an opportunity to inspect the DSS's and POCL's security arrangements.

21 LIABILITY AND INSURANCE

- 21.1 If this Agreement or an Order requires that the Supplier sends its employees to Pathway's premises or the premises of any other supplier or customer of Pathway for any purpose in connection with this Agreement or the Order then, notwithstanding any degree of technical supervision exercised by Pathway or the relevant supplier or customer or any instructions issued by Pathway or the relevant supplier or customer, such employees will remain the Supplier's employees alone. Accordingly, it is an express condition that the Supplier effects and maintains in force for the benefit of Pathway, Pathway's customers and itself full employer's liability insurance in respect of such employees. The Supplier will provide Pathway with written evidence of such insurance at any time on request and will notify Pathway in writing of any change in this insurance.
- 21.2 The Supplier shall indemnify Pathway against liability resulting from any claim or action in respect of death, illness or bodily injury to any person caused by or arising out of the Supplies or work performed by the Supplier, its employees, agents or sub-contractors under this Agreement or an Order and the Supplier shall further indemnify Pathway against any loss of or damage to property caused by the Supplies or by the act or default of the supplier or such employees, agents or sub-contractors.
- 21.3 The maximum liability of the Supplier under this Agreement shall in relation to death or personal injury be unlimited and in all other respects be the cost of rectifying the respective default or breach, the Contract price for that portion of the default or breach up to a maximum nineteen (19) million pounds sterling. Neither party shall be liable for consequential loss or loss of revenue or profits.
- 21.4 The Supplier's personnel shall at all times when on Pathway's premises or pursuant to this Agreement on the premises of any other supplier or customer of Pathway carry an identity pass supplied by the Supplier and approved by Pathway.
- 21.5 All risk of loss of or damage to any property of the Supplier or of the Supplier's personnel while at Pathway's premises or pursuant to this Agreement at the premises of any other supplier or customer of Pathway for any reason whatsoever shall be and remain the sole risk and responsibility of the Supplier which shall indemnify Pathway against all liability in respect of all such loss or damage.

22 AUDIT

- 22.1 The Supplier shall keep or cause to be kept full and accurate records ("the Records") of all Supplies supplied.
- 22.2 The supplier shall grant or procure the grant to Pathway, the DSS, POCL, any statutory or regulatory auditors of the DSS and POCL and their respective authorised agents the right of reasonable access to the Records and shall provide all reasonable assistance at all times during the currency of the Main Agreement and for six (6) years after the creation of the relevant Records for the purposes of carrying out an audit of the Supplier's compliance with this Agreement and Pathway's compliance with the Main Agreement, including all

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activities, charges, prices, performance, security and integrity in connection therewith. Each party shall bear its own expenses incurred pursuant to this clause. On termination of this Agreement, the Supplier shall within a reasonable period to be agreed by the parties transfer the Records to Pathway. The Supplier shall thereafter be relieved from any further liabilities under this clause in relation to such Records. Pathway may subsequently, on expiry of the Main Agreement, transfer the Records to the DSS or POCL or a third party selected by the DSS or POCL to replace Pathway and perform substantially the same functions as Pathway under the Main Agreement or a replacement thereof.

22.3 Without prejudice to the foregoing, in the event of an investigation into suspected fraudulent activity or other impropriety by Pathway, the Supplier or any third party, Pathway (save where Pathway is allegedly party to the suspected fraudulent activity or other impropriety) the DSS and POCL reserve for themselves, any statutory or regulatory auditors of the DSS and POCL and their respective authorised agents or (in the case of DSS) any Crown Body the right of immediate access to the Records described in Clauses 22.1 and 22.2 above and the Supplier agrees to render all necessary assistance to the conduct of such investigation at all times during the currency of the Main Agreement or at any time thereafter.

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

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

22.4.2 shall produce whatever evidence the DSS requires in support of the information provided under Clause 22.4.1 above.

For the avoidance of doubt, such information shall not include information concerning the prices paid by Pathway to the Supplier under this Agreement.

22.5 In connection with this Agreement, the Supplier must not enter into any other contract or agreement with any person unless that contract or agreement contains a provision equivalent to Clause 22.4.1 allowing the DSS to obtain price information and evidence from that person. This Clause 22.5 does not apply if the Supplier has entered into a contract or agreement following a competitive tendering exercise in which the Supplier accepted the tender with the lowest price.

22.6 The Supplier is hereby informed that the DSS must use information provided under Clauses 22.4 and 22.5 for the purposes of the Exchequer and Audit Departments Act 1866 and for no other purpose.

22.7 The Supplier shall for the duration of this Agreement provide Pathway at no additional cost with copies of its annual and interim audited accounts within fourteen (14) days of such accounts having been lodged at Companies House or its local equivalent to Companies House.

22.8 Without in any way limiting the application of the other clauses of this Agreement, the supplier acknowledges that for the purpose of

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examining and certifying the DSS's accounts or for examining (pursuant to Section 6(1) of the National Audit Act 1983) the economy, efficiency and effectiveness with which the 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 Supplier and may require the Supplier to produce such oral and written explanations as he considers necessary.

- 22.9 The Supplier shall ensure that the terms of its contracts with its sub-contractors and suppliers require the sub-contractors and suppliers to permit examination by, and provide explanation to, the Comptroller and Auditor General in the manner described in Clause 22.8.
- 22.10 All information obtained by Pathway, the DSS or POCL pursuant to this clause shall be treated as Confidential Information.

23 CANCELLATION/TERMINATION

- 23.1 Pathway may cancel any Order or any of the Supplies in accordance with Schedule B hereto.
- 23.2 (a) Notwithstanding the requirements of Schedule B, and where there has been no breach of contract or default by the Supplier, Pathway may also by giving not less than twelve (12) months' notice cancel any Order (or part thereof) or any outstanding Supplies (or part thereof), or terminate this Agreement, or both, in the event that the DSS or POCL terminates all or part of the Main Agreement or all or part of Pathway's obligations thereunder by giving Pathway not less than twelve (12) months' notice.
- (b) Additionally, also notwithstanding the requirements of schedule B, and where there has been no breach of contract or default by the Supplier, Pathway may by giving immediate notice cancel any Order (or part thereof) or any outstanding Supplies (or part thereof), or terminate this Agreement, or both, in either of the following events:
- (i) that the DSS or POCL terminates all or part of the Main Agreement or all or part of Pathway's obligations thereunder for breach of contract or default by Pathway;
 - (ii) that Pathway, the DSS or POCL terminates the Main Agreement, or the Main Agreement lapses, as a result of failure of Pathway and the DSS and POCL to reach agreement on those schedules to the Main Agreement that were still to be agreed when the Main Agreement was signed by Pathway, the DSS and POCL.
- (c) Additionally, Pathway may at its sole discretion by giving notice in writing cancel any Order (or part thereof) or any outstanding Supplies (or part thereof), or terminate this Agreement, or both, where such cancellation or termination is greater than the relevant maximum percentage (established by reference to the cancellation or termination date relative to the lead time) defined by Clause B1.4 of Schedule B. In such event any compensation payable by Pathway will be subject to written agreement between the parties, or where agreement cannot be reached within one (1) month of the date of the notice from

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Pathway, Pathway will pay compensation to the Supplier in accordance with the provisions of Clauses 23.2.2 to 23.2.4.

- (d) A notice given to the Supplier by Pathway pursuant to Clause 23.2(a) or 23.2(b) or 23.2(c) is hereinafter referred to as a "Cancellation/Termination Notice".

23.2.1 In the event of a Cancellation/Termination Notice being given by Pathway, the Supplier shall take all reasonable steps to:

- (a) cancel all capital and recurring cost commitments;
- (b) arrange more favourable financing terms;
- (c) terminate all contracts with sub-contractors and suppliers on the best possible terms; and
- (d) reduce labour costs by the redeployment or release of staff.

23.2.2 In the event of a Cancellation/Termination Notice being given by Pathway (save where the Cancellation/Termination Notice is given pursuant to Clause 23.2(c) and Pathway and the Supplier have agreed on the compensation to be paid by Pathway), the Supplier shall within one month (or longer where agreed in writing by Pathway and the Supplier) after the date of the notice provide Pathway with a statement showing the sum of:

- (a) its unavoidable direct costs that will be or have been incurred pursuant to this Agreement after the effective date of termination of this Agreement or Order; minus
- (b) the reasonable increase in the Supplier's inventory value resulting from the Supplier keeping rather than supplying Supplies to Pathway; plus
- (c) reasonable cash flow and storage costs associated with servicing the increased inventory; plus
- (d) the unrecovered portion of any direct costs incurred pursuant to this Agreement before the effective date of termination of this Agreement or Order. Such unrecovered portion shall be no more than would have been recovered had this Agreement been performed without cancellation/termination, having due regard to the scale of Pathway's operations under the Main Agreement, the level of usage, trended growth (or shrinkage), and such other factors as are relevant.

Such statement shall show the profile of such costs on a month-by-month basis. The direct costs shown on such statement shall be net of the savings and cost reductions occasioned by the steps taken pursuant to Clause 23.2.1, and shall exclude all profit margins and overhead recoveries of the Supplier.

The validity and correctness of such statement shall be subject to agreement between Pathway and the Supplier. Pathway shall have the right to audit the Supplier's internal records and information (confidential or

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otherwise) in order to satisfy itself of the validity and correctness of the statement.

23.2.3 In the event of a Cancellation/Termination Notice being given by Pathway, Pathway shall within thirty (30) days after receipt of a termination sum from the DSS and POCL (if any), or within thirty (30) days after the effective date of termination of this Agreement or Order (whichever occurs later) pay the Supplier a sum equal to the net present value of the cost profile shown on any agreed valid and correct statement submitted by the Supplier pursuant to Clause 23.2.2 within the period prescribed by Clause 23.2.2 ("the prescribed period") for submission of such statement. Pathway will be under no obligation to pay the Supplier in respect of any statement submitted after the prescribed period, or in respect of any costs not contained in an agreed valid and correct statement submitted during the prescribed period.

The annual effective discount rate to be used for calculating the net present value shall be five (5) per cent over the Barclays Bank Base Rate in force at the time Pathway makes the payment.

Upon receipt by the Supplier of the aforementioned net present value Pathway will have no further liability to the Supplier.

23.2.4 Pathway shall not in any event be liable to pay under the provisions of Clause 23.2.3 any sum which, when taken together with any sums paid or due or becoming due to the Supplier under this Agreement, shall exceed the total net present value (calculated using the rate referred to in Clause 23.2.3) of the sums due to the Supplier had this Agreement or the Order been performed without cancellation/termination, having due regard to the scale of Pathway's operations under the Main Agreement, the level of usage, trended growth (or shrinkage), and such other factors as Pathway deems relevant.

Pathway shall not in any event be liable to pay under the provisions of Clause 23.2.3 any sum which is greater than that which it would be liable to pay were cancellation to be made under the terms of Clause B1.4 of Schedule B.

23.2.5 The Supplier shall ensure that any contract it enters into with a sub-contractor or supplier in connection with or for the purposes of this Agreement shall provide it (the Supplier) with rights corresponding to those pertaining to Pathway under this Clause 23.2.

23.3 Pathway may also forthwith by notice in writing to the Supplier cancel any Order or part thereof or the requirement for the relevant part of the Supplies and/or terminate this Agreement if the Supplier is in breach of this Agreement or any Order and fails to remedy such breach within thirty (30) days of Pathway's written demand.

23.4 Pathway reserves the right to immediately terminate this Agreement without further liability to the Supplier in the event of any of the following occurrences:

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- (a) the Supplier is acquired by a third party through a merger or amalgamation; or
- (b) the acquisition of a majority holding or significant controlling interest in the Supplier by one or more parties; or
- (c) NOT USED

Pathway will not exercise its rights under Clause 23.4 where Supplier has notified Pathway in advance of the proposed acquisition or change of control, and Pathway has agreed to it in writing, and the acquisition or change of control takes place as proposed.

23.5 Notwithstanding anything contained in this Agreement the following obligations will survive termination of this Agreement:

- (a) The obligations of the parties under Clause 14 "Intellectual Property Rights", Clause 18 "Confidentiality", Clause 19 "Protection of Personal Data", Clause 21 "Liability and Insurance", Clause 22 "Audit" and Clause 23 "Cancellation/Termination";

- (b) All other rights and/or obligations under this Agreement which are expressed to apply after termination or which are by necessary implication to apply after termination.

23.6 The Supplier may also terminate this Agreement by giving Pathway not less than twelve (12) months notice, such notice shall not be effective earlier than 31st December 1998, or until six (6) months after Pathway has completed the roll-out phase of the Main Agreement, whichever is the later.

23.7 Pathway may at any time at its sole discretion terminate the provision of the Management of Change Service. To effect this termination Pathway shall inform the Supplier that it is not satisfied with such Service and/or is considering terminating it, and shall give its reasons. The Supplier shall then have thirty (30) days in which to endeavour to improve the Service or persuade Pathway not to terminate. At the end of such thirty day period Pathway may then at its sole discretion terminate the Service, either summarily or by giving up to thirty (30) days notice. On terminating, Pathway's sole liability shall be to pay the agreed Service charge for a further thirty (30) days beyond the effective date of such termination.

24 SET-OFF

24.1 If at any time any sum of money becomes recoverable by or due to Pathway from the Supplier under or in connection with this Agreement (including Orders placed hereunder) or any breach thereof by the Supplier or under or in connection with any other agreement (whether of sale or purchase or on any other account) between Pathway and the Supplier, Pathway shall be entitled, without prejudice to any other rights or remedies of Pathway by law, to deduct such sum from any amount then due, or which may at any time thereafter become due, to the Supplier under this Agreement (including Orders placed hereunder) or under any other agreement between Pathway and the Supplier.

25 GENERAL

25.1 This Agreement constitutes and expresses the entire agreement between the parties relating to the subject matter hereof. The provisions of this Agreement apply to the exclusion of any other standard terms and conditions of Pathway or of the Supplier.

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- 25.2 This Agreement shall in all respects be deemed to be made under, and interpreted in accordance with, English law, and the parties hereby submit to the non-exclusive jurisdiction of the English courts.
- 25.3 No provision hereof shall be deemed waived and no breach or default excused unless such waiver or excuse is in writing signed by the party issuing it.
- 25.4 This Agreement may not be varied or amended in any way except in writing signed on behalf of Pathway and the Supplier.
- 25.5 The rights and remedies of Pathway under this Agreement are cumulative and without prejudice and in addition to any rights or remedies which it may have at law or in equity.
- 25.6 The headings in this document are inserted for convenience only and shall not constitute a part of or be referred to in its interpretation.

GRO

SIGNED by
For and on behalf of the Supplier

Date 26/7/96

GRO

SIGNED by
For and on behalf of Pathway

Date 26.7.96

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Appendix 2 Pathway Implementation Plan Version 5.0 16 April 1996

Appendix 3 Assumptions and Dependencies Version 4.0 15 July 1996.

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SCHEDULE A - SPECIFICATION OF SUPPLIES

A1 SPECIFICATION

A1.1 Specification

As attached documents, under the heading of Pathway/Peritas Purchase Agreement Ref no. PE001, Version 6.0 15th July 1996:

- Appendix 1 Work Packages & Training Event Specifications Version 6.0 15th July 1996
- Appendix 2 Pathway Implementation Plan Version 5.0 16th April 1996
- Appendix 3 Assumptions and Dependencies Version 4.0 15th July 1996.

A1.2 Acceptance Procedure

(a) Acceptance of Hardware

Hardware is deemed to be automatically Accepted on completion of delivery. Pathway may nevertheless within a reasonable period of time reject such Accepted Supplies by giving notice in writing in the event that they are found to be defective or not to conform to their Specification; in the event of such rejection, the Supplier shall urgently and with all possible speed replace or repeat the relevant Supplies. Rejection and subsequent Acceptance of the replacement or repeated Supplies shall not prejudice any right Pathway may have to damages or to terminate this Agreement.

Pathway shall not be obliged to pay for any such rejected Supplies. Rejection shall cause title, risk and property in the relevant Supplies to revert to the Supplier, who shall collect and take them away.

Acceptance of Supplies shall occur notwithstanding that Pathway does not notify the Supplier of such Acceptance; Pathway shall not be obliged to notify the Supplier of such Acceptance.

(b) Acceptance of Courses Being Developed by the Supplier

The Supplier will develop the training programme in accordance with the specifications accepted for inclusion in the Pathway proposal document.

On completion of each event within the program the Supplier will offer the event for review by means of a dry run event to attendees nominated by Pathway, the delegates will represent the appropriate mix of Pathway, DSS and POCL personnel as determined by Pathway in accordance with the target audience defined for the event.

Any factual errors/omissions identified by the audience will be corrected.

The review chairperson (to be appointed by Pathway) will minute the actions necessary for the event to meet all its defined

objectives, and identify those objectives met and those which the event failed to meet.

Should the event not meet any of the defined objectives then Pathway may require the event to be submitted for a further dry run. Should the event have satisfied some of its objectives then the Supplier will be required to provide evidence that the designated actions have been implemented.

The dry run date will be defined with not less than 2 weeks notice and the necessary equipment will be supplied by Pathway not less than one week prior to the event.

Once the course has met all its defined objectives Pathway shall sign them off. This shall constitute Acceptance.

If Pathway nevertheless wishes the Supplier to change the course content, then the provisions of Schedule F shall apply.

Courses once Accepted do not require further Acceptance each time they are delivered.

A1.3 NOT USED

A1.4 NOT USED

A2 QUALITY

A2.1 Quality Assurance

- (a) The Supplier will assume overall responsibility for the quality of the Supplies.
- (b) The Supplier will employ a Quality Management System, at a minimum conforming to all relevant requirements of BS EN ISO 9001 : 1994 and revisions thereto, throughout the duration of this Agreement, covering all operations carried out under this Agreement. This system will be in place within one (1) month of the date of this Agreement. The Quality Management System will be documented in the Supplier's Quality Manual which will be available to Pathway on request.
- (c) The Supplier will produce a Quality Plan as a part of the Project Management Plan (defined in Schedule E) within one (1) month of the date of this Agreement that will describe the organisation, the methods and the standards by which the requirements of this Agreement will be carried out. The Quality Plan will be available for regular review by Pathway.
- (d) The Supplier will appoint a Quality Manager responsible for the application of the Quality Management System and for auditing achieved quality against the Quality Plan.
- (e) Pathway may audit, and may permit POCL and the DSS to audit, the quality system applicable to any operation carried out by the Supplier pursuant to delivering or performing the Supplies, and the Supplier shall procure that its suppliers and sub-contractors shall grant Pathway the same right of audit in respect of their operations. Audits may take place at any time during normal working hours provided at least two (2) days'

prior written notice is given by Pathway. Such audits may at Pathway's option include the witnessing of, or participation in, tests and inspections of the Supplies whether completed or not. The Supplier will promptly take appropriate corrective action with regard to any non-conformances identified, and will within thirty (30) days after the audit supply Pathway with details of corrective action taken.

- (f) Where applicable the Supplier will ensure that all electrostatic sensitive devices are at all times, as applicable, manufactured, stored, packed, repaired, installed, transported and handled under electrostatically safe conditions as defined by a recognised standard. Pathway has the right of veto over the standard to be used, such right not to be unreasonably exercised.

A2.2 Risks

The Supplier will produce and maintain a Risk Analysis and Management Plan which will be available for regular review by Pathway, and will monitor and manage risk in a formal and structured manner. Risks and risk mitigations which could affect the performance of the Supplier's obligations under this Agreement, or the performance of the obligations of other suppliers and sub-contractors to Pathway pursuant to the Main Agreement, or the performance of Pathway's obligations under the Main Agreement, will be reviewed at the progress meetings that will take place pursuant to Clause E4 of Schedule E.

A2.3 NOT USED

A3 NOT USED

A4 NOT USED

A5 NOT USED

A6 NOT USED

A7 MAXIMUM SIZE AND FREQUENCY LIMITS

- A7.1 Pursuant to Clause 3.1 of this Agreement, the maximum limits to the size and frequency of each training event (other than the awareness events) are as follows:

Daily Limits

The maximum number of post office personnel trained per day	216
The maximum number of training courses delivered per day	36
The maximum number of awareness events per day	3
Variance to maximum number of training courses subject to Pathway providing additional systems (10 days notice required)	40
Variance to maximum number of training courses subject to Pathway providing additional systems (20 days notice required)	50

Weekly Limits

The maximum number of post office personnel trained per week	1000
The maximum number of training courses delivered per week	180
The maximum number of awareness events per week	12

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Variance to maximum number of training courses subject to
 Pathway providing additional systems (10 days notice required) 200
 Variance to maximum number of training courses subject to
 Pathway providing additional systems (20 days notice required) 225
 In-post-office support & competence tests including remedial 1050

Limits possible with course limit variance (pro rata pricing in the
 order of a 30% surcharge per item over the standard limits shown
 above)

The maximum number of post office personnel trained per week 1200
 The maximum number of training courses delivered per week 216
 The maximum number of awareness events per week 14
 Variance to maximum number of training courses subject to
 Pathway providing additional systems (10 days notice required) 240
 Variance to maximum number of training courses subject to
 Pathway providing additional systems (20 days notice required) 270

SCHEDULE B - PLACING OF ORDERS

B1 ORDERS

B1.1 All Orders will contain the following information and will be signed by an authorised signatory of Pathway:

- (a) Identity of Pathway department, the authorised Pathway signatory, the order number (where applicable) and the number of this Agreement;
- (b) Identity and quantity of the Supplies including applicable Specification;
- (c) Delivery or performance date required by Pathway;
- (d) Consignment address or address where the Supplies should be performed;
- (e) Price;
- (f) Shipping instruction;
- (g) Invoicing address.

B1.2 The Supplier will return to the authorised Pathway signatory the acknowledgement copy of each Order (written or electronic), duly approved by the Supplier, and will use its best efforts to do so no later than seven (7) days from the date of receipt of the order.

B1.3 The lead time for delivery or performance of the Supplies will be thirty (30) days unless the Supplier accepts an earlier date.

B1.4 Pathway may by written notice given to the Supplier at any time reschedule the delivery or performance dates of the Supplies in accordance with the following table:

Minimum notice (except where the Supplier accepts an earlier date)	Cancellation Fee Payable On Per Event Basis
14 Days Notice or Less	100% of Event Price
15-19 Days notice	50% of Event Price
20-24 Days notice	30% of Event Price
25-29 Days notice	15% of Event Price
30 Days notice	No cost

The parties shall review the practicality and reasonableness of this table after the Services have started to be performed, with a view to changing to accommodate the needs of the Supplier for certainty and Pathway for flexibility. If the parties cannot agree on a change should one be sought by the Supplier, then any incremental costs borne by the Supplier as a result of not changing will be factored into the pricing and open book accounting arrangements defined in Schedule D.

B1.5 NOT USED

B1.6 NOT USED

SCHEDULE C

NOT USED

SCHEDULE D - PRICING TERMS

D1 PRICING

D1.1 The prices for the Supplies are contained in Clause D2 and will in the event of conflict supersede any prices appearing in any other Schedule.

D1.2 NOT USED

D1.3 NOT USED

D1.4 NOT USED

D1.5 The Supplier warrants that at the date of this Agreement the prices set out in this Schedule do not exceed those charged to any other customer of the Supplier purchasing the Supplies, or items similar or comparable thereto. If at any time the Supplier offers lower prices to any other customer for the Supplies or such similar or comparable items, then such lower prices will be charged to Pathway on subsequent invoices of the Supplier.

D1.6 NOT USED

D1.7 NOT USED

D1.8 NOT USED

D1.9 NOT USED

D1.10 Open Book Accounting

(a) The Supplier has agreed to "Open Book Accounting". The total training programme up to the end of the roll-out phase or to 31st December 1998 (whichever is later), as priced in Clause D2, is anticipated to generate a margin of fifteen percent (15%), measured against the Supplier's direct variable costs and directly attributable overheads (together referred to as "the Supplier's Costs").

Within three (3) months of the end of the year in which the roll-out phase completes, or by 31st March 1999, whichever is later, the Supplier will inform Pathway of the actual margin that it has achieved under this Agreement up to the end of the roll-out phase or 31st December 1998 (whichever is later).

If the Supplier's Costs are such that the revenue from this Agreement up to the end of the roll-out phase or to 31st December 1998 (whichever is later) generates a lower margin than 15%, no additional payment shall be due from Pathway.

If the Supplier's Costs are such that the revenue from this Agreement up to the end of the roll-out phase or to 31st December 1998 (whichever is later) generates a higher margin than 15%, the Supplier will pay Pathway a rebate in respect of the lower Supplier's Costs incurred during that period, at the rate of 80 pence in the pound sterling.

(b) Pathway may audit the Supplier's books to check the actual achieved margin from this Agreement. Such audits may be

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conducted once a year, starting three (3) months after the end of the year in which the roll-out phase completes, or 1st April 1999, whichever is later. Each such audit will relate to the preceding financial year or the time since the last audited period (or in the case of the first audit, the time since the Service started), whichever is longer. Pathway may at its option use an independent firm of auditors to assist it or act on its behalf.

In the event Pathway wishes to carry out an audit, Pathway shall give five (5) working days notice in writing of its intention to do so. The Supplier shall:

- (i) give Pathway and its auditors all reasonable access to its relevant commercial information, whether confidential or not, and shall allow Pathway to copy and take away whatever documentation Pathway wishes; and
 - (ii) give Pathway and its auditors access to and private office accommodation and facilities at the Supplier's premises at all reasonable times during the audit; and
 - (iii) make relevant members of its staff (of all levels of seniority) available to Pathway at all reasonable times during the audit for the purposes of assisting in the audit by answering questions, providing clarification and providing explanations. The Supplier shall not be obliged to say anything which it feels may prejudice its position in the event of a dispute with Pathway.
- (c) In the event that the audit results in a finding that the Supplier's actual achieved margin under this Agreement is higher than declared to Pathway and higher than 15%:
- (i) the Supplier will immediately pay Pathway double the amount of the rebate that it would have paid had the correct margin been declared; and
 - (ii) if the difference between the actual and declared margin is material, the Supplier shall pay Pathway Pathway's reasonable costs incurred in conducting the audit; and
 - (iii) if the difference between the actual and declared margin is material, Pathway may terminate this Agreement for default; if Pathway exercises this termination option, it shall do so no later than thirty (30) days after the issue of the audit report.

D1.11 Prices will not increase before the end of the roll-out phase of the Main Agreement.

D1.12 It is anticipated that prices will change after the end of the roll-out phase of the Main Agreement during the life of this Agreement in line with market forces and as a result of volume economies. Subject to the operation of the formula shown below in this Clause D1.12, prices applicable after the end of the roll-out phase are anticipated to generate a margin of fifteen per cent (15%) measured against the Supplier's direct variable costs and directly attributable overheads, and shall not be set at a level that is likely to generate a higher margin than 15%.

After the end of the roll-out phase, prices will not increase by more than the change in the UK Government Retail Price Index ("RPI") measured over the preceding twelve (12) months or, where there has been a previous price review, the period since the previous price

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review; where this indexation indicates a price reduction, prices will be correspondingly reduced.

If the Supplier's Costs (as defined in Clause D1.10) have not increased by as much as RPI over the relevant measurement period, the prices following the review will be subject to a ceiling in accordance with the following formula:

$$NP = \frac{(1 - ((1 - \frac{1+ACC\%}{1+ARPIC\%}) \times 0.8)) \times (1+ARPIC\%) \times P}{1+ARPIC\%}$$

where:

NP	=	new price (i.e. price to be charged as a result of the price review)
ACC%	=	actual percentage change in the Supplier's Costs (expressed as a decimal); a positive figure indicates a cost increase, a negative a cost reduction
ARPIC%	=	allowable RPI percentage change (expressed as a decimal), i.e. RPI-0%; a positive figure indicates an increase, a negative a reduction
P	=	price prior to the price review.

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D2 PRICES

As detailed in spreadsheet poc15.xlw version 5.5 15/07/96.

D3 STANDING PAYMENT PROFILE

As detailed in spreadsheet poc15.xlw version 5.5 15/07/96.

D4 GENERAL

For the avoidance of doubt, Pathway will not pay any charges other than the per event charges identified in poc15.xlw version 5.5, for each event that takes place pursuant to an Order, and the regular charges shown in Schedule D3 of poc15.xlw version 5.5. In particular, Pathway makes no commitment to the quantity of events for which it will place Orders.

Shed D

POCL/Pathway
Schedule D
pocl5.xlw
Version 5.5
15/07/96

SCHEDULE D: PRICING

This schedule must be read in conjunction with pages 2-16 of POCL5.xlw, of which it forms a part

			£
1 Change Management			
1.1	Programme manager	Price per week	2,500.00
1.2	Facilitated events	Price per event	
		Strategic focus groups	900.00
		Imp focus groups	725.00
		Business modelling	725.00
		EFQM events	725.00
		Impact anal w/shops	725.00
		Testing w/shops	725.00
1.3	Event development	Price payable on completion of each course. Total:	74,400.00
1.4	Communication plan	Payable as incurred, against individual order. Total:	446,550.00
2 Programme Management			
2.1	Project team	Jun-Sept '96 Price per week	4,530.00
	Project team	Oct-Dec '96 Price per week	6,529.00
	Project team	Jan-Mar '97 Price per week	6,909.00
	Project team	Apr '97 Onwd Price per week	8,528.00
2.2	Training management system	Price	15,656.00
2.3	Training help desk	Price per week	9,120.00
2.4	Training admin	Oct-Dec '96 Price per week	2,755.00
	Training admin	Jan '97 Onwd Price per week	6,175.00
2.5	Office accom.	Price per month	14,500.00
	Other costs	As incurred, invoiced monthly at end of month	
3 Pre roll out training			
3.1	User acceptance	Price per event	426.80
3.2	Development	Price payable on completion of each course. Total:	20,208.00
3.2	Stroud training	Price per event	426.80
3.3	Pathway training	Price per event	400.80
4 Development			
		Price payable on completion of each course. Total:	105,810.00
5 User education delivery			
		Price per event	1,252.51
6 Delivery			
6.1	Gear up	Payable as incurred, invoiced monthly. Total	188,500.00
6.2	Crown Counter	Price per event	451.80
6.3	Small/medium PO	Price per event	451.80
6.4	Follow up	Price per day	388.80
6.5	Sys Manager	Price per event	840.60
		For bespoke events price per day	420.30
6.6	Help desk	Price per event	628.80
6.7	POCL TTT	Price per event	2,730.00
6.8	BA TTT	Price per event	1,272.00
6.9	BA operations	Price per event	1,042.00
6.10	Back up team	Price per week	5,832.00
	Remedial team	Price per week	10,104.00
7 Accomodation			
	Venues	Priced at cost to Peritas plus 15% markup to cover administration	
	Venue inspection	Price per month	7,297.33

Costs

POCL/Pathway	Costs
Base data re costs	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

Permanent staff per week Staff	Grade Equiv	ICLE Rate	Subtract Accom Allow.	Subtract Subsid. Allow.	Raw Cost	Add Subsid.	Total per week	Daily Rate
Management Con	Peritas						2500.00	500.00
Senior Con	Peritas						2000.00	400.00
Con	Peritas						1625.00	325.00
Training Manager	m5	1818.00	175.00	75.00	1568.00	200.00	1768.00	353.60
Logistics Manager	m6	1569.00	175.00	75.00	1319.00	300.00	1619.00	323.80
Training Team leader	18/19	1381.00	175.00	75.00	1131.00	300.00	1431.00	286.20
Project Control Officer	18/19	1381.00	175.00	75.00	1131.00	200.00	1331.00	266.20
Evaluation Officer	m6	1569.00	175.00	75.00	1319.00	300.00	1619.00	323.80
	15	1066.00	175.00	75.00	816.00		816.00	163.20

Temporary staff per week Staff	Grade Equiv	ICLE Rate	Subtract Accom Allow.	Subtract Subsid. Allow.	Raw Cost	Add Subsid.	Total per week	Daily Rate
	m4	2401.00	175.00	75.00	2151.00		2151.00	430.20
Awareness consultant	m5	2020.00	175.00	75.00	1770.00	400.00	2170.00	434.00
Consultant developer	m6	1755.00	175.00	75.00	1505.00	200.00	1705.00	341.00
Courseware developer	18/19	1534.00	175.00	75.00	1284.00	200.00	1484.00	296.80
Trainer	18/19	1534.00	175.00	75.00	1284.00	400.00	1684.00	336.80
Programmer	18/19	1534.00	175.00	75.00	1284.00	200.00	1484.00	296.80
	16/17	1316.00	175.00	75.00	1066.00		1066.00	213.20
	15	1184.00	175.00	75.00	934.00		934.00	186.80

Notes For Peritas's Purposes Only

NB see R Cooper memo of 6/9/95

- 1 All permanent staff priced at 12 month rate
- 2 All temporary staff priced at <6month rate.
- 3 Office Accomodation is separate work package
Therefore R Cooper suggested allowance is subtracted
- 4 All specific subsistence rates per SLK estimate
Therefore R Cooper suggested allowance is subtracted

Non matrix staff	Grade Equiv	ICLE Rate	Subtract Accom Allow.	Subtract Subsid. Allow.	Raw Cost	Add Subsid.	Total per week	Daily Rate
Clerical support					380.00	0.00	380.00	76.00
Helpdesk support					475.00	0.00	475.00	95.00
Helpdesk supervisor					570.00	0.00	570.00	114.00
Training administrator					570.00	0.00	570.00	114.00
Van hire					200.00	60.00	260.00	52.00

Vols

POCL/Pathway	Vols
Base data re volumetrics	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

User Awareness	POCL	BA	Total Notes
Volume of users	67021	500	67521
Occupancy	see note	50	
No of sessions	671	10	681

POCL awareness Occupancy of 90 in urban areas
 Occupancy of 50 in rural areas
 Occupancy of 30 in Highlands/islands
 POCL awareness is Sub Postmaster and POCL staff only.

Post office Staff per Workload Brief Ver 5.3

1 Crown PO

Counter managers	763 (= No of Crown PO)
	7719
Retail assistants	729
Total crown staff	9211

Sys Manager trng 2289 **Counter trng** 6922

(3 from each Crown)			
Occupancy	6		12 per day
No courses	382		577
Duration	2		1
Days	764		577

remainder get std course 6922

2 Sub PO

	38938
	18872
Total	57810
Occupancy	6
No courses	9635
Duration	1
Days	9635

3 Follow up

No of users	67021
Less sys Man attendees	2289
Total	64732
Visits per day	5
No days	12947

4 materials

QRG	1 per copy	Mono
Handout/workbook	8 per copy	Mono

wbs

POCL/Pathway wbs
Work breakdown structure
pocl5.xlw
Version 5.5 15/07/96

SCHEDULE D: PRICING

Timetable
ITT issued 28/02/96
BAFO 23/03/96
Letter of intent 31/05/96

wp1
Change management
User Education Plan
Communications Plan

wp2
Programme management
Prog mgt
Software devel.
Admin/help desk
Office accom.

wp4
Course development

wp3
Pre roll out training
User acceptance
Stroud
Pathway staff

wp5
User education delivery

wp6
Course delivery
Gear up
Delivery
Systems (Pathway)

wp7
Accommodation
User awareness
Training

wp8
Maintenance
Prog Mgt
change Mgt
User Educ.
Comms Plan
New starters
Updates

wp1

POCL/Pathway	wp1
Change mgt	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

					Pre	Post	Total
1.1 Change Programme manager							
(Charged as per Schedule D3)							
	Start date	End date	Rate week	Qty	Price	Price	Price
Change Programme Mngr	Jun-96	Dec-98	2500.00	134		335000	
Administrator	Jun-96	Dec-98	570.00	0		0	
Total							335000
Price per week			2500				

1.2 Facilitated events							
(Charged as performed pursuant to Orders)							
	Start date	End date	Rate day	Qty	Price	Price	Price
Strategic focus groups	Jun-96	Aug-96	900.00	3		2700	
Imp focus groups	Jun-96	Aug-96	725.00	10		7250	
Business modelling	Jun-96	Aug-96	725.00	4		2900	
EFQM events	Jun-96	Aug-96	725.00	10		7250	
Impact analysis w/shops	Jun-96	Aug-96	725.00	10		7250	
Testing w/shops	Jun-96	Aug-96	725.00	10		7250	
						0	
Total						34600	34600

The Services contained in 1.3 will be charged monthly if ordered, except for the Strategic Focus Groups, which will be charged in accordance with Schedule D3.

1.3 Event development							
	Start date	End date	Rate day	Qty	Price	Price	Price
Strategic focus groups	Jun-96		400.00	14		5600	
Imp focus groups	Jun-96		400.00	35		14000	
Business modelling	Jun-96		400.00	17		6800	
EFQM events	Jun-96		400.00	25		10000	
Impact analysis w/shops	Jun-96		400.00	35		14000	
Testing w/shops	Jun-96		400.00	10		4000	
Comms & Educ plan	Jun-96		400.00	50		20000	
Total				186		74400	74400

1.4 Communication Plan							
(Charged as performed pursuant to Orders)							
		Start date	End date	Rate	Qty	Price	Price
Pilot and Development	Phase 1	Jun-96	Dec-98				50700
Education	Phase 2	Jun-96	Dec-98				64350
Training	Phase 3	Jun-96	Dec-98				58500
Implementation	Phase 4	Jun-96	Dec-98				195000
Management	Phase 5	Jun-96	Dec-98				78000
Total							446550

Total 890550

wp2

POCL/Pathway	wp2
Programme Management	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

	Start date	End date	Rate week	Qty	Pre Price	Post Price	Total Price
2.1 Programme Mgt team							
(Charged as per Schedule D3)							
Project manager	Jan-96	May-96	884	20	17680		
Project manager	Jun-96	Dec-98	1768	134		236912	
Training Team leader	Jun-96	Dec-98	1431	134		191754	
Training Team leader	Jan-96	May-96	1431	20	28620		
Logistics manager	Oct-96	Dec-98	1619	117		189423	
Evaluation Officer	Apr-97	Dec-98	1619	91		147329	
Project Control Officer	Jun-96	Dec-98	1331	134		178354	
Clerical support	Oct-96	Dec-98	380	117		44460	
Clerical support	Jan-97	Dec-98	380	104		39520	
Total					46300	1027752	1074052
Price per week	7670 average						
Price per week	4530 Jun-Sept '96						
Price per week	6529 Oct-Dec '96						
Price per week	6909 Jan-Mar '97						
Price per week	8528 Apr. '97 Onwd						

Notes

PM at half price (50% util) until June 1996

	Start date	End date	Rate	Qty	Pre Price	Post Price	Total Price
2.2 Imp Trng Mgt System							
(Charged as per Schedule D3)							
Source code for CBS					2300		
Programmer	Feb-96	May-96	1484	9	13356		
Total					15656		15656

Note

9 weeks is 5 weeks coding, 2 weeks testing & 2 weeks integration

	No off	Start date	End date	Rate	Qty	Pre Price	Post Price	Total Price
2.3 Training Help Desk								
(Charged as per Schedule D3)								
Administrator	16	Apr-97	Dec-98	570.00	91		829920	829920
Price per week	9120							

Notes

9.00am till 10.00pm weekday; 9.00 am till 5.00pm Sat.

wp2

2.4 Course Booking	No off	Start date	End date	Rate	Qty	Pre Price	Post Price	Total Price
(Charged as per Schedule D3)								
Technical Support	1	Oct-96	Dec-98	475	117		55575	
Supervisor	1	Oct-96	Dec-98	570	117		66690	
Administrators	3	Oct-96	Dec-98	570	117		200070	
Administrators	6	Jan-97	Dec-98	570	104		355680	
Total						0	678015	678015

Price per week 2755 Oct-Dec '96

Price per week 6175 Jan '97 Onwd

Service 8.30am till 10.30pm

2.5 Office Accomodation	No off	Start date	End date	Pre Price	Post Price	Total Price
(Charged as per Schedule D3)						
Office space		Oct-96	Dec-98		391500	
IT equipment		Oct-96	Dec-98		59000	
stationery		Oct-96	Dec-98		7200	
Headsets		Oct-96	Dec-98		6000	
Postage		Oct-96	Dec-98		77040	
Comms/telephone		Oct-96	Dec-98		128640	
Total					669380	669380

3267023

Office space	sq ft	2900
	Price	60
	Annual	174000
	Month	14500
	Quarter	43500
	Total	391500

wp3

POCL/Pathway	wp3
Pre roll out training	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
3.1 User Acceptance Trial								
(Charged as performed pursuant to Orders)								
Trainer		Dec-96	Jan-97	336.80	16.00		5388.8	
Materials	96.00	Dec-96	Jan-97	15.00			1440	
Updates	0.00	Dec-96	Jan-97	336.80	6		2020.8	
Materials	600.00	Dec-96	Jan-97	9.00			5400	
Total						0	8849.6	8849.6
Price per event	426.80							

Notes

- 1 Assume 48 counter positions (2 staff per position)
- 2 Occupancy 6 on 1 day course
- 3 Total 16 days. User awareness event also required
- 4 Incl Release 1 and Release 2
- 5 Location is Tower Bridge

	No Off	Start date	End date	Rate	Days	Price	Price	Price
3.2 Stroud Go Live								
Trainer: development			Aug-96	336.80	60.00		20208	
(Charged as per Schedule D3)								
Trainer: delivery		Sep-96	Sep-96	336.80	10.00			
Materials	60.00	Sep-96	Sep-96	15.00			900	
(Charged as performed pursuant to Orders)								
Total						0	21108	21108
Price per event	426.80							

- 1 Covers 10 PO's in Stroud
- 2 Train 1 day per PO
- 3 Development is 15 days plus 5 days rework
- 4 Prototype QRG and workbook (5 days)
- 5 After care visit ; 10 days each PO - no extra charge

	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
3.3 Pathway project training								
(Charged as performed pursuant to Orders)								
Trainer				336.80	10.00		3368	
Materials	80.00			8.00			640	
Updates				0.00	0		0	
Materials				0.00			0	
Total						0	4008	4008
Price per event	400.80							

Total 33965.6

Estimated call off	Q3/96	3 days
	Q4/96	3 days
	1997	4 days

wp4

POCL/Pathway	wp4
Training Development	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

Notes

- 1 Word 6 and Powerpoint mandated for electronic masters
- 2 Price to include dry run and formal sign off
- 3 Development to include for each course:
 - Training sessions
 - Materials (handout)
 - Workbooks
 - Quick reference guide
 - Course kit
- 4 Release 2 updates includes a changes from release 1 document
Cost is £10 per copy including distribution

4 Development (Charged as per Schedule D3)	Duration days	Start date	End date	Rate	Ratio	Days	Price	Total Price
BA Train the trainer	2	Q1 1997	Q2 1997	341.00	15.00	30	10230	
POCL Train the trainer	5	Q1 1997	Q2 1997	341.00	15.00	75	25575	
Helpdesk operators	1	Jun-96	Jul-96	296.80	15.00	15	4452	
Back Office audit Course	2	Q1 1997	Q2 1997	296.80	15.00	30	8904	
Counter operations	0.5	Jun-96	Jul-96	296.80	15.00	7.5	2226	
system Managers	2	Q1 1997	Q2 1997	341.00	15.00	30	10230	
Release 2 updates		Q1 1997	Q2 1997	341.00		20	6820	
TNA	35	Jan-96	May-96	323.80	1	35	11333	
User awareness dev	1	Q1 1997	Q2 1997	434.00	1	60	26040	
Total								105810

wp5

POCL/Pathway	wp5
User education delivery	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

5.1 User Awareness	Start date	End date	Rate	Qty	Pre Price	Post Price	Total Price	Price
<i>(Charged as performed pursuant to Orders)</i>								

Senior Consultant deliverer			434.00	681			295554.00	
Trainer			336.80	681			229360.80	
Administrator			114.00	681			77634.00	
Transport			52.00	681			35412.00	
Introductory booklet (POCL)			3.00	70000			210000.00	
Pack (BA)			10	500			5000.00	
Total						0.00	852960.80	852960.80
Price per event							1252.51	

Notes

- 1 Developer is considered to be M5 consultant
- 2 Delivery is double handed
- 3 Assumes each session equivalent to 1 day because of logistics
- 4 Brochures at £3 head incl shrinkage (70,000 delegates)
- 5 POCL awareness **Maximum Occupancy of 100**
POCL awareness is Sub Postmaster and POCL staff only.
- 6 BA Awareness is 10 events for 500 staff

wp6

POCL/Pathway	wp6
Training delivery	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

6.1 Training Gear up	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
(Charged as per Schedule D3)								
Programme cost							168500	
Recruitment fees							20000	
							0	
Total							0	188500
								188500

Notes for Peritas's purposes only
Multiple gear up stages (SLK spreadsheet)

6.2 Crown counter trng	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
(Charged as performed pursuant to Orders)								
Trainer		Apr-97	Dec-98	336.80	577		194333.6	
Transport		Apr-97	Dec-98	52.00	577		30004	
QRG	8000	Apr-97	Dec-98	1			8000	
Handout/workbook	8000	Apr-97	Dec-98	8			64000	
Total							0	296337.6
								296337.6
Price per event	451.8							

Notes

- 1 There are 9211 Crown Staff (Workload Brief Ver 5.3)
- 2 No made up of 7719 clerks + 729 retail assistants + 763 Counter managers
- 3 £8,000 materials allows for shrinkage.
- 4 9211 less 2289 (3 from each PO who get Sys Man trng) attend Crown course
- 5 Therefore 6922 staff get trained in groups of 12 per day = 577 days

6.3 Small/Medium PO	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
(Charged as performed pursuant to Orders)								
Trainer		Apr-97	Dec-98	336.80	9635		3245068	
Transport		Apr-97	Dec-98	52.00	9635		501020	
QRG	60000	Apr-97	Dec-98	1			60000	
Handout/workbook	60000	Apr-97	Dec-98	8			480000	
Total							0	4286088
								4286088
Price per event	451.8							

Notes

- 1 57,810 staff (18,872 + 38,938) per Workload Brief Ver 5.3
- 2
- 3
- 4 Each event is 4 hours BUT day allowed to cover travel etc
- 5 Assumed occupancy is 6 making 9635 events

wp6

6.4 Follow up	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
(Charged as performed pursuant to Orders)								
Trainer		Apr-97	Dec-98	336.80	12947		4360550	
Transport		Apr-97	Dec-98	52.00	12947		673244	
Trainer							0	
Transport							0	
Total						0	5033794	5033794
Price per day	388.80							

6.5 Sys Manager trng	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
(Charged as performed pursuant to Orders)								
Trainer		Apr-97	Dec-98	336.80	764		257315.2	
Transport		Apr-97	Dec-98	52.00	764		39728	
Handout/workbook	2500	Apr-97	Dec-98	1			2500	
	2500	Apr-97	Dec-98	8			20000	
Total						0	319543.2	319543.2
Price per event	840.6							
Notes							321109.2	

- 1 materials allows for shrinkage :2289 staff (3 from each crown PO)
- 2 2 day course
- 3 Occupancy of 6 is 382 courses (764 days)

6.6 Help desk	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
(Charged as performed pursuant to Orders)								
Trainer		Nov-96	Jan-97	336.80	5		1684	
Handouts	150	Nov-96	Jan-97	8.00			1200	
Transport		Nov-96	Jan-97	52.00	5		260	
Total						0	3144	3144
Price per event	628.8							

- 1 This is a 1 day course
- 2 Occupancy 20-30 per course

6.7 POCL TTT	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
(Charged as performed pursuant to Orders)								
Con trainer		Sep-98	Dec-98	434.00	60		26040	
Transport		Sep-98	Dec-98	52.00	60		3120	
Course kit	70	Sep-98	Dec-98	50			3500	
Total						0	32660	32660
Price per event	2730							

- 1 This is a 5 day event
- 2 There are approx 70 staff in 7 or 8 regions
- 3 Assume 12 events with occupancy of 6.

wp6

	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
6.8 BA TTT								
(Charged as performed pursuant to Orders)								
Con trainer		Jan-97	Mar-97	434.00	168		72912	
Transport		Jan-97	Mar-97	52.00	168		8736	
Course kit	500	Jan-97	Mar-97	50			25000	
Total						0	106648	106648
Price per event	1272							

Notes

- 1 This is a 2 day course
- 2 500 people to be trained
- 3 Occupancy of 6 equivalent to 84 courses (168 days)

	No Off	Start date	End date	Rate	Days	Pre Price	Post Price	Total Price
6.9 Back Office audit								
(Charged as performed pursuant to Orders)								
Con trainer				434.00	1		434	
Transport				52.00	1		52	
Handout	7			10			70	
Total						0	556	556
Price per course	1042							

Notes

- 1 This is a 2 day course
- 2 One course delivery only
- 3 Occupancy of 7 assumed

	No Off	Start date	End date	Rate	Weeks	Pre Price	post Price	total Price
6.10 Backup/remedial trng								
(Charged as per Schedule D3)								
Trainer	3	Apr-97	Dec-98	1684.00	91		459732	
Transport	3	Apr-97	Dec-98	260.00	91		70980	
Trainer	6	Jul-97	Dec-98	1684.00	78		788112	
Transport	0	Jul-97	Dec-98	260.00	78		0	
ORG	0	Jan-97	Dec-98				0	
Handout	0	Jan-97	Dec-98				0	
Total						0	1318824	1318824
Price per week	5832	for backup team						
Price per week	10104	for remedial team						

Notes

Peritas will provide a "hot" backup unit for the roll out period
This will comprise 3 trainers plus transport, materials etc
additional 6 staff to cover remedial visit workload

TOTAL

11586094

wp7

POCL/Pathway	wp7
Accomodation	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

Pathway risk			
7.1 Accomodation	No	Venue	Total cost
(Charged as performed pursuant to Orders)	venues	cost	
Change mgt focus events			
User awareness sessions	681	300	204300
Crown PO training days	577	100	57700
Small/medium PO days	9635	100	963500
System manager training days	764	250	191000
Help desk training days	5	250	1250
POCL TTT training days	60	250	15000
BA TTT training days	168	250	42000
BA Audit course	1	250	250
Coffee	134542	1.5	201813
Total venue cost	11891		1676813
 Markup to cover admin.	 15%		 251522
 Total Estimated Venue price			 1928335
(Charged Monthly in Arrears as Incurred)			

Coffee	Delegates
User awareness	67021
Training	67021
User awareness: BA	500
Total	134542
Coffee at £1.50/head	201813

7.2 Peritas Inspection Work	87568
(Charged as per Schedule D3)	

Peritas inspection work will be invoiced q4 1996 through q3 1997.
 Quarterly charge therefore 21892
 Invoiced monthly as 7297.33

Total Estimated WP 7	2015903
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wp8

POCL/Pathway	wp8
Maintenance	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

Charges are for the period commencing end of the roll out, and are subject to Pathway ordering the Maintenance Training Service.

Additionally Pathway may order courses and other events from the Maintenance Training Service on an adhoc basis to cover new Post Office / Benefits Agency staff joining after the rollout training in their area has been completed.

1 Change Management		
1.1 Programme manager	Price per week, invoiced monthly at end of month	2,500.00
1.2 Facilitated events	Price per event, invoiced monthly at end of month	900.00
	Strategic focus groups	725.00
	Imp focus groups	725.00
	Business modelling	725.00
	EFQM events	725.00
	Impact analysis w/shops	725.00
	Testing w/shops	725.00
2 Programme Management		
2.1 Project team	Price per week, invoiced monthly at end of month	6,000.00
2.4 Training admin & help desk	Price per week, invoiced monthly at end of month	4,700.00
2.5 Office accom.	Price per week, invoiced monthly at end of month	3,600.00
TOTAL		14,300.00
Total pa		743,600.00
3.3 Pathway training event	Price per event, invoiced monthly at end of month	400.80
5 User education delivery	Price per event, invoiced monthly at end of month	1,252.51
6 Delivery		
6.2 Crown Counter	Price per day, invoiced monthly at end of month	451.80
6.3 Small/medium PO	Price per event, invoiced monthly at end of month	451.80
6.4 Follow up	Price per day, invoiced monthly at end of month	388.80
6.5 Sys Manager	Price per event, invoiced monthly at end of month	840.60
6.6 Help desk	Price per event, invoiced monthly at end of month	628.80
6.7 POCL TTT	Price per event, invoiced monthly at end of month	2,730.00
6.8 BA TTT	Price per event, invoiced monthly at end of month	1,272.00
6.9 BA operations	Price per event, invoiced monthly at end of month	1,042.00
6.10 Back up & Remedial Team	Price per week, invoiced monthly at end of month	5,312.00
7 Accomodation		
Venues	Priced at cost to Peritas plus 15% markup to cover administration	

All prices subject to RPI in accordance with Sched D Clause 1.12.

Sum

POCL/Pathway	Sum
Summary	
pocl5.xlw	
Version 5.5	15/07/96

SCHEDULE D: PRICING

	Pre bid Revenue	Post bid Revenue	Total Revenue	WP Subtotal
1 Change Management		890550	890550	
2 Programme Management				
2.1 Project team	46,300	1,027,752	1,074,052	
2.2 Infrastructure	15,656	0	15,656	
2.3 Training help desk		829,920	829,920	
2.4 Training admin	0	678,015	678,015	
2.5 Office accom.		669,380	669,380	3,267,023 X
3 Pre roll out training		33,966	33,966	33,966 X
4 Development		105,810	105,810	105,810 X
5 User education delivery		852,961	852,961	852,961 X
6 Delivery				
6.1 Gear up	0	188,500	188,500	
6.2 Crown Counter	0	296,338	296,338	
6.3 Small/medium PO	0	4,286,088	4,286,088	
6.4 Follow up	0	5,033,794	5,033,794	
6.5 Sys Manager	0	319,543	319,543	
6.6 Help desk	0	3,144	3,144	
6.7 POCL TTT	0	32,660	32,660	
6.8 BA TTT	0	106,648	106,648	
6.9 BA operations	0	556	556	
6.10 Back up & Remedial Team	0	1,318,824	1,318,824	11,586,094 X
7 Accomodation		2,015,903	2,015,903	2,015,903 X
8 Maintenance (To be agreed)		tba	tba	
TOTAL (Excl Maintenance)	61,956	18,690,351	18,752,307	

pay profile

POCL/Pathway
Standing Payment Profile
pool5.xlv
Version 5.5
15/07/98

SCHEDULE D3: STANDING PAYMENT PROFILE

	Price per week	Start Date	End Date	1996 June/Q3 17	1996 04 13	1997 01 13	1997 02 13	1997 03 13	1997 04 13	1998 01 13	1998 02 13	1998 03 13	1998 04 13	TOTAL
<i>weeks per quarter</i>														
1 Change Management														
1.1 Change Programme Manager	2,500	Jun-96	Dec-98	42,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	335,000
1.2 Development Strategic Focus Events					5,600									5,600
2 Programme Management														
2.1 Project team (1998 costs pre bid)				46,300										46,300
Project manager	1788	Jun-96	Dec-98	30,056	22,984	22,984	22,984	22,984	22,984	22,984	22,984	22,984	22,984	236,912
Training Team leader	1431	Jun-96	Dec-98	24,327	18,803	18,803	18,803	18,803	18,803	18,803	18,803	18,803	18,803	191,754
Logistics manager	1819	Oct-96	Dec-98	21,047	21,047	21,047	21,047	21,047	21,047	21,047	21,047	21,047	21,047	189,423
Evaluation Officer	1819	Apr-97	Dec-98		21,047	21,047	21,047	21,047	21,047	21,047	21,047	21,047	21,047	147,329
Project Control Officer	1331	Jun-96	Dec-98	22,827	17,303	17,303	17,303	17,303	17,303	17,303	17,303	17,303	17,303	178,354
Clerical support	380	Oct-96	Dec-98		4,940	4,940	4,940	4,940	4,940	4,940	4,940	4,940	4,940	44,460
Clerical support	380	Jan-97	Dec-98		4,940	4,940	4,940	4,940	4,940	4,940	4,940	4,940	4,940	39,520
2.2 Training management system				15,656										15,656
2.3 Training help desk	9,120	Apr-97	Dec-98				118,560	118,560	118,560	118,560	118,560	118,560	118,560	829,920
2.4 Course booking														
Technical Support	475	Oct-96	Dec-98		6,175	6,175	6,175	6,175	6,175	6,175	6,175	6,175	6,175	55,575
Supervisor	570	Oct-96	Dec-98		7,410	7,410	7,410	7,410	7,410	7,410	7,410	7,410	7,410	66,990
Administrators	1,710	Oct-96	Dec-98		22,230	22,230	22,230	22,230	22,230	22,230	22,230	22,230	22,230	200,070
Administrators	3,420	Jan-97	Dec-98		44,460	44,460	44,460	44,460	44,460	44,460	44,460	44,460	44,460	355,680
2.5 Office accom.														
Office Space Price per Quarter	43,500	Oct-96	Dec-98		43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	381,500
IT equipment		Oct-96	Dec-98		69,000									69,000
Headsets		Oct-96	Dec-98		6,000									6,000
3.2 Stroud Go Live Development				20,208										20,208
4 Development														
WP.4 development activity					18,011	43,900	43,900							105,810
6 Training Delivery														
6.1 Training Gear Up						94,250	94,250							188,500
6.10 Back Up / Remedial	5,832	Apr-97	Dec-98				75,816	75,816	75,816	75,816	75,816	75,816	75,816	530,712
	10,104	Jul-97	Dec-98				131,352	131,352	131,352	131,352	131,352	131,352	131,352	788,112
7.1 Accommodation														
Inspection of accommodation (Price Per Quarter)	21,892	Oct-96	Sep-97		21,892	21,892	21,892	21,892						87,568
TOTAL				201,874	307,195	406,134	621,557	614,759	592,897	592,897	592,897	592,897	592,897	5,115,853
Annual Cost					508,889				2,235,316				2,371,468	5,115,853

Notes
Includes time related contractual elements only
Does not include training delivery
Does not include disbursements in WP 2.5, which will be charged as incurred monthly in arrears
Does not include backup and remedial team WP 6.10

The Supplier shall invoice monthly in arrears in respect of the above "TOTAL" line, with each quarter's total being divided into equal monthly amounts. If however activities to which these payments relate, shown on this Standing Payment Profile, are performed later than planned (unless by agreement), the Supplier will delay the relevant invoice by a corresponding period. If Pathway wants activities brought forward, this will be subject to Change control.

SCHEDULE E - PROJECT MANAGEMENT

- E1 The Supplier will appoint a Programme Director who will have executive responsibility and authority for all contracted activities of the Supplier.
- E2 The Supplier will produce a Project Management Plan ("PMP") defining how the Supplier will perform its obligations under this Agreement, and what overall approach it will adopt. The Supplier will supply the PMP to Pathway within thirty (30) days of the date of this Agreement, for agreement by Pathway. Once agreed, the PMP will be maintained by the Supplier, with any changes being submitted to Pathway for approval.

The PMP will:

- (a) define the management organisation and controls; and
 - (b) contain a Quality Plan, as defined by Clause A2.1(c) of Schedule A; and
 - (c) NOT USED
 - (d) contain a Risk Analysis and Management Plan; and
 - (e) define the process to be used for the monitoring and management of issues that arise in the performance of this Agreement.
- E3 Until the completion by Pathway of the roll-out of the Pathway system to all post offices, the Supplier shall present formal written reports in a reasonable format and to a reasonable schedule to be defined by Pathway. These will cover inter alia:
- (a) actual and forecast progress against milestones
 - (b) analysis of the status of the Supplies
 - (c) status summary of Change Requests and Change Proposals (as defined in Schedule F)
 - (d) recommended changes to plans (if any)
 - (e) issues requiring resolution by Pathway
 - (f) risks requiring input by Pathway, and Supplier internal risks that could impact the performance by Pathway of its obligations under the Main Agreement
 - (g) activities planned for next reporting period.
- E4 The Supplier shall attend regular progress meetings, chaired by Pathway, to a reasonable schedule to be determined by Pathway. This will typically be on a two (2) weekly basis, and not less frequently than monthly.

These progress meetings will review progress against this Agreement and will follow through any actions arising.

The progress meetings will be attended by the Supplier's Programme Director and other relevant Supplier personnel with the necessary information, knowledge and authority to act on progress reports, to resolve issues and to ensure the achievement of the full performance of the Supplier's obligations under this Agreement.

- E5 The Supplier will ensure that the Supplier's Programme Director and other relevant Supplier staff participate in progress and review meetings with the DSS and POCL where such attendance is requested by Pathway.
- E6 The Supplier shall control the schedule and delivery of the Supplies using standard project planning techniques; the Supplier shall also manage and control the delivery of Supplies and the performance of its

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obligations using standard project planning techniques, including PERT plans (critical path analysis) and shall be able to demonstrate actual progress against the plans.

- E7** Pathway has the right at any time to inspect the plans maintained by the Supplier pursuant to Clause E6, and the processes surrounding the maintenance of such plans. In support of such a right the Supplier shall allow Pathway full and unrestricted access to such plans, processes and Supplier staff involved in the maintenance of such plans, within one (1) working day after each occasion of being notified by Pathway in writing of Pathway's desire to carry out such an inspection.
- E8** The Supplier will monitor and manage and keep Pathway fully informed of issues affecting the performance of its obligations under this Agreement. The Supplier will also promptly notify Pathway of any issues that it becomes aware of that affect the performance of the obligations of other suppliers and sub-contractors to Pathway pursuant to the Main Agreement, or the performance of Pathway's obligations under the Main Agreement.
- E9** At Pathway's request, the Supplier will provide Pathway with any other information that is relevant to the Supplier's obligations and responsibilities under this Agreement, in support of Pathway's performance of its obligations under the Main Agreement and issues arising thereunder, and the resolution of change proposals and requests thereunder.
- E10** The Supplier will regularly monitor and review with Pathway the effectiveness of and the need for the After Care Visits as defined in Schedule A. If as a result of such reviews Pathway wishes the quantity, duration, scope, content or other aspects of the After Care Visits to be changed, then the Supplier will make appropriate proposals to Pathway under the provisions of Schedule F (Change control).

SCHEDULE F - CHANGE CONTROL**F1 SCOPE**

This Schedule defines the change control procedure to be followed in respect of proposed Changes. The Schedule also defines the management processes and procedures for reviewing and evaluating Change proposals.

F2 PRINCIPLES

F2.1 Pathway may at any time request or suggest and the Supplier may at any time recommend or suggest a Change. In all cases the Change control procedure described in this Schedule must be followed.

F2.2 The Supplier shall not unreasonably withhold its agreement to any proposed Change. Until such time as a Change is accepted and implemented in accordance with the Change control procedure, the Supplier shall, unless otherwise agreed in writing, continue to discharge its obligations under this Agreement as if the request or recommendation had not been made.

F2.3 Where a Change is requested by Pathway in connection with a change or proposed change to the Main Agreement or the requirements thereof, the Supplier shall use its reasonable endeavours to accept the requested Change.

F2.4 The price and time (if any) for making a Change, and the price and delivery time for the Supplies after a Change has been made, will be fair and reasonable and proportionate to the direct cost and availability to the Supplier of the extra or reduced work, labour resource, capital resource, componentry, materials and other inputs resulting from the Change.

F2.5 Any discussions which take place between Pathway and the Supplier in connection with a request or recommendation for a Change before the authorisation of the Change shall be without prejudice to the rights of either party.

F2.6 Any work undertaken by the Supplier or its agents outside the agreed requirements contained in this Agreement and which has not been authorised in advance by a Change and which has not been otherwise agreed in accordance with this Schedule shall be undertaken entirely at the expense and liability of the Supplier.

F2.7 Each party shall bear its own costs in respect of the preparation and submission of Change Requests and Change Proposals.

F3 PROCEDURE

F3.1 In the event that either party wishes to suggest a Change or is considering requesting or recommending a Change, that party shall promptly initiate a discussion with the other party. Such discussion shall result in one of the following:

- (a) no further action being taken; or
- (b) a written request by Pathway to make a Change (a "Change Request"); or
- (c) a written recommendation by the Supplier to make a Change (a "Change Proposal" or "CP").

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F3.2 Where a Change Request is received from Pathway, the Supplier shall, unless otherwise agreed, submit two signed copies of a CP to Pathway within ten (10) working days of the receipt of the request (or such other period as the parties may agree).

If Pathway considers that a Change needs to be made urgently, it can designate its Change Request as a "Red Star" Change Request, in which case the Supplier shall submit two signed copies of a CP to Pathway within five (5) working days of the receipt of the Change Request. Although the Supplier shall make reasonable endeavours to submit the CP to Pathway within two (2) working days.

If the Supplier wishes to recommend a Change it shall do so by submitting to Pathway two signed copies of a CP.

F3.3 The Change control procedure described herein shall also apply where Pathway fails to fulfil an obligation hereunder. In such a case, the Supplier shall submit a CP within twenty (20) working days after the failure of Pathway to fulfil the obligation. If the Supplier does not submit a CP within such period, the Supplier shall be deemed to have accepted that no Change is necessary as a result of Pathway's failure to meet the obligation.

F3.4 Each Change Request shall contain:

- (a) a sequentially generated reference number;
- (b) a title;
- (c) the originator and date;
- (d) the reason(s) and objectives;
- (e) full details of the requirement;
- (f) reference to any other Change Requests or CPs if appropriate;
- (g) impact on Pathway if the Change is not implemented.

F3.5 Each Change Proposal shall contain:

- (a) a sequentially generated reference number with the appropriate Supplier prefix;
- (b) a title;
- (c) the originator and date;
- (d) the reason(s) and objectives;
- (e) full details including any specifications and sufficient engineering detail and validation data to enable the proposal to be assessed;
- (f) reference to any other Change Requests or CPs if appropriate;
- (g) the price, if any, for making the proposed Change;
- (h) the change, if any, to the price of the relevant Supplies after the proposed Change has been implemented;
- (i) a schedule of payments if appropriate;
- (j) a timetable for implementation;
- (k) a proposed method of acceptance for the proposed Change, if appropriate;
- (l) details of the likely impact, if any, on other aspects of this Agreement or the Main Agreement including but not limited to:
 - (i) the terms of this Agreement,
 - (ii) timescales for delivery of other Supplies,
 - (iii) risk and security,
 - (iv) the personnel to be provided,
 - (v) the price of other Supplies,
 - (vi) the payment profile,
 - (vii) the documentation to be provided,
 - (viii) the training to be provided,

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- (ix) working arrangements,
 - (x) provision of spare parts,
 - (xi) repair arrangements,
 - (xii) compatibility of the affected Supplies with other Supplies or with products supplied to or by Pathway pursuant to the Main Agreement,
 - (xiii) other contractual issues;
 - (m) details of any other likely or reasonably possible and foreseeable impact;
 - (n) the date of expiry of validity of the CP;
 - (o) provision for signature by Pathway and by the Supplier.
- F3.6 The Supplier will on Pathway's request supply Pathway with the data and tools used to carry out the assessment of the above impacts of proposed Changes. Supplying such data and tools shall not be construed to mean that Pathway has or ought to have actual or constructive knowledge, warning or suspicion of any difference or potential difference between the actual impacts and those notified to Pathway by the Supplier.
- F3.7 For each CP received, Pathway shall, within the period of the validity of the CP, or ten (10) working days, whichever is longer (except for Red Star Change Proposals, where the deadline shall be two (2) working days):
- (a) in conjunction with the Supplier, evaluate the CP and, as appropriate:
 - (i) request further information; or
 - (ii) agree an extension to the evaluation period; or
 - (iii) approve and sign two copies of the CP and return one copy to the Supplier; or
 - (iv) reject the CP and notify the Supplier in writing of the rejection of the CP;
- F3.8 A CP signed by both parties shall constitute a Change, and shall be implemented according to the details contained within the approved CP. If after approval of the CP either Pathway or the Supplier wishes to amend any of the details contained within the CP then a further CP must be raised.
- F3.9 The Supplier will produce a listing on the first working day of each month of all the CPs issued during the previous month with enough detail to enable Pathway to identify whether any CPs have been mislaid during transmission/posting. Nil returns are also required.

SCHEDULE G - PERFORMANCE MEASURES

PERFORMANCE MEASURE

Ref: PE201

Measure: Training Course Availability

Objective: To provide a service in timeliness where all training shall be available within 10 working days notice.

Requirements:

Total number of courses made available within a timeframe of <=10 working days from notification of request. (C_{r10}).

Total number of training events formally requested. (C_{fr}).

Benchmark:

100% course availability against course requests made.

Formula:

$$\frac{(C_{r10})}{(C_{fr})} * 100 = \% \text{ Conformance}$$

Associated Measures:

Training Course Live Usage Delivery

Service Threshold Values:

Minimum Acceptable Level: % = 90%
Contract Review Level: % = 80%
Termination Review Level: % = N/A

Frequency: Daily / Weekly / Monthly / Quarterly / Yearly

Supplier: Peritas

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PERFORMANCE MEASURE

Ref: PE202

Measure: Training Venue Quality

Objective: To identify the satisfaction level of the training venue as registered by the training event delegates.

Requirements:

Sum of training venue questionnaires completed by delegates. (Q_c)..

Sum of individual questionnaires showing positive satisfaction with training venue (Stvs)

Benchmark:

50% service level achievement or better shown in submitted questionnaires.

Formula:

$$\frac{(Stvs)}{(Q_c)} * 100 = \% \text{ Conformance}$$

Associated Measures:

Nil

Service Threshold Values:

Minimum Acceptable Level: % = 50%
Contract Review Level: % = 35%
Termination Review Level: % = N/A

Frequency: Daily / Weekly / Monthly / Quarterly / Yearly

Supplier: Peritas

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PERFORMANCE MEASURE

Ref: PE203

Measure: Training Course Quality

Objective: To identify the satisfaction level of the training course as registered by the delegates.

Requirements:

Sum of training course questionnaires completed by delegates. (Q_C).

Sum of individual questionnaires showing positive satisfaction with the training course (S_{tes}).

Benchmark:

95% service level achievement or better shown in submitted questionnaires.

Formula:

$$\frac{(S_{tes})}{(Q_C)} * 100 = \% \text{ Conformance}$$

Associated Measures:

Nil

Service Threshold Values:

Minimum Acceptable Level: % = 75%
Contract Review Level: % = 60%
Termination Review Level: % = 50%

Frequency: Daily / Weekly / Monthly / Quarterly / Yearly

Supplier: Peritas

Damages Schedule

Performance Measure	Event Fee Reduction
70% - 74.99%	10%
65% - 69.99%	20%
60% - 64.99%	30%
55% - 59.99%	40%
50% - 54.99%	50%
Below 50%	No Charge

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PERFORMANCE MEASURE

Ref: PE204

Measure: Training Course Cancellation

Objective: To identify the level at which courses are cancelled by the Supplier.

Requirements:

Total number of courses planned and offered to the Customer, excluding courses cancelled by Pathway. (C_{pt}).

Sum of courses delivered by the Supplier. (S_{cce}).

Benchmark:

98% of all planned courses are to be delivered by the supplier.

Formula:

$$\frac{(S_{cce})}{(C_{pt})} * 100 = \% \text{ Conformance}$$

Associated Measures:

Nil

Service Threshold Values:

Minimum Acceptable Level: % = As benchmark

Contract Review Level: % = 75%

Termination Review Level: % = N/A

Frequency: Daily / Weekly / Monthly / Quarterly / Yearly

Supplier: Peritas

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PERFORMANCE MEASURE

Ref: PE205

Measure: Training Course Competence Levels

Objective: To ensure that 95% of delegates on training completion of their training, can demonstrate an achieved level of competence of 90% on transactions and operating platform as per level 2 of the Kirkpatrick Evaluation Model as utilised by POCL.

Requirements:

Total number delegates attending the course. (C_{ta}).

Total number delegates attending course achieving competence level =>90% (T_{cl})

Benchmark:

95% of delegates attending to obtain 90% target level of competence as measured by the POCL Kirkpatrick Model.

Formula:

$$\frac{(T_{cl})}{(C_{ta})} * 100 = \% \text{ Conformance}$$

Associated Measures:

Nil

Service Threshold Values:

Minimum Acceptable Level: % = 95%

Contract Review Level: % = 90%

Termination Review Level: % = 75%

Frequency: Daily / Weekly / Monthly / Quarterly / Yearly

Supplier: Peritas

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PERFORMANCE MEASURE

Ref: PE206

Measure: Training Course Feedback

Objective: To provide a performance report feedback to POCL on each attending delegate.

Requirements:

Total number of delegates attending course. (Cdt).

Sum of performance feedback reports submitted to POCL for the course (Sfr).

Benchmark:

Performance report to be submitted for each delegate attending the course.

Formula:

$$\frac{(S_{fr})}{(C_{dt})} * 100 = \% \text{ Conformance}$$

Associated Measures:

Nil

Service Threshold Values:

Minimum Acceptable Level: % = 100%
Contract Review Level: % = 90%
Termination Review Level: % = N/A

Frequency: Daily / Weekly / Monthly / Quarterly / Yearly

Supplier: Peritas

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PERFORMANCE MEASURE

Ref: PE207

Measure: Training Course Live Delivery

Objective: To provide a service in timeliness where all training shall not be delivered more than 3 working days before scheduled live usage of the system.

Requirements:

Total number of individuals trained greater than 3 working days before scheduled live usage of the system. (C_{TU})

Total number of individuals trained. (C_{FR}).

Benchmark:

100% course delivered within the target timeframe.

Formula:

$$\frac{(C_{FR}) - (C_{TU})}{(C_{FR})} * 100 = \% \text{ Conformance}$$

Associated Measures:

Training Course Availability

Service Threshold Values:

Minimum Acceptable Level: % = 90%
Contract Review Level: % = 80%
Termination Review Level: % = N/A

Frequency: Daily / Weekly / Monthly / Quarterly / Yearly

Supplier: Peritas

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PERFORMANCE MEASURE**Ref:** PE208**Measure:** Management of Change Consultant - Quality Performance**Objective:** To provide an experienced Consultant, of a high quality standard and to agreed criteria who will facilitate and document outputs from the Top Level Steering and Management Focus Groups.**Requirements:**Sum of outputs from Steering/Focus Groups documented and incorporated into the User Awareness, Public Awareness and Communications programmes. (S_{go})Total Outputs from Steering/Focus Groups not documented or processed before first user awareness event. (T_{npd})**Benchmark:**

Management of Change Strategy and User Awareness messages documented before first user awareness event.

Formula:

$$\frac{(S_{go} - T_{npd})}{S_{go}} * 100 = \% \text{ Conformance}$$

Associated Measures:

Nil

Service Threshold Values:

Minimum Acceptable Level: % = 90%

Termination Review Level: % = 50%

Frequency: Daily / Weekly / Monthly / Quarterly / Yearly**Supplier:** Peritas



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APPENDIX 1 - WORK PACKAGES & TRAINING EVENT SPECIFICATIONS

APPENDIX 1

Schedule A

A1 Work Packages

A1.1 Management of Change Events

A1.2 Training Programme Events

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APPENDIX 1 - WORK PACKAGES & TRAINING EVENT SPECIFICATIONS

CONTENTS

WORK PACKAGES

A1 Work Packages

1. Management of Change (PER / PD001)
2. Programme Management (PER / PD002)
3. Pre Roll out training (PER / PD003)
4. Development of Training (PER / PD004)
5. User Education Delivery (PER / PD005)
6. Delivery of Training Events (PER / PD006)
7. Training Event Accommodation (PER / PD007)
8. Support and Maintenance (PER / PD008)

TRAINING EVENT SPECIFICATIONS

A1.1 Management of Change Events

Initial Strategic Planning Focus Group
Strategic Planning Focus Group No 2
Change Programme Implementation Focus Group
Strategic Planning Focus Group No 3
Impact Analysis Workshop
Business Network Modelling Workshop
EFQM SBM Self Assessment Workshop
Detailed Impact Analysis Workshop
Education and Communications Strategy
Workshop to Test Understanding and Reaction to the Communications Plan

A1.2 Training Programme Events

Riposte Counter Transaction User Course
System Manager Course
Back Office Audit Course
POCL Train The Trainer Course
POCL User Awareness Overview
BA Awareness Overview
BA Train The Trainer Course
Pathway Help Desk Course

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APPENDIX 1 - WORK PACKAGES & TRAINING EVENT SPECIFICATIONS

Note applicable to all Services throughout this Agreement: all completion dates shown as December 1998 are approximate dates, the actual completion dates shall be set to coincide with the completion of the roll-out phase under the Main Agreement, where appropriate.

1.1 Management of Change (PER/PD001)

1.1.1 Description and Purpose

The Management of Change Programme includes the following key activities:

- Management of Change Programme Management
- Management of Change Facilitated Events
- Management of Change Development Activities
- User Communications Implementation

Management of Change Programme Management.

The programme manager who will be responsible to the Sponsors and Change Management Steering Group for:-

- completing the required project set-up activities
- establishing the change management team
- defining detailed work schedules
- defining and agreeing the team's method of operation
- defining and agreeing reporting arrangements
- co-ordinating all change management activities
- developing and agreeing overall terms of reference and a Programme plan covering all of the relevant change management activity, highlighting appropriate milestones and interdependencies
- managing overall resource issues including provision of adequate cover and skills availability
- maintaining an overall risk register for all change management activity
- reporting on progress and issues to the Change management Steering Group
- quality assurance of the overall change management programme

Management of Change Facilitated Events

As part of the Management of Change Programme we have outlined a series of events and activities within an overall programme. These are designed to

- clarify or confirm the Top Team view of *pressures for change*, the shared *vision and strategy*, and the principles which will be adopted in implementing change.

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APPENDIX 1 - WORK PACKAGES & TRAINING EVENT SPECIFICATIONS

- communicate the top team's views on *pressures for change, vision and strategy* etc. throughout the organisation and to begin the process of listening to ideas and opinions in an a culture which encourages openness.
- ensures that opinions, ideas, and concerns are fed back into the change management process
- tests understanding of key messages on *pressures for change, vision and strategy* etc.
- provides a facility to examine opportunities for improving business performance' in defined key areas.
- evaluates the impact of the proposed changes in terms of *capability and capacity for change* - in particular on people and the new knowledge, skills, experience, and attitudes that will be required to make the change effective.
- enables the implications of the change to be understood, defined and quantified so that they can be clearly communicate and actively managed to facilitate the *implementable first steps*

Management of Change Development Activities

User Education and Communications Plan

As part of the Management of Change Programme, Peritas will develop and document a User Education and Communications Plan for both POCL and BA. Because of the nature of these programmes the messages contained in each document and their method of dissemination will differ although they are addressing the requirements of the same Automation Programme. It is also true that they will contain a significant amount of duplicate information and this has been accounted for in the development timescales.

User Communications Implementation

In meeting the education and cultural change requirements there will be a need for two main levels of communication, one ongoing and a second level designed to achieve specific programme objectives, for example, as part of roll out activities. User communications requirements will be based upon the knowledge of current roles, responsibilities and attitudes, a version of the future desired position and the individual steps needed to achieve progress.

The task of developing the Communication Plan will be led by the Change Management Managing Consultant and agreed by the Management of Change Programme Steering Group who will also agree the best way to make use of the

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APPENDIX 1 - WORK PACKAGES & TRAINING EVENT SPECIFICATIONS

current BA and POCL communication channels. A key responsibility of the communication function during the progress of the programme will be the co-ordination of communications throughout the BA and POCL user community. It is important that the messages are consistent with the User Education Programme and the Public Awareness Programme.

POCL/BA staff will want to be made aware of what is going to happen and why, be reassured about the impact on them and their jobs and be given a good reason for "owning" the changes.

1.1.2 Composition and Content

Management of Change Programme Management Team

Management of Change Programme Manager full time 17.06.96 to 30.12.98. Peritas will not change the individual fulfilling this role without Pathway's prior consent (unless the individual resigns from the role), such consent not to be unreasonably withheld.

Pathway will provide the Management of Change Programme Manager with administrative support and office facilities at Feltham.

Additional resources will be allocated to provide specific deliverables as and when requested. They will be delivered by the following roles:

- Managing Consultant
- Senior Consultant
- Consultant

Management of Change facilitated Events

All the events described below have outline specifications in Appendix A1.1.

These events represent the minimum activity we would recommend to underpin the Management of Change Programme. If the Management of Change Programme Manager perceives the need for additional events, a proposal will be made to Pathway for sign off under formal change control.

Sponsors and Steering Group

- 1 x 1 day Initial Strategic Planning Focus Group 1
- 1 x 1 day Strategic Planning Focus Group 2
- 1 x 1 day Strategic Planning Focus Group 3

POCL and BA Staff

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- 10 x 1 day Change Management Implementation Focus Groups
- 4 x 1 day Business Networking Modelling Workshop
- 10 x ½ day EFQM events
- 10 x 1 day Detailed Impact Analysis Workshop
- 10 x ½ day Communications Testing Workshops

All these events are delivered by 1 senior Consultant and 1 Consultant and the half day deliveries need to be counted as a full day of effort. Therefore there are a total of 47 delivery man-days.

Management of Change Development Activity

BA and POCL Education Plan and Communications Plan 50 days

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Facilitated Events Development

Initial Strategic Planning Focus Group 1	4 days
Strategic Planning Focus Group 2	4 days
Strategic Planning Focus Group 3	6 days
Change Management Implementation Focus Groups	35 days
Business Networking Modelling Workshop	17 days
EFQM events	25 days
Detailed Impact Analysis Workshop	35 days
Communications Testing Workshops	10 days

This is a total of **136** development days for the Management of Change facilitated events. There is an additional **50** days for the preparation of a Communications and education Plan. Should extra events be required then each delivery will take 2 days to prepare (Preparation and Write up) and 2x duration in full days to deliver.

User Communications Implementation

The programme will be delivered in four phases:-

PHASE 1 Pilot and development

- Automated Benefits Card Mailer (110,000 copies)
- Internal media Briefings Pack (Master)
- Powerpoint Briefing Pack (Master)

PHASE 2 Education

- Illustrated Guide to the new system (A5 folded, 110,000 copies)
- Introductory Video (15 mins)

PHASE 3 Training

- Internal Media Briefing Pack 2 - Learning
- Powerpoint Briefing Pack
- Learning Video (15 mins)

PHASE 4 Implementation

- Progress Report Newsletter (10 issues, 1 per quarter, 110,000 copies)

PHASE 5 Management

- Project management

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Outputs

The following are all outputs from the various focus groups and studies we propose to undertake as part of the Management of Change Programme and which will need appropriate sign off.

- Management of Change Strategy and Plan
- Education Strategy
- Education Plan and Event Specification
- User Communications Strategy
- Communication Standards
- User Communication Plan
- Training Strategy
- Training Needs Analysis

The following documents also need to be produced but will not be generated as part of the current Management of Change or Training activities.

- User Support Policy
- Business Process Management Strategy
- Policy Co-ordination Plan
- Documentation Strategy
- Documentation Standards

1.1.3 Format

All documentation will be produced using Microsoft V4 product set:

Documents:	Word V6
Spreadsheets:	Excel V5
Graphics:	Powerpoint V4
Project Plans:	Microsoft Project.
Applications:	Visual Basic 3.0
Database:	Foxpro 2.6
Training schedule:	Foxpro 2.6 database
Invitations:	Generated by mail merge using the Microsoft Office product set.
Staff Training Records:	Data interchange file formats to be agreed
Installation schedules:	Data interchange file formats to be agreed

1.1.4 Quality Criteria

- All Terms of Reference agreed and signed off by POCL/BA

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- Event appraisals recorded and filed but not measured.
- All output documents are agreed and signed off by POCL/BA.
- All key requirements from the strategies are implemented and managed to the desired quality standard.
- Meet Management of Change Programme management performance measure (PE208)

1.1.5 Quality Method

- Terms of Reference to be agreed in advance with Pathway for all deliverables
- All output documentation to be agreed with Pathway before delivery to Pathway
- Monitor plans to ensure strategy is being implemented.
- Periodic quality and performance reports prepared with POCL/BA and forwarded to Pathway.
- Customer feedback sought via testing workshops.

1.1.6 Not Used

1.1.7 Competencies

- Specialist in Change Management
- Change management consortium
- Previous experience DERA, Anglian Water, BBC, ICL
- ITEM, a specialist partner in Communications Programmes are being used. ITEM is founder of the Association for Strategic Planning in Internal Communications. In-house capability Benefits Agency, Cabinet Office, Inland Revenue, BAC, DTI are all clients of ITEM.

1.1.8 Volume and Estimating Assumptions

The full-time role is for the period from 17.06.96 through to the end of the implementation on 30.12.98.

Attendees per facilitated event as per individual draft specifications in Appendix A1.1.

Overall numbers for particular events are based on achieving a reasonable diagonal slice of each organisation. This has been viewed as 1 event for each of the 7 regions of POCL and 1 event for each of the BA geographic territories. This covers regional variations and is good public relations to start general awareness.

1.1.9 Charges

Refer to Schedule D.

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1.1.10 Risk Transfer

Peritas will appoint a Management of Change Programme Manager who can satisfy the performance measure PE 208.

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1.2 Training Programme Management (PER/PD002)

1.2.1 Description and Purpose

The training programme management consists of five key activities:

- Training Programme Management Team
- Implementation of the Training Management System (TMS)
- Provision of the Training Help Desk
- Provision of the Training Administration Desk
- Provision of Office Accommodation

Training Programme Management Team

The training programme management function is responsible for managing all services provided by the training supplier, liaison with Pathway programmes, ensuring that the training deliverables are fully integrated with the delivery schedules of Pathway and other suppliers to Pathway.

The management function will also ensure that training resource availability incorporates sufficient contingency provision to ensure that no events are cancelled because of a lack of training resource.

Implementation of the Training Management System (TMS)

The training administration system provides facilities used to administer the delivery of training programmes and control the supporting logistics management system. The work package will include the development of the import and export modules and customisation of the management reporting functions.

Provision of the Training Help Desk

The staff on the Help Desk will support the 67,021 POCL staff who are using the workbook to consolidate their training.

Provision of the Training Administration Desk

The training administration system controls the delivery and provision of supporting logistics to the Pathway training programme. The purpose of the system being to schedule training to meet the requirements of the installation programme, liaise with POCL staff to advise and confirm planned attendance, and to confirm completion of training to Pathway using both quantitative and qualitative measures.

Provision of Office Accommodation

Peritas will locate a dedicated Pathway Training Office in North West England and will accommodate all office based staff, fully overheaded apart from any separate

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agreements within the contract (e.g. telephone calls). This accommodation will also provide adequate storage space to manage the documentation delivered as part of the training programme. This space will be approximately 2,900 square feet.

1.2.2 Composition & Contents

Training Programme Management Team

Key Roles

- Training Project Manager:** January 1996 to December 1998
This role provides a single point of contact with responsibility for all aspects of the training programme, co-ordination of the activities within it, with those of the wider Pathway programmes and those of the other sub contractors to Pathway.
- Project Control Officer:** June 1996 to December 1998
This role is responsible for the administration of the project library, monitoring the progress against project plans and the administration of the commercial processes required to support the programme.
- Training Team Leader:** January 1996 to December 1998
This role undertakes the management of courseware development, assists with the selection of training staff and ensures that all training deliveries conform to the quality standards agreed with Pathway for the programme.
- Logistics Manager:** October 1996 to December 1998
This role is responsible for the provision of logistical support to the training implementation. They will also manage the integration of Peritas and Pathway MIS interfaces.
- 2 x Clerical Support:** One from October 1996 to December 1998
One from January 1997 to December 1998
Provision of general clerical support
- Evaluation Officer:** April 1997 to December 1998
Will be responsible for building training evaluation criteria and operating the various measurement exercise required by POCL/BA for the training activity e.g. course assessments, after course questionnaires etc.

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They will provide all management information to the Training Programme Manager.

Implementation of the Training Management System (TMS)

Peritas will tailor our current system to meet the requirements of this project. This will involve work in the following areas:

- Applications development
- System trials
- Integration trials with Pathway control system

The composition and specification of functional modules will be formally defined within an updated functional specification published after detailed consultation and agreement with Pathway programmes office.

Provision of the Training Help Desk

The Help Desk will operate 9.00am to 10.00pm Monday - Friday and 9.00am to 5.00pm on Saturday.

A total of 16 staff will be recruited with effect from April 1997. They will be cross-trained to undertake the Administration desk role.

Provision of the Training Administration Desk

The Training Management System is a Visual Basic/Foxpro application running on a file server linked to eight work stations. The system will be manned by clerical staff at all time when training is being supplied. The hours will be 8.30am until 10.30pm Monday to Friday. The Training Administration Desk will undertake the following tasks:

- Import of installation schedules
- Generation of training schedules
- Assignment of course places
- Issue of training invitation
- Confirmation of attendance intentions
- Ordering and dispatch of supporting logistics
- Generation of attendance lists
- Export of training completion records
- Export of training competence test reports
- Production of In-Store consolidation visit schedules

A staff shift operation will run, requiring a total of 10 administrative staff (including a Supervisor) and a technical support person. The supervisor, 3 administrators and the Technical support will commence October 1996 for the duration of the

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implementation (December 1998). The additional 6 administrators will start January 1997, also for the period through to December 1998.

Provision of office accommodation

Peritas will secure 2,900 sq ft of office accommodation, including the following:

- IT Equipment
- Stationery
- Postage
- Telephone Communications

1.2.3 Format

All documentation will be produced using Microsoft V4 Product Set:

Documents:	Word V6
Spreadsheets:	Excel V5
Graphics:	Powerpoint V4
Project Plans:	Microsoft Project
Applications:	Visual Basic 3.0
Database:	Foxpro 2.6
Training schedule:	Foxpro 2.6 database
Invitations:	Generated by mail merge using the Microsoft Office product set.
Staff Training Records:	Data interchange file formats to be agreed
Installation schedules:	Data interchange file formats to be agreed

1.2.4 Quality Criteria

- Maintenance of project plans, attendance at relevant Pathway project reviews, submission of timely and accurate information and achievement of key milestones.
- The application development is completed with all functions validated and available for operational trial by 01.06.96 including the data interchange records between Peritas and other Pathway functions.
- Each Post Office employee is trained within the three working days prior to equipment installation or for crown post offices on the same morning/afternoon as the installation.
- Meet performance criteria PE201, PE204, PE206, PE207.

1.2.5 Quality Methods

- Control and progress reporting will conform to the procedures defined by the Pathway Programme Director.

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- Peritas Training Project Manager is an integral member of the implementation project team and attends regular Pathway project reviews.
- Regular Peritas Programme reviews
- The quality metrics will include throughput, no-show rates and average attendance levels. The overriding measure will be the timely provision of training status reports to the Pathway installation programme.
- The Training Administration application will be tested in accordance with a trial plan approved by Peritas and Pathway Quality functions and will ensure data capture to meet necessary performance measures.

1.2.6 Not Used

1.2.7 Competencies

The personnel used to undertake this function have experience of high volume programmes integrated with installation programmes including the National Lottery programme undertaken on behalf of Camelot Group plc. The software will be updated and supported by the personnel responsible for the original development.

The administration system is derived from the system used to control the training of National Lottery retail outlets at a rate of 1,000 staff per day.

1.2.8 Volume and Estimating assumptions

- 67,021 POCL personnel based at approximately 20,000 locations throughout the UK, all to be trained on-site or locally.
- 500 BA staff to be trained.
- The database has been sized to hold the details of 200,000 trainees with training schedules for the whole programme being accessible at any time. Loading trials have been undertaken for up to 16 terminal operators, however, current workload forecasts indicate a requirement for 10 active operators at peak times.
- The training management system will take 5 weeks to develop (5 weeks to code, 2 weeks to test and 2 weeks integration)

1.2.9 Charges

Refer to schedule D.

IT equipment will be charged at capital prices as purchased, subject to a ceiling price as shown in Schedule D.

1.2.10 Risk Transfer

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Peritas assumes the task of development to meet the roll out start date. Pathway must, however, be aware that the availability of a platform and application have a major impact on this task.

Meeting PE201, PE204, PE206, PE207.

External dependencies e.g. the performance of Pathway and its other contractors in satisfying agreed dependencies, are the responsibility of Pathway.

Additional reporting facilities or data interchange requirements raised after the approval of the functional specification will be subject to the project change control procedure.

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1.3 Pre Roll out training (PRE/PD003)

1.3.1 Description and Purpose

This work package consists of the following elements:

- Training to support the User Acceptance phase
- Training to support the Stroud field trial
- Pathway Project staff Training

Training to Support the User Acceptance Trial

The User Acceptance facility will be used to validate the solution as it is developed, until go live in 1997. Peritas will provide training for 96 personnel (two per each of the proposed 48 counter positions). with 6 people per event.

Training to support the Stroud field trial

The planned Stroud field trial will consist of 10 Post Offices and approximately 15 counter positions. As these Post Offices will be implemented separately we propose to train the staff for each one separately therefore providing 10 events, and up to a maximum of 60 staff. Peritas will be using this as an opportunity to prove our solution and staff will receive a draft workbook to consolidate their training with and also an aftercare visit and competency test.

Pathway Project Training

10 * 1 day briefings for Pathway Staff

1.3.2 Composition and Contents

Training to support the User acceptance trial

16	x	1 day	POCL Counter Operations Training	16 days
6	x	1 day	Updates	6 days
				Total 22 days

Training materials will be provided.

Training to support the Stroud field trial

Training course and materials development (QRG and workbook)				60 days
10	x	1 day	POCL counter operations training events	10 days
				Total 70 days

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A 1-day Aftercare visit per Post Office will be provided at no extra charge

Pathway Project Training

10 x 1 day Counter operations awareness sessions 10 days

1.3.3 Format

As Supplied to Users

Handout, workbook and Quick Reference Guide will be presented in a four ring binder but will be in draft version and monochrome printing.

As Held By Peritas Limited

The master documents are Word V6 with embedded graphics using Powerpoint and spreadsheets using Excel V5.

1.3.4 Quality Criteria

As defined in the Courseware Development process detailed in the relevant Peritas procedures manual. Agreement and sign-off of the course specifications and session plans by Pathway.

None of the Contract Performance Measures apply to this work package.

1.3.5 Quality Method

- Using the Peritas development methodology which is ISO9001 accredited.
- Using POCL and BA methodology and standards.
- Review of training content accuracy based on course appraisals.

1.3.6 Not Used

1.3.7 Competencies

- The courseware development team have previous experience of courseware development with Post Office employees as the target trainees, having assisted POCL to prepare for the National Lottery Launch. Also, in-store training materials, developed for updating 13,000 National Lottery Retailers in preparation for the launch of the National Lottery "Instants".
- Previous experience of course book development for Post Office personnel.
- Post Office Silver supplier status.

1.3.8 Estimating Assumptions

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User Acceptance trial

- . 48 counter positions
- . 2 staff per counter position
- . Occupancy of 6 on each course
- . Update briefing run once per month

Stroud field trial

- . 10 Post Offices
- . 15 Counter Positions
- . Max. of 6 staff per Post Office to be trained
- . Max. 10 of 1 day aftercare visits required.

1.3.9 Charges

Refer to Schedule D.

1.3.10 Risk Transfer

Peritas will accept no risk for this work package.

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1.4 Development of Training Deliverables (PER/PD004)

1.4.1 Description & Purpose

Trainers kit

This work package creates the master reference copy of the trainer course kits and the training materials to be issued to each user. These masters are in a form to enable reproduction in volume and are the basis for delivery of training and in-store support.

They will be developed in line with POCL's training and development standards which are in line with Peritas' own ISO9001 courseware development methodology.

User Workbook

The training workbook is used by counter and back office personnel as a guide to both the care and maintenance of the IT systems and the operation of the applications provided by the systems. The workbook is intended for use by POCL staff to reinforce their understanding of operational procedures and to assist new joiners to gain a detailed understanding of procedures prior to an in store visit by the training support service.

Quick Reference Guide

Peritas will produce an A5 laminated quick reference guide which will consist of 6 pages covering four key areas:

- Getting Started
- Basic System Process
- Benefit Payments
- Banking

User Awareness Event

Peritas will develop a User Awareness Event for both POCL and BA. The POCL event will be delivered by Peritas to all POCL staff and the BA event will be to a targeted audience of 500 and then cascaded to BA staff.

1.4.2 Composition & Contents

Peritas have conducted a Training Needs Analysis (TNA) which has required 35 days of effort. The TNA will be documented as a report which will be given to Pathway during the first week of August 1996.

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As a result, the following courses will be developed:

Course	Duration	Development
		Days
Counter operations	½ day	7.5
Back Office Systems Managers	2 days	30
Back Office Audit	2 days	30
Help Desk Operators	1 day	15
POCL Train the Trainer	5 days	75
User awareness (BA and POCL)	1/2 day	60
TNA		35
Release 2 update activity		20
BA Train the Trainer	2 days	30
	Total	302.5

The development programme generates the following deliverables:

Trainers Course Kit

- Objectives
- Timetable
- Session Plans
- User handout
- Slides
- Trainers Notes

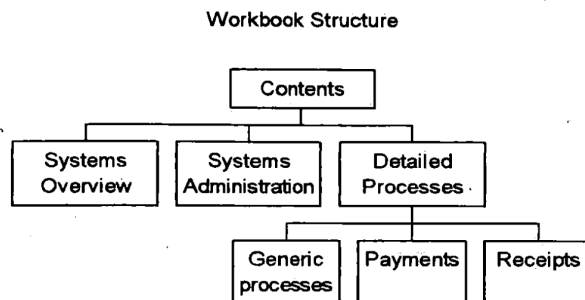
The trainers kit will be limited to the following:

Handout	50 pages, monochrome, double sided in an A4 binder
Trainers Notes	120 pages, mono
Slides	50 colour acetates
Diagrams	50 colour diagrams

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User Workbook

The workbook is a loose leaf document with the following structure:



The workbook will be a double-sided print, in monochrome, provided in an A4 binder and 120 pages. Should the systems functionality expand and additional pages be required, a change control request will be required.

Quick Reference Guide(s)

- Getting Started
- Basic System Process
- Benefit Payments
- Banking

The Quick Reference Guide will be up to 6 laminated A5 size monochrome pages which are spiral bound.

User Awareness

Peritas will develop a 2-3 hour event to be delivered in the evening. It will be delivered with the support of audio visual presentations and the user application in training mode. The event specification will clearly be targeted at the individual organisations specific requirements. The BA event may be longer (up to 4 hours) and delivered during the day.

Topics covered will include:

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- Business Drivers
- Business Objectives
- Project Overview
- Systems Overview
- Network
- Back Office Administration
- Point of Sale
- Implementation Plan
- User Benefits
- In store systems
- Impact on staff

POCL User Awareness event (specification in Appendix 2)	20 days
BA User Awareness event (specification in Appendix 2)	40 days
Total	60 days

1.4.3 Format

As Supplied to Users.

Handout and Workbook will be in a loose-leaf A4 ring binder, presented in monochrome and with revision level included in change control section.

The quick reference guide will be A5 laminated with up to 6 pages, spiral bound.

As Held by Peritas Ltd

The master documents are Word v6 with embedded graphics using Powerpoint and spreadsheets using Excel V5

1.4.4 Quality Criteria

- As defined in the Courseware development process detailed in the relevant Peritas procedures manual.
- Agreed conformance to Peritas training development standards and in line with the Kirkpatrick evaluation model as used by POCL. This has yet to be defined by the client.
- Agreement and sign off of the course specifications and session plans by Pathway.
- Agreement and sign off of the course materials by POCL and BA.

1.4.5 Quality Method

- Using the Peritas development methodology which is ISO9001 accredited.
- Using POCL and BA standards for training materials where appropriate
- Agreement and sign off with Pathway prior to acceptance by the client.
- The workbook exercises are tested as part of the dry run.

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- Dry run of all events with a live audience and signed off by Pathway, POCL and BA
- Review of training content accuracy based on course appraisals

1.4.6 Not Used

1.4.7 Competencies

The courseware development team have previous experience of courseware development with Post Office employees as the target trainees, having assisted POCL to prepare for the National Lottery Launch. Also, in-store training materials developed for updating 13,000 National Lottery retailers in preparation for the launch of the National Lottery "INSTANTS"

Previous experience of course book development for Post Office personnel.

1.4.8 Volume & Estimating Assumptions

- This package assumes the production of one master copy of course material.
- Development timescales based upon the duration of the User Awareness and Training course specifications described in Appendix A1.2

1.4.9 Charges

Refer to Schedule D.

1.4.10 Risk Transfer

Within the scope of the initial set of training events, Peritas will undertake any modifications arising during the roll out, other than changes arising from changes to Pathway product or POCL procedures.

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1.5 Delivery of Awareness Events (PER/PD005)

1.5.1 Description and Purpose

The delivery of the User Awareness events requires four key activities:

- User Awareness Delivery Team Gear Up
- Event Administration
- POCL User Awareness Delivery
- BA User Awareness Delivery

User Awareness Delivery Team Gear Up

The project requires to establish a team to deliver each event consisting of

- 1 x Change Management Consultant
- 1 x Trainer
- 1 x Administrator

There will need to be distinct teams for the POCL and BA User Awareness roll outs. The gear up is designed to induct project staff, verify their capabilities, train them in POCL and BA culture, policy, procedures and establish the capability to deliver the awareness event explaining the impact and benefits of the Pathway system.

No Peritas staff will be contracted to the programme unless they satisfy the competence criteria established for the work package.

Event Administration

Peritas will offer a service that secures the delivery accommodation, issues the invitations to the events and manages the delivery schedule and management information. This will be co-ordinated via the Training administration and Help Desk described in Work Package (PER/PD002).

POCL User Awareness Delivery

Attendance of the education programme will be mandatory for all POCL staff and will be delivered locally to reduce travel. Peritas propose to run a series of evening events in locations throughout the UK which will consist of a formal presentation and model office demonstration. Peritas will control the mailing of invites to users. It is anticipated that each event should target 90 attendees in urban areas, 50 in rural areas and 30 in Highlands and islands. Special events would be conducted for senior managers, specialist user groups (network managers), multiples and stakeholders. The timing of the events should be in line with the overall implementation plan and are planned to be delivered ten weeks prior to the go live date.

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The overview seminar is a face to face presentation delivered in a lecture environment which provides managers, sub-postmasters and staff with an overview of the Pathway project and a detailed understanding of both the user functions and the training support functions provided by the project.

BA User Awareness Delivery

Attendance of the BA awareness programme will be by invite for a number of targeted staff. These targeted staff would receive a briefing pack to enable them to cascade the event throughout BA. It is envisaged that the attendance could be senior managers or staff from BA training. Peritas propose to run a series of events in locations throughout the UK which will consist of a formal presentation and model post office demonstration. Peritas will control the mailing of invites to users. It is anticipated that each event should target 50 attendees. Special events would be conducted for senior managers, specialist user groups and interested third parties. The timing of the events will be decided at a later date but will keep pace with any regional implementation schedule.

The overview seminar is a face to face presentation delivered in a lecture environment which provides BA managers and staff with an overview of the Pathway project and a detailed understanding of both the user functions and the training support functions provided by the project.

1.5.2 Composition and Content

User Awareness Delivery Team Gear Up

Recruitment

Induction

Pathway System

- Competence test

Post Office Procedures

- Competence test

Course presentation

- Competence test

Event Administration

Event specification

User education schedule

Event invitations

Event inventory requirement

Event handout/glossy

Attendance records

Event feedback

User Implementation Booklet

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POCL User Awareness Delivery

See Draft Outline Specification in Appendix A1.2

BA User Awareness Delivery

See Draft Outline Specification in Appendix A1.2

1.5.3. Format

All documentation will be produced using Microsoft applications:

Documents:	Word V6
Spreadsheets:	Excel V5
Graphics:	Powerpoint V4
Project Plans:	Microsoft Project.
Applications:	Visual Basic 3.0
Database:	Foxpro 2.6
Training schedule:	Foxpro 2.6 database
Invitations:	Generated by mail merge using the Microsoft Product set
Staff Training Records:	Data interchange file formats to be agreed
Installation schedules:	Data interchange file formats to be agreed

1.5.4. Quality Criteria

- o Quality of event presentation
- o Accuracy of response to questions tabled by audience
- o Attitude to audience
- o Event implementation keeps pace with Pathway Rollout programme meeting targets and timescales agreed in this Agreement.
- o Event feedback reports from each event are reviewed and meet the agreed standards. The events will not be appraised using the training questionnaire.
- o Event management accurately records attendance lists.

1.5.5 Quality Method

- o Recruitment test lecture criteria as defined in the Peritas procedures manual.
- o Dry run planned event
- o Analyse user feedback reports and summarise
- o Periodic quality and performance reports prepared and forwarded to Pathway.

1.5.6 Not Used

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1.5.7 Competencies

- Delivery staff will be experienced instructors with an understanding and conformance to procedures.
- Specialists in facilitation and change management
- Experience of User Education on other IT related projects; CENTOS

1.5.8 Volume and Estimating Assumptions

- Max. 67,021 POCL staff to be educated
- Max. 500 BA staff to be educated
- Maximum 100 attendees per event, although in rural areas, and in Highlands and Islands it may not be possible to include that many people at one time due to lack of people or their availability.
- 2 facilitators per event
- Implementation paced

1.5.9 Charges

Refer to Schedule D.

1.5.10 Risk Transfer

None

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1.6 Delivery of Training Events (PER/PD006)

1.6.1 Description and Purpose

The delivery of the training is split into the following areas:

- Trainer Gear Up
- Counter training for Crown Post Offices
- Counter training for Small/Medium Post Offices
- After Care Visit
- Back Office Systems Manager Training
- Back Office Audit
- Help Desk Operator Training
- POCL Train the Trainer
- BA Train the Trainer
- Provision of trainer back up and remedial team.

Awareness events, counter training and follow-on visits for each student are to be ordered by Pathway as a package, i.e. each student must have all three elements of the training.

Trainer Gear Up

The project requires to establish a team which includes in excess of 120 trainers. This work package is designed to induct project staff, verify their capabilities, train them in POCL procedures and establish the capability to deliver training on the Pathway system.

No training staff will be contracted to the programme unless they satisfy the competence training criteria established for the work package.

Counter Training for Crown Post Offices

The POCL staff training course will be of 4 hours duration providing training for 6 Post Office counter staff per event. The attendees are those staff, where possible whose counter positions are currently being installed.

The purpose of the event is to ensure familiarisation with the new procedures introduced by Pathway and how those procedures correspond to existing practices which are being superseded.

The event will be scheduled to take place on the premises of the Post Office, and will be consolidated during the following 2 working days by giving staff the opportunity to consolidate their understanding by means of using the system training mode supported by a workbook. The staff will receive an after care visit typically no more than 3 days after the installation.

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Counter Training for Small/Medium Post offices

The Sub-Post Masters training course will be of 4 hours duration providing training for an average of 6 persons per event, those persons, on average, being from 2/3 locations.

The purpose of the event is to ensure familiarisation with the new procedures introduced by Pathway and how those procedures correspond to existing practices which are being superseded.

The event will be scheduled to take place in the evening, as POCL have advised that in-store training is impractical for this category of location. The event will be completed as close to the installation date as possible. The attendees will then consolidate the learning they have received by practising using the training mode and supporting workbook. During this period each trainee will be contacted on 2 occasions to check on progress with the workbook and ensure the state of readiness for the in-store competence assessment visit which will take place on day 3 after the installation.

After Care Visit

The work package provides the facility to visit up to 5 Post Office staff members in a day in order to provide product updates or general support with (in all cases) verification of end user competence.

Back Office Systems Manager Training

This 2 day course is aimed at POCL/Franchise/Sub-Postmasters who will be responsible for the back office maintenance of the Riposte Application and also general PC maintenance and trouble shooting. Up to 3 people in each Crown PO will receive this training.

Back Office Audit

This is a two day course based on the content delivered to the systems managers but tailored to meet the needs of the central audit office of the Post Office. There will be one event for 7 staff.

Help Desk Operator Training

This is a one day course to enable help desk operators to be able to understand the role and features of the automated system and be able to offer first line support to BA and POCL staff

POCL Train the Trainer

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This 5 day course is aimed at existing POCL trainers, who will be training both existing staff and new staff on the automated counter transaction system.

BA Train the Trainer

This 2 day course is aimed at existing BA trainers who will be training both existing staff and new staff on the automated benefit transaction system.

Back up and Remedial training

Peritas will provide a "hot" back up comprising 3 trainers and van throughout the roll out period (April 1997 to December 1998).

Six additional trainers will be recruited and dedicated to remedial training from July 1997 to December 1998.

1.6.2 Composition and Content

Trainer Gear Up

Recruitment

Induction

Pathway System

- Competence test
- Post Office Procedures
- Competence test
- Course presentation
- Competence test

Counter Training for Crown Post Offices

Refer to the specification in Riposte Counter Transaction User Course in Appendix A1.2.

Counter Training for Small/Medium Post offices

Refer to the specification for Riposte Counter Transaction User Course in Appendix A1.2

After Care Visit

The agenda and checklist for this visit has yet to be specified.

Back Office Systems Manager Training

Refer to the specification for this course in Course in Appendix A1.2

Back Office Audit

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Refer to the specification for this course in Course in Appendix A1.2

Help Desk Operator Training

Refer to the specification for this course in Course in Appendix A1.2

POCL Train the Trainer

Refer to the specification for this course in Course in Appendix A1.2

BA Train the Trainer

Refer to the specification for this course in Course in Appendix A1.2

Back up and Remedial training

Peritas will provide the resources necessary to ensure that students achieve the required competency level.

1.6.3 Format

Master copies of course kits will be held electronically using MS-Office Version 4 products.

Each trainer conducting an after care visit will have a presenter to cover major functions in addition to dummy cards for use in testing mode.

1.6.4 Quality Criteria

Adherence to Peritas Performance Measures contained in Schedule G of this Agreement.

- PE201 Training Course Availability
 - PE203 Training Course Quality
 - PE204 Training Course Cancellation
 - PE205 Training Course Competence Levels
 - PE206 Training Course Feedback
 - PE207 Training Course Live Delivery
- Resolution in hotline call rates

1.6.5 Quality Method

- Recruitment test lecture criteria as defined in the Peritas procedures manual.
- Courses will be submitted to the QA functions of both Pathway and Peritas Ltd.
- Monitor student progress via Training Help Desk.

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- Attendees will undertake a competence test on completion of the event. All trainees will be required to pass an audit of course content and knowledge of POCL procedures on the new system to performance standard.
- User assessment and competence training.
- Review of performance against agreed measures

1.6.6 Not Used

1.6.7 Competencies

- The applicants will be experienced instructors with an understanding and conformance to procedures.
- All training personnel will have completed an induction programme of test deliveries and will have understanding of POCL procedures.
- All staff will have completed the gear up programme and a number of classroom events before undertaking an after care visit.

1.6.8 Volume and Estimating Assumptions

Refer to Schedule D.

1.6.9 Charges

Refer to Schedule D.

1.6.10 Risk Transfer

- Peritas have budgeted the cost of remedial training for those staff who do not meet the agreed competence performance measure.
- Peritas will not carry the risk for additional event delivery costs arising from low attendance levels as Pathway must gain full commitment from POCL Senior Management that the training is mandatory.
- Meet all performance measures PE201 to PE207

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APPENDIX 1 - WORK PACKAGES & TRAINING EVENT SPECIFICATIONS**

1.7 User Awareness and Training Event Accommodation (PER/PD007)

1.7.1 Description and Purpose

There are four types of events to provide accommodation for, namely

- . Change Management Focus Events
- . User Awareness Events
- . Specialist Training
- . Counter Training

Change Management Focus Events

Peritas will need to run these events in hotels. This is due to the management level of people attending the events and the requirements for the delivery of facilitated events.

User Awareness Events

There are currently 681 User Awareness Events planned to take place. As this event is being delivered to large audiences (circa 90 people) and the purpose of the events is to gain user commitment then these events also need to be run in hotels. There is a requirement to deliver these events around the UK.

Specialist Training

Peritas are delivering a number of specialist courses for Trainers (POCL and BA), Help Desk, System Managers, and Back Office audit. These events will be run in normal training rooms at locations to be agreed nearer the time. These rooms are those that Peritas would generally use to deliver geographically-based training.

Counter Training

Peritas will identify premises to deliver the 4 hour Counter Training to POCL staff. These training premises will be close to the course attendees place of work and will provide an adequate environment to ensure the successful transfer of skills. These rooms need to be provided at minimum cost to Pathway whilst ensuring that they are "fit for purpose".

1.7.2 Composition and Content

Change Management Focus Events	Hotel Room	47
User Awareness Events	Hotel Room	681
Training Events (excl Counter Training)	Training Room	998
Counter Training (Crown & Small/med PO)	Local Venue	10,212
Refreshments (1 cup o f coffee/attendee)		estimate 134,542 cups

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1.7.3 Format

as in 1.1.3

1.7.4 Quality Criteria

- Hotel room specification agreed and signed off by Pathway
- Training room specification agreed and signed off by Pathway
- Local venue specification agreed and signed off by Pathway
- Agree training venue assessment questionnaire with POCL
- Training course venue performance standards as agreed in the Contract.

1.7.5 Quality Method

- Terms of Reference to be agreed in advance with Pathway for all deliverables.
- Ensure all attendees on training courses complete questionnaire and that this is recorded, summarised and reported.
- To undertake a vetting procedure for all rooms to be used. Checklist to be agreed with Pathway.

1.7.6 Not Used

1.7.7 Competencies

Previous experience of providing training venues for large end user roll out programmes such as The National Lottery programme for Camelot, Osprey Project for the DTI and garages training for Mobil.

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1.7.8 Not Used

1.7.9 Charges

Refer to Schedule D:

Peritas will operate this work package as a service to Pathway according to the following charges:

Peritas will charge Pathway the actual cost of venues and catering plus a markup as shown in Schedule D to cover administration costs.

Peritas will source appropriate venues and provide a quality inspection and verification service.

Peritas will use its best endeavours to provide venues at the following target prices:

- User Awareness sessions £300
- Counter training £100
- Other training £250
- These target prices do not include catering, which will be charged additionally.

1.7.10 Risk Transfer

As relevant Performance Measures in Schedule G.

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1.8 Support and Maintenance (PER/PD008)

1.8.1 Description and Purpose

This work package describes the catalogue based approach Peritas will take to addressing the following:

- Training of POCL staff who are in "steady state" i.e. staff turnover that occurs after a Post Office has been trained.
- The delivery of work package elements following the end of the implementation plan in December 1998
- Extra requirements during implementation

Steady State Training

POCL has quoted staff turnover rates for various staff roles. It is difficult to assess whether these percentages will apply to 1997 and 1998, and also what proportion happen after a Post Office is in steady state. (Those before will simply be trained as normal part of the roll out programme). Peritas will train those new staff who join after steady state as extra events to those described in work package 6 which allows for 67,021 staff to be trained in counter operations. The charge per event is Schedule D.

After Roll-Out Training

The implementation plan is expected to complete at the end of December 1998. Peritas will at this time have completed a skills transfer to POCL and BA trainers. Peritas will provide Pathway with a catalogue of deliverables.

These deliverables can be categorised as follows:

Infrastructure Services (project management, bookings service etc.	Monthly charge
Event delivery	Per event price
Specific deliverables (e.g. Newsletter)	Fixed deliverable price
Development Activities/Consultancies	Daily rate
Accommodation	Room rate

Extra Requirements During Implementation

Peritas would undertake additional work to those volumes described in Work Packages 1 - 7. They would be charged as per Schedule D.

1.8.2 Composition and Content

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Peritas will provide a catalogue of entries (described below) for which a charge exists in Schedule D.

Infrastructure Service

- . MOC Programme Management
- . Training Programme Management
- . Training Help Desk
- . Training Administration
- . Office Accommodation

Event Delivery

Rates are for one event with preparation and write up. The table below therefore shows the length of the event and also the total time required per event including the preparation and writing-up time. If multiple events are run then the number of days is proportionally less.

User Awareness	1 day	
Crown PO Counter Training	1 day	
System Manager Training	2 days	
Help Desk Training	1 day	
POCL Train the Trainer	5 days	
BA Train the Trainer	2 days	
Back Office Audit	2 days	
After Care Visit	1 day	
Strategic Focus Group	1 day event	6 days
Implementation Focus Group	1 day event	4 days
Business Modelling	1 day event	11 days
EFQM events	1 day event	8 days
Impact Analysis Workshop	1 day event	10 days
Testing Workshops	1 day event	3 days

Specific Deliverables

Mailer	110,000 copies
Briefings Pack	
Video	15 minutes
Video copies	per 100
Newsletter	110,000 copies

Development Activities/Consultancy

MOC Consultancy
Training Development

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Communications Consultancy

Accommodation

Hotel
Training Room
Local Venue

All the above will require the following to be clarified:

- The nature of the requirement
- Amount of notice given
- If there has been a long gap then some gear-up time will need to be added.
- That subsequent requests cannot be responded to and managed without invoking the Programme Management activities to an agreed level.

1.8.3 Format

As in 1.1.3.

1.8.4 Quality Criteria

- Catalogue is agreed and signed off by Pathway.
- Ordering timescales and procedures are agreed and documented and placed under change control.
- As detailed in relevant work packages 1 through 7.

1.8.5 Quality Method

Ordering procedure in place.
Individual services quality assessed as per relevant work packages 1 through 7.

1.8.6 Not Used

1.8.7 Competencies

As per work packages 1 through 7.

1.8.8 Volume and Estimating Assumptions

This will be established at the time of ordering via the catalogue.

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1.8.9 Charges

Refer to Schedule D

1.8.10 Risk Transfer

Peritas will assume some risks as detailed in the relevant work packages 1 through 7 and documented in the contract.

Peritas will accept no risk after the end of the implementation schedule in December 1998.



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Schedule A

A1.1 Management of Change Events



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INITIAL STRATEGIC PLANNING FOCUS GROUP No. 1

POTENTIAL PARTICIPANTS

Senior Managers within POCL/BA who are Sponsors of their organisations' change programme, and Pathway Senior Managers responsible for the management of change programme. It will be important that ALL attendees have the necessary authority to commit their respective organisations to agreed decisions and actions.

Maximum 15 participants per event.

OBJECTIVE

To agree high level policy, strategy, guiding principles, and management arrangements (including membership and terms of reference for the Change Management Steering Group) for the management of change programme, and to confirm:

- POCL/BA Drivers for change
- POCL/BA Shared Vision, Strategy and Values
- POCL/BA Business objectives

Other key areas to be addressed may include:

- Key messages to be communicated to those impacted by this change (target audiences)
- Target audiences for key messages
- Image and Identity
- Standards
- Terminology

FORMAT

A facilitated 1 day group session (Focus Group) with input from Peritas Consultants on principles for effective change management relevant to this change programme.

Peritas change consultants will design the format and structure of the workshop, and undertake all of the event administration including preparation of pre-event material/briefing, calling notice, room bookings etc. They will also facilitate the event

The approach will be one that has proven success in gaining shared ownership and commitment to the outcome, reaching common understanding and surfacing assumptions.



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OUTPUT

A report detailing the groups' agreed output and actions/recommendations for attendees.

RESOURCES

We have assumed that one all day event will be sufficient to achieve the objective.

Managing Consultant/Facilitator	5 days per workshop
Senior Consultant/Facilitator	1 day per workshop



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**STRATEGIC PLANNING FOCUS GROUP No. 2. FOR
CHANGE MANAGEMENT STEERING GROUP**

POTENTIAL PARTICIPANTS

Sponsors from POCL and BA, and Pathway's Managing Director (to provide input to an initial briefing on key themes behind the output from their Strategic Planning Focus Group), together with their respective nominated "Change Programme Managers".

Maximum 15 participants per event

OBJECTIVE

To develop the high level principles and policy decisions agreed at the Strategic Planning Focus Group No. 1 into a more detailed "Tactics of Implementation" plan, and to identify any issues (with recommendations for resolution) which need to be referred back to Sponsors.

FORMAT

A facilitated 1 day group session (Focus Group) with input from Peritas Consultants on principles for effective change management relevant to this audience, in the context of this change programme.

Peritas change consultants will design the format and structure of the workshop, and undertake all of the event administration including preparation of pre-event material/briefing, calling notice, room bookings etc. They will also facilitate the events.

The approach will be one that has proven success in gaining shared ownership and commitment to the outcome, reaching common understanding and surfacing assumptions.

OUTPUT

A report detailing the groups' agreed output and actions/recommendations for attendees, together with a report to the Sponsors, if required, which identifies any outstanding issues, makes recommendations for resolving those issues, and highlighting any areas in which further policy guidance is required.



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RESOURCES

We have assumed that one all day event will be sufficient to achieve the objective.

Managing Consultant/Facilitator	5 days per workshop
Senior Consultant/Facilitator	1 day per workshop



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APPENDIX 1 - WORK PACKAGES & TRAINING EVENT SPECIFICATIONS**

CHANGE PROGRAMME IMPLEMENTATION FOCUS GROUPS

We recommend a series of Focus Group events within Regions for POCL and within areas for BA as follows:

- POCL - 7 Regions x 3 events per region = 21 events
- BA - 21 areas x 1 events per area = 21 events

POTENTIAL PARTICIPANTS

Senior Managers who have been nominated by the Change Management Steering Group and who have "cascaded" authority as local sponsors; Managers with responsibility for implementing change locally; other participants selected from different areas (functional or geographic) and different levels in the organisation structure (Diagonal Slice).

Maximum 15 participants per event.

OBJECTIVE

To cascade information policy and principles relating to the change programme, the implementation plan, key messages etc. which have been developed in the Strategic Planning Focus Groups. In addition the participants will discuss implications, perceptions and reactions and identify potential issues which will need to be addressed by the Change Management Steering Group.

FORMAT

A facilitated 1 day group session (Focus Group)

Peritas change consultants will design the format and structure of the workshop, and undertake all of the event administration including preparation of pre-event material/briefing, calling notice, room bookings etc. They will also facilitate the events.

The approach will be one that has proven success in gaining shared ownership and commitment to the outcome, reaching common understanding and surfacing assumptions.

At the end of the programme, a consolidated report will be produced for the Change Management Steering Group.



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OUTPUT

A report detailing the groups' agreed output and actions/recommendations for attendees.

RESOURCES

One-off Series Design and Development (taking account of outputs from Strategic Planning Focus Groups No. 1 and No. 2).

Managing Consultant	5 days
Senior Consultant	15 days

One-off compilation of consolidated report with recommendations, at the end of the series, for the Management of Change Steering Group.

Managing Consultant	5 days
Senior Consultant	10 days

Event preparation, facilitation, post event report.

Managing Consultant	3 days per event
Senior Consultant	1 day per event



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STRATEGIC PLANNING FOCUS GROUP No. 3. FOR CHANGE MANAGEMENT STEERING GROUP

PARTICIPANTS

Members of the Change Management Steering Group.

OBJECTIVE

To finalise in detail the policies, guiding principles, key messages and themes which will be reflected in the design and delivery of the overall Change Management.

Programme - in particular, the Communications Strategy and Plan, and User and Public Awareness Programmes.

FORMAT

A facilitated 1 day group session (Focus Group) with input from Peritas Consultants in the form of the consolidated report produced at the end of the series of Change Programme Implementation Focus Groups

Peritas change consultants will design the format and structure of the workshop, and undertake all of the event administration including preparation of pre-event material/briefing, calling notice, room bookings etc. They will also facilitate the events.

OUTPUT

A report detailing the groups' agreed decisions and actions/recommendations for attendees. The scope of this report will include:

- agreed action plan
- key messages
- principles and themes

RESOURCES

We have assumed that one all day event will be sufficient to achieve the objective.

Managing Consultant/Facilitator	6 days per workshop
Senior Consultant/Facilitator	2 day per workshop



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IMPACT ANALYSIS WORKSHOPS

Understanding the impact of the project will be a pre-requisite to developing the change management activities required to create the necessary, receptive, environment for effective change. It is also key to establishing the right perception of the change and its implications among ALL the people affected by it.

We have assumed that work has already been done to develop a detailed set of procedures statements describing current procedures and new procedures, with relevant volumes frequencies and dependencies.

We recommend:

- i. a number of workshops to model, using the well established Processwise Workbench and Processwise Guide methodology, the current Business Networks relevant to this project for POCL and BA.
- ii. a series of workshops using the European Foundation for Quality Management (EFQM) Strategic Business Model (SBM), as a method of capturing any short term improvement opportunities which can be implemented as part of the change programme.
- iii. a series of facilitated workshops using Processwise Guide Methodology and the Processwise workbench to model new processes (taking account of the IT implementation and of the improvement opportunities identified in the EFQM assessments) and compare them with the current key processes. The detailed impacts on people (in terms of Knowledge Skills, Attitudes and Experience), processes, strategy, technology and structures can then be identified and defined.



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1 DAY BUSINESS NETWORK MODELLING WORKSHOPS

POTENTIAL PARTICIPANTS

Senior Managers who have been nominated by the Change Management Steering Group and who have "cascaded" authority as local sponsors; Managers with responsibility for implementing change locally; other participants selected from different areas (functional or geographic) and different levels in the organisation structure (Diagonal Slice).

Maximum 12 participants per workshop.

OBJECTIVE

To develop a high level model of the current Business Networks relevant to this project for POCL and BA, and to define the current critical processes which will be impacted by the change programme. This will be a pre-requisite to undertaking the necessary impact analysis workshops which will examine and analyse processes in more detail.

FORMAT

Facilitated structured one day workshops, using Processwise Workbench and Processwise Guide methodology to develop the business network model and to define existing processes.

OUTPUT

A report documenting the agreed Business Network Model and key processes identified

RESOURCES

We recommend that budgetary provision is made for up to 4 one day Business Network Modelling Workshops.

One-off design and development for the series of workshops.

Managing Consultant 5 days

Facilitation, modelling support, report production for each 1 day workshop

Managing Consultant/Facilitator 3 days

Processwise workbench modular 2 days



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EFQM SBM SELF ASSESSMENT WORKSHOPS FOR MANAGEMENT TEAMS

POTENTIAL PARTICIPANTS

Senior Managers who have been nominated by the Change Management Steering Group and who have "cascaded" authority as local sponsors; Managers with responsibility for implementing change locally; other participants selected from different areas (functional or geographic) and different levels in the organisation structure (Diagonal Slice).

Maximum 15 participants per workshop.

OBJECTIVE

To understand where POCL/BA are now in relation to European Forum for Quality Management (EFQM) Strategic Business Model (SBM), and to identify improvement initiatives which POCL/BA should be recommended to integrated with the implementation - or which would be facilitated by it.

FORMAT

EFQM assessment events are facilitated workshops using a software tool "Option finder" to establish the team's assessment of the business's current position in each area of the Strategic Business Model. The workshops can be completed in 5 hours.

SBM is an effective way of bench-marking the business against best practice in 200 organisation in EFQM in a holistic way. The model covers:

Enablers

- Leadership
- People Management
- Policy and Strategy
- Resources
- Processes

Results

- People Satisfaction
- Customer Satisfaction
- Impact on Society
- Business Results



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OUTPUT

A report documenting the groups' assessment against the Strategic Business Model with agreed actions/recommendations.

RESOURCES

We recommend that budgetary provision is made for up to 24 half day EFQM Assessment Workshops.

One-off design and development for the series of workshops

Managing Consultant/Facilitator 5 days

Pre-event preparation, facilitation of the workshop, use of option finder for the workshop, report summarising results, actions and output from option finder.

Managing Consultant/Facilitator 3 days



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APPENDIX 1 - WORK PACKAGES & TRAINING EVENT SPECIFICATIONS**

DETAILED IMPACT ANALYSIS WORKSHOPS

POTENTIAL PARTICIPANTS

Senior Managers who have been nominated by the Change Management Steering Group and who have "cascaded" authority as local sponsors; Managers with responsibility for implementing change locally; other participants selected from different areas (functional or geographic) and different levels in the organisation structure (Diagonal Slice).

Maximum 12 participants per workshop.

OBJECTIVE

To define the detailed impacts of the IT project, and improvements identified in the EFQM assessments, on people (in terms of Knowledge Skills, Attitudes and Experience), processes, strategy, technology and structures.

FORMAT

A series of facilitated workshops using Processwise Guide Methodology and the Processwise workbench to model new processes (taking account of the IT implementation and of the improvement opportunities identified in the EFQM assessments) and compare them with the current key processes so that the change impact can be identified.

OUTPUT

A report detailing process models, improvement initiatives and the groups' agreed view of the impact of changes with recommendations for action.

RESOURCES

We recommend that budgetary provision be made for up to 24 Detailed Impact Analysis Workshops.

One-off design and development for the series of workshops

Managing Consultant/Facilitator 5 days

Facilitation, modelling support, report production for each 1 day workshop

Managing Consultant/Facilitator 3 days

Processwise workbench modular 2 days



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WORKSHOPS TO TEST UNDERSTANDING AND REACTION TO THE COMMUNICATIONS PLANS

In cascading , repeating and reinforcing the key messages it will be necessary to check understanding amongst each Target Group and to feed -back results into the communications strategy and plans.

FORMAT

We recommend a number of structured and facilitated half day or evening workshops with sample groups selected in a way which will give the required representative picture of how well the communications strategy is achieving its objectives.

OUTPUT

A report detailing the findings from each workshop with recommendations for action will be produced after each event.

RESOURCES

We recommend that budgetary provision be made for up to 10 of these workshops in each of the seven POCL Regions, (70 workshops), and up to 2 workshops in each BA Area. (42 workshops). We have assumed a maximum group size of 20 people.

Senior Consultant	1 day workshop
Consultant	2 day workshop



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Schedule A

A1.2 Training Programme Events



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Riposte Counter Transaction User Course.

Duration 4 hours.

Course Attendee Profile.

This course is aimed at POCL/Franchise/Sub Post Office counter staff who will be the interface between the application and the customer.

The course is highly interactive.

Course Objectives

At the end of the course the user will be able to:

- Use an automated system confidently at the counter position to deal with customers requests.
- Understand the concepts and be able to pay benefits using the system.
- Change printer ribbon and paper.

Course Content (standard Module 1)

Hardware/Software Overview

This session covers the description of the equipment which will be used/installed, the items which will be described will be the processor, screen, keyboard, scanner, printer and card reader.

Network Overview

An "English" overview with regards to what happens to the transactions/information collected by the computer, both locally and remotely.

- What? (is sent to which system)
- Why? (reasons for automation)
- When? (the transactions/information is updated)

Start-up Procedure

Explains to the user the various stages from switching on the computer through to the logon screen appearing.



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Logging on/Logging off Riposte

Describes the steps the user has to take to access the Riposte application

- Password security
- What happens if an invalid teller identification or password is input.
- Leaving the application.

An exercise in signing on and off the system will take place at the end of this session.

The Main Desktop

- The Desktop Menu
- What is an icon
- Help
- Messages
- User Privilege Level

Serving the Customer

This session describes how to put a simple transaction through the computer, explaining what happens at all stages through to settlement, then takes the user through:

- A multiple transaction
- cancelling a transaction
- reversing a transaction
- various payment types accepted by the computer
- printing transaction receipts/reprints
- parcel post
- Local system schemes

An exercise will be given on the above transactions.

Paying Benefits

- Overview of procedures
- Lost / defaced card
- Casual agent
- Authorised collection of payments
- Computerised stop notices

Giro Bank

This session dealing with the banking side of the business

- Paying in cash (deposits)
- Taking out cash (withdrawals)
- Interest
- Banking Rates

An exercise will be given at the end of this session.



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Paying Benefits

This session deals with the new procedures for using benefit cards, what to do when a client has lost/defaced the card, casual agent, authorised collection of payments, computerised stop notices. There will be an exercise at the end of this session.

Temporary Lock

Continue Customer Session.

Suspend/Resume Customer Session.

This session describes to the user the above utilities where/when and why they would be used.

Balancing

- Daily
- Weekly
- Report Printing

This session explains to the user the various balancing/reporting facilities which they now have on the computerised system and comparisons will be made with the methods in use at present.

Changing Printer Paper and ribbon

This session explains how to change the paper in the printer and the printer ribbon..

Procedures in the event of a system failure.

This session describes what the user should do /check if the system fails. Also the Help Desk telephone number to ring for assistance.

For approximately 10 mins at the end of the training course the delegates will have a "role play" exercise based on Riposte Counter Transaction Application.



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Systems Manager Course Specification

Duration 2 Days

Course Attendee Profile

This course is aimed at POCL/Franchise/Sub postmasters who will be responsible for the back office maintenance of the Riposte Application and also general PC maintenance and trouble shooting.

Course Objectives

At the end of the 2 day course the user will be able to :

- Use the Riposte Application for counter transactions.
- Administer the Riposte Counter Application for stock control.
- Carry out general User Maintenance on the system.
- Identify general system problems.

The course is highly interactive

Structure

Day 1

1. Using the Riposte Application for counter transactions. (Standard Module 1)
2. Counter Administration. (Standard Module 2)

Day 2

3. Office Administration (Standard module 3)
4. General trouble shooting. (Standard module 4)



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Standard Module 2 Counter Administration

a) Cashing Procedures

- Declaring cash in hand.
- Daily Cash locked up.
- Producing a Trial Balance.
- Producing a Final Balance.
- Declaring Losses and Gains.
- Clear Losses and Gains.
- Printing Reports and Client Summaries.
- Client Transaction cut-offs
- End of Day Procedures.
- Roll-over.

b) Stock Unit Maintenance.

- What is a Stock Unit?
- Attaching a Stock Unit.
- Sharing a Stock Unit.
- Detaching a Stock Unit.
- Starting a New Stock Unit Balance Period.

c) Stock Movements.

- Declaring Transfers In/Out.
- Declaring Remittances.
- Declaring Receipt or Return to Supplies Division.
- Print Transfer/Remittance Reports.
- Stock Unit Balancing.
- Declaring Stock in Hand.
- Printing Stock in Hand Report.

This session explains to the user the advantages of using a computerised system and the processes for cash balancing, stock movements and stock unit maintenance.

There will be an exercise on specific areas of this module.



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Standard Module 3 Office Administration.

- a) User Administration.
 - Adding a user.
 - Removing a user.
 - Modifying user details.

- b) Stock Unit Maintenance.
 - Adding a Stock Unit.
 - Removing a Stock Unit.
 - Modifying a Stock Unit.

- c) Office Cash Accounting.
 - Office Balance. (Weekly Cash Book)
 - Cash Account.
 - End of Week.
 - Accounting Adjustments.

- d) Office Reports.
 - Daily reports.
 - Weekly reports.

- Revisions.
 - Revisions tables.

- e) Maintaining Reference Data.
 - modifying price changes.
 - local products.

- f) Stock Product Data.
 - modifying unit prices.
 - disabling stock products.

- g) Other Product Data.
 - modify product data (default price).
 - disabling a product (not for sale).
 - enable new product/freezing old version.

- h) Local Schemes.
 - adding.
 - modifying.
 - deleting.

- i) Automated Products.



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- adding.
 - modifying.
 - deleting.
- j) Water Authorities.
- adding.
 - modifying.
 - deleting.
- k) Maintaining Office Data.
- allows modification of specific information i.e. name and address.
- l) Cash Targets.
- m) Balance/Daily Cash Book Printing Options.
- n) Cash Account Dates.
- multi-week cash account.
- o) Preferences.
- tailoring for individuals.

This session deals with application maintenance such as adding new users, modifying their details, modifying local scheme information, modifying reference date and looking at producing reports in detail.

There will be a practical exercise at the end of this session.



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Standard Module 4 General Trouble Shooting

- a) Cleaning Computer Components.
 - screen.
 - card reader

- b) Replacing Printer Ribbon.

- c) Changing printer paper.

- d) Changing scanner bulb.

- e) What happens if?
 - screen dead.
 - printer not printing.
 - scanner not scanning.
 - card reader dead.
 - system will not load.
 - power fails.
 - manual procedures.
 - power returns.
 - batch input.

This session describes how to maintain the computer equipment a general guideline to things to check if there is a problem with the equipment (hardware/software). Also where to ring if there is a problem.



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Back Office Audit Course Specification

Duration 2 Days

Course Attendee Profile

This course is aimed at Post Office central audit function who will be responsible for the back office audit of the Riposte Application.

Course Objectives

At the end of the 2 day course the user will be able to:

- Use the Riposte Application for counter transactions.
- Administer the Riposte Counter Application for stock control.
- Carry out general User Maintenance on the system.
- Identify general system problems.

The course is highly interactive.

Course Content

Day 1

1. Using the Riposte Application for counter transactions. (Standard module 1)
2. Counter Administration. (Standard Module 2)

Day 2

3. Office Administration (Standard Module 3)
4. General auditing. (Content to be agreed)



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POCL Train The Trainer Course

Duration 5 Days

Course Attendee Profile.

This course is aimed at existing POCL Trainers who will be training both existing staff and new staff on the automated counter transaction system.

The course will facilitate plenty of practical work and there will be some evening work.

Course Objectives.

At the end of the 5 day event the delegates will be competent to train staff to carry out their daily tasks which will include Counter transactions, counter administration, stock control, office administration and general trouble shooting.

Course Content

Introduction to the course

- General Administration
- timetable
- start/finish times
- break times

Trainee presentations (10 minutes each on a non-work related topic)

Introduction to the project

- Impact on the Post Office.
- Roll Out Strategy.
- Event Administration.
- Training.
 - Trainer Event Reports.
 - Appraisal Forms.
- Follow-up Care Visit.
 - Workbooks.
 - Application competence.
- The Help Desk.
- Procedural Changes.
 - Benefits Agencies.
 - Post Office Counters.



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- Counter Transactions (Standard module 1)**
- Counter Administration (Standard Module 2)**
- Office Administration. (Standard Module 3)**
- General troubleshooting (Standard Module 4)**
- Delegate presentations**
- Interviews and feedback.**



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POCL User Awareness Overview

Duration approx. 2 hours

Attendee Profile

The User Awareness Overview is aimed at Post Office managerial staff and Sub Post Masters to give them an insight into the major changes which will affect their entire working practises.

Overview Objectives

At the end of the session the delegates will be aware of the impact automation will have on POCL's business, how the implementation will be carried out, when the automated system will be implemented and what the Counter Terminal System will do.

Structure

Module 1 General Introduction

- (Video or Message from the General Manager)

Module 2 Why POCL/BA are making such major changes.

- What are the implications
- Increasing business potential
- Cutting down on fraud

Module 3 Impact on your business operations.

Module Planning for Implementation

- Site visits
- Site prep
- Installation plan
- Training
- Care visits
- Help Desk

Module 4 Counter Terminal System Demonstration



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BA Awareness Overview

Duration Approx. 3 hours

Attendee Profile

The BA Awareness Overview is aimed at BA staff to give them an insight into the major changes which are taking place within the Post Office relating primarily to the introduction of the new Benefits Card system.

Overview Objectives

At the end of the session the delegates will be aware of the impact the Benefits Card system will have on POCLs' business. POCLs' implementation strategy and how BAs' payments procedures will change.

Structure

- 1 General Introduction

- 2 Why POCL/BA are making such major changes.
 - What are the implications
 - Cutting down on fraud.
 - Introduction to the Benefits Card System
 - New Procedures
 - Temporary Token

- 3 POCLs' Implementation Plan
 - Site visits
 - Site prep
 - Installation plan
 - Training
 - Care visits
 - Help Desk

4. Information dissemination and support services.

- 5 Counter Terminal System Demonstration



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BA Train The Trainer Course

Duration 2 Days

Course Attendee Profile.

This course is aimed at existing BA Trainers who will be training both existing staff and new staff on the BA Card System and its associated procedures.

The course will facilitate plenty of practical work and there will be some evening work.

Course Objectives.

At the end of the 2 day event the delegates will be competent to train staff to carry out their tasks relative to Benefit Cards.

Structure

Day 1

- 1 Introduction to the course
 - General Administration
 - timetable
 - start/finish times
 - break timesTrainee presentations (10 minutes each on a non-work related topic)

- 2 Introduction to the project.
 - Impact on the Post Office
 - Roll Out Strategy
 - Training
 - Follow-up Care Visit
 - Workbooks
 - Application competence
 - The Help Desk

- 3 Procedural Changes within BA
 - Card Issue
 - Types of Card
 - Card Ordering
 - Pickup Notices
 - Stop Notices
 - Temporary Tokens



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- 4 Procedural Changes within POCL
- 5 Allocation of Delegate Activities
- 6 Prep for delegates sessions.

Day 2

- 7 Delivery of delegates sessions (20 mins each)
 - appraisal
 - discussion
- 8 Interviews



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Pathway Help Desk Course

Duration 1 day.

Course Attendee Profile.

Pathway help desk staff.

Variants of this event are available to Pathway internal and subcontract organisations.

Course Objectives

At the end of the course the user will be able to understand the role and features of the automated system and be able to offer first line support to BA and POCL staff.

Course Content

- User awareness session as run for POCL staff.
- Using the Riposte Application for counter transactions. (Standard Module 1)

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**TITLE: COUNTER INFRASTRUCTURE
IMPLEMENTATION PLAN**

ABSTRACT: This document details Pathway's Implementation Plan for the rollout of the Counter Infrastructure based on the new requirements issued by BA/POCL.

ISSUE: Version 5

DISTRIBUTION LIST: Pathway
D2D
WTL
Exel Logistics
Peritas
Fujitsu ICL
Verification Centre

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VERSION CONTROL

Version 1 - First release 4/3/96 for Suppliers Workshop

Version 2 - This release, updates to assumptions regarding consummables and distribution of "Back office" PC's.

Version 3 - This release includes the gantt chart detailing the Counter Infrastructure rollout.

Inclusion of Rollout volumes spreadsheet.

Increased distribution within Pathway.

Version 4 - Baseline date change: Roll-out starting in JULY 97, not MARCH

Version 5 - Rollout starting in July 1997 and completing by December 1998, hence reducing the rollout to 67 weeks.

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Assumptions

1. The Workload Brief used to create the statistics and plans, over, are those contained in version 5.3.
2. All "main" Post Offices (referred to in Schedule X) are those with 4 counter positions or more. (1,843 as per Workload Brief).
3. The main Post Offices are distributed uniformly across all "Implementation Groups" (see below). That is to say, the greater the number of Post Offices within an IG, the greater proportion of those will be "Main".
4. Live Operation will start in September 1996, but this will not be indicative of the rollout configuration or procedures used for roll-out. The period between September 1996 and March 1997 will be deemed "Limited Go Live" and will use a Pre- release version of the Pathway solution which will relate to about 10 Post Offices, in one town, with initially 15 but increasing to about 1500 BA customers.
5. The Live Trials phase of Operational Trials will start in April 1997, and this WILL be indicative of final configuration and functionality, and WILL trial the operational procedures used for site installation, configuration, migration and others. The Live Trials will be implemented in 60 Post Offices, on up to 300 Counter Positions. The figures below ignore these Post Offices for the purposes of scope and planning. Details on what "Start" means for Service Suppliers is listed in point 23, below.
6. The Live Trials phase will last 3 months and complete successfully on June 27th 1997.
7. The Implementation Rollout will commence on Monday 30th June 1997.
8. The Implementation Rollout must complete before end Q4/98.
9. Each Quarter is assumed to have 13 Rollout Weeks, except for Q4, which because of the required inactivity around Christmas, will have 11 Rollout Weeks. However there will inevitably be some disruption due to the increase in Post Office business over the Christmas period, so it has been assumed that the rollout can only proceed at half speed during the two weeks in December.
10. For Contingency planning, the Rollout will be targetted to complete by November 1998.

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- 11. This plan assumes that there will be no gradual ramp up of the rollout rate, ie from the 30th June 1997, the rollout will commence at a beat rate of 298 offices per week.
- 12. The following table summarises Quarters, dates and Rollout Weeks:

<u>Quarter</u>	<u>Dates</u>	<u>Rollout Weeks</u>
Q1/97	Jan-Mar 1997	0
Q2/97	Apr-Jun 1997	0
Q3/97	Jul-Sep 1997	13
Q4/97	Oct-Dec 1997	11
Q1/98	Jan-Mar 1998	13
Q2/98	Apr-Jun 1998	13
Q3/98	Jul-Sep 1998	13
Q4/98	Oct-Dec 1998	4

- 13. From the above table, it is shown that there are 67 Rollout Weeks to complete the Implementation.
- 14. From the Workload Brief, there are 39,301 Counters (aka PC's) across 19,403 Post Offices. As stated above, there are 1,843 "Main" Post Offices - these account for 10,568 Pcs, the remaining Post Offices (17,560) account for 28,733 counters.
- 15. The Implementation plan is divided into three Implementation Programmes (IP's), each of 67 Rollout Weeks duration, and each running concurrently.
- 16. The implementation totality (scope) is divided into 18 Implementation Groupings (IG's) which are spread across the three IP's in accordance with the table below.
- 17. The BA/POCL procurement team have identified 7 priority "Conurbations", which are accounted for in the plan; additionally there is an operational requirement to automate the "main" Post Offices in a period of about 10 months to offer an acceptable nationwide Foreign Encashment Service for card based benefit payees.
- 18. For operational purposes and to identify capacity figures, the IG's are broadly speaking, geographically based. Within constraints to be agreed with BA/POCL, IP Managers will have discretion to deploy rollout teams to complete the nominated IG's in the scheduled timeframe. However, for planning purposes, each IG shown in each IP below is listed in assumed priority order.

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19. The "M25" IG must be completed in the second half of the rollout.
20. The table of Implementation Groupings, their loose geographic area and their IP responsibility, together with the number of Post Offices, and Counters are as given below. The Main Post Office grouping is a nationwide distribution.

IG	Area Description	Qty PO's	Qty Counters	IP
1	Main Post Offices	1843	10,568	1
2	West Midlands	488	799	2
3	Greater Manchester	556	910	3
4	Merseyside	227	371	2
5	Leeds & Bradford	332	543	3
6	Tyne & Wear	302	494	3
7	Glasgow & Edinburgh	410	671	3
8	South Wales	1006	1646	2
9	M25	1252	2049	1
10	Northern Ireland	599	980	2
11	Scotland (ex IG7)	1231	2014	3
12	South West	2077	3399	2
13	South East	934	1528	2
14	East Anglia	1665	2724	2
15	South Central	1516	2481	3
16	Central	1962	3210	3
17	North Wales & M5	1116	1826	2
18	The North	1887	3088	3

21. The BA/POCL priority areas are IG2-IG8 inclusive, and these will be completed in the first 4 months - ie, in 13 Rollout Weeks. IG1 must be completed by end Q2/98 - ie, 42 Rollout Weeks.

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22. The above data and assumptions give the following profiles for each of the Implementation Programmes:

<u>Program</u>	<u>Grouping (prioritised)</u>	<u>RWks POs/RWK</u>		<u>PCs/RWK</u>
IP1				
IP1.1 :	IG1	42	44	252
IP1.2	IG9	24	53	85
IP2				
IP2.1 :	IG4}	13	127	217
	IG2}			
	IG8}			
IP2.2	IG12}	53	123	197
	IG13}			
	IG14}			
	IG17}			
	IG10}* * - may transfer to IP1			
IP3				
IP3.1	IG3}	14	118	187
	IG5}			
	IG6}			
	IG7}			
IP3.2	IG18}	51	128	212
	IG16}			
	IG15}			
	IG11}			

22. In the first 13 weeks (IP2/3 priority) IP1 will have processed 600 offices - these are likely to be within the same IG's as IP2 and 3 are operating.
23. The consequence of "starting" an Implementation Group (or the Operational Trial) means users going Live; for this to happen, User Awareness, Training and Site Preparation for those sites must all have completed beforehand.

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24. The assumptions regarding timescales for events leading up to Go Live (for each Post Office) are as follows:

User Awareness Event	Day - 50
Site Survey	Day - 40
Site Preparation	Day - 20
User Training	Day -1 (or -2)
Counter Equipment Installation	Day 0
Migration/Transition	Day 0 (or Day +1)
Site Acceptance	Day +1
Follow-Up Visit	Day +2

25. PO Workload Planning Assumptions (by Supplier) PER WEEK, ie, the number of Post Offices completed for that activity by man/team.
Week = 5 DAYS.

Small = 1 - 3 Positions
Medium = 4 - 8 Positions
Large = 8+

Note: ALL Medium and Large Post Offices will be handled by IP1.

<u>Supplier Activity</u>	<u>Small</u>	<u>Medium</u>	<u>Large</u>	
WTL Site Survey	10	10	10	Per Man
WTL Site Preparation	10	10	5	Per Team
Exel Delivery & Inst.	15	10	5	Per Team
Migration/Transition	15	10	5	Per Man

26. Given the above utilisation assumptions, and the PO Rollout /Week by Implementation Group, the following men/team planning profiles can be assumed:

<u>IP</u>	<u>POs/RWK</u>	<u>WTL Svy</u>	<u>WTL Prep</u>	<u>Exel Del</u>	<u>M/T</u>
1.1	44	4	9	9	9
1.2	53	5	5	5	5
2.1	127	13	13	13	13
2.2	123	12	12	12	12
3.1	118	12	12	12	12
3.2	128	13	13	13	13

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27 There will be two months supply of consumables (receipt rolls and printer ribbon) provided with each counter configuration and two months supply of A4 paper with each Back Office Printer. The consumables will be "shrink wrapped" within each counter configuration box at D2D.

Exel Logistics will ensure a signed receipt is obtained from the Postmaster (or authorised rep) for the delivered consumables.

28. There will be a number of offices which require a "Back Office PC" - these offices are the existing ECCO offices (c.1000) and possibly as many as another 1000 large offices. WTL will identify in the survey process where a site is to receive a "Back Office PC". ALL such PC's will be part of the IP1 implementation programme.

29. Attached Spreadsheet shows Volumes of Counter Positions (expressed as PC's), Post Offices and Benefit Cards per week, and cumulative figures for each.

RWK	Actual Week (ISO)	PO's	PC's	Cum' PO's	Cum' PC's	Cards issued per new PO	Total Cards per week	Total Cards
1	27 (w/c 30/6/96)	289	656	289	656	19571	0	0
2	29	289	656	578	1312	19571	19571	19571
3	30	289	656	867	1968	19571	39142	58713
4	31	289	656	1156	2624	19571	58713	117426
5	32	289	656	1445	3280	19571	78284	195710
6	33	289	656	1734	3936	19571	97855	293565
7	34	289	656	2023	4592	19571	117426	410991
8	35	289	656	2312	5248	19571	136997	547988
9	36	289	655	2601	5903	19571	156568	704556
10	37	289	655	2890	6558	19571	176139	880695
11	38	289	655	3179	7213	19571	195710	1076405
12	39	289	655	3468	7868	19571	215281	1291686
13	40	289	655	3757	8523	19571	234852	1526538
14	41	294	637	4051	9160	19801	254423	1780961
15	42	294	662	4345	9822	19801	274224	2055185
16	43	294	662	4639	10484	19801	294025	2349210
17	44	294	662	4933	11146	19801	313826	2663036
18	45	294	662	5227	11808	19801	333627	2996663
19	46	294	662	5521	12470	19801	353428	3350091
20	47	294	662	5815	13132	19801	373229	3723320
21	48	294	662	6109	13794	19801	393030	4116350
22	49	147	330	6256	14124	9900	393260	4509610
23	50	147	330	6403	14454	9900	383589	4893199
24	1 (w/c 30/12/97)	295	662	6698	15116	19847	373918	5267117
25	2	295	662	6993	15778	19847	374194	5641311
26	3	295	662	7288	16440	19847	374470	6015781
27	4	295	662	7583	17102	19847	374746	6390527
28	5	295	661	7878	17763	19847	375022	6765549
29	6	295	661	8173	18424	19847	375298	7140847
30	7	294	661	8467	19085	19801	375574	7516421
31	8	294	661	8761	19746	19801	375804	7892225
32	9	294	661	9055	20407	19801	376034	8268259
33	10	294	660	9349	21067	19801	376264	8644523
34	11	294	660	9643	21727	19801	376494	9021017
35	12	294	660	9937	22387	19801	376494	9397511

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RWK	Actual Week (ISO)	PO's	PC's	Cum' PO's	Cum' PC's	Cards issued per new PO	Total Cards per week	Total Cards
36	13	294	660	10231	23047	19801	376494	9774005
37	14	294	660	10525	23707	19801	376494	10150499
38	15	294	660	10819	24367	19801	376494	10526993
39	16	294	660	11113	25027	19801	376494	10903487
40	17	294	660	11407	25687	19801	376494	11279981
41	18	294	660	11701	26347	19801	376494	11656475
42	19	294	660	11995	27007	19801	376494	12032969
43	20	294	660	12289	27667	19801	386395	12419364
44	21	303	494	12592	28161	13938	396296	12815660
45	22	303	494	12895	28655	13938	390387	13206047
46	23	303	494	13198	29149	13938	384478	13590525
47	24	302	494	13500	29643	13892	378569	13969094
48	25	302	493	13802	30136	13892	372614	14341708
49	26	302	493	14104	30629	13892	366659	14708367
50	27	302	493	14406	31122	13892	360704	15069071
51	28	302	493	14708	31615	13892	354795	15423866
52	29	302	493	15010	32108	13892	348886	15772752
53	30	302	493	15312	32601	13892	342977	16115729
54	31	302	493	15614	33094	13892	337068	16452797
55	32	302	493	15916	33587	13892	331159	16783956
56	33	302	493	16218	34080	13892	325250	17109206
57	34	302	493	16520	34573	13892	319341	17428547
58	35	302	493	16822	35066	13892	313432	17741979
59	36	302	494	17124	35560	13892	307523	18049502
60	37	302	494	17426	36054	13892	301614	18351116
61	38	302	494	17728	36548	13892	295705	18646821
62	39	302	494	18030	37042	13892	289796	18936617
63	40	301	494	18331	37536	13846	283887	19220504
64	41	300	494	18631	38030	13800	277932	19498436
65	42	300	494	18931	38524	13800	277794	19776230
66	43	300	494	19231	39018	13800	277656	20053886
67	44	172	283	19403	39301	7912	277518	20331404
							271538	20602942
							257646	20860588
							243754	21104342
							229862	21334204
							215970	21550174
							202078	21752252
							188186	21940438
							174294	22114732
							160402	22275134
							146510	22421644
							132618	22554262
							118726	22672988
							104834	22777822
							90942	22868764
							77050	22945814
							63158	23008972
							49312	23058284
							35512	23093796
							21712	23115508
							7912	23123420

COUNTER INFRASTRUCTURE ROLLOUT GANTT CHART

APPENDIX A

**PATHWAY
COUNTER INFRASTRUCTURE PLAN**

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ID	Area	IG	POs	Days	Start	Finish	97	Qtr 3, 1997				Qtr 4, 1997				Qtr 1, 1998			Qtr 2, 1998			Qtr 3, 1998			Qtr 4, 1998			Qt		
							Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan				
1	IMPLEMENTATION PROGRAM 1			324d	30/06/97	13/10/98																								
2	Main Offices	1	1843	210d	30/06/97	06/05/98																								
3	M25	9	1252	114d	07/05/98	13/10/98																								
12																														
13	IMPLEMENTATION PROGRAM 2			330d	30/06/97	21/10/98																								
14	Merseyside	4	227	9d	30/06/97	10/07/97																								
15	West Midlands	2	488	19d	11/07/97	06/08/97																								
16	South Wales	8	1006	40d	07/08/97	01/10/97																								
22	South West	12	2077	88d	02/10/97	19/02/98																								
31	South East	13	934	38d	20/02/98	14/04/98																								
35	East Anglia	14	1665	67d	15/04/98	16/07/98																								
40	North Wales & M5	17	1116	45d	17/07/98	17/09/98																								
47	NORTHERN IRELAND	10	599	24d	18/09/98	21/10/98																								
54																														
55	IMPLEMENTATION PROGRAM 3			325d	30/06/97	14/10/98																								
56	Greater Manchester	3	556	23d	30/06/97	30/07/97																								
57	Leeds/Bradford	5	332	14d	31/07/97	19/08/97																								
58	Tyne & Wear	6	302	13d	20/08/97	05/09/97																								
59	Glasgow/Edinburgh	7	410	17d	08/09/97	30/09/97																								
60	The North	18	1887	79d	01/10/97	05/02/98																								
69	Central	16	1962	76d	06/02/98	22/05/98																								
77	South Central	15	1516	57d	25/05/98	11/08/98																								
85	Scotland	11	1231	46d	12/08/98	14/10/98																								

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PATHWAY/PERITAS PURCHASE AGREEMENT REF NO PE001
APPENDIX 3 - ASSUMPTIONS AND DEPENDENCIES

Appendix 3

Assumptions and Dependencies



**PATHWAY/PERITAS PURCHASE AGREEMENT REF NO PE001
APPENDIX 3 - ASSUMPTIONS AND DEPENDENCIES**

Key Volume Assumptions

The following are the key Peritas volume assumptions. For more detail please refer to the individual work packages 1 - 9. These assumptions are based on information from the Pathway Implementation Plan Version 5 and the POCL Workload Brief Version 5.3.

1. 67,021 POCL staff to receive user awareness and training
2. 500 BA Trainers attend a train the trainer event to deliver variant of awareness event and incorporate counter automation implication into internal BA Training programmes.
3. POCL User Awareness attendance:
 - Maximum 100 attendees per event, although in rural areas, and in Highlands and Islands it may not be possible to include that many people at one time due to lack of people or their availability.
4. Training course attendance sized at an average of 6.
5. 9,211 Crown PO Staff
6. 2,289 Systems Managers at 763 Crown Post Offices
7. 57,810 Sub Post Office staff
8. Staff turnover/Post Office relocation notifications are notified via the steady state MIS system and will be handled as events under work package 8.
9. 150 Help Desk Staff
10. 70 POCL Trainers to be trained
11. 500 BA Trainers to be trained
12. 7 Back Office Audit Staff
13. All course lengths, which are key to the development and delivery packages, are subject to formal agreement with POCL.
14. All Peritas project staff and premises will be based in the North West of England.



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Dependencies

- MIS Interface between Peritas and Pathway is agreed.
- Calls can be transferred between Peritas and Pathway Help Desks.
- Pathway make available 3 counter servers and associated peripherals on 22.07.96 to Peritas.
- Pathway provide 42 training sets each comprising 6 counter terminal systems (including PC and receipt printer), 1 A4 page printer, Associated peripherals, 1 set of Post Office scales.
- Pathway ensure BA and POCL nominate programme sponsors at the right level.
- Pathway ensure the Management of Change Steering Group is set up.
- Pathway gain agreement that POCL/BA provide managers to co-facilitate User Awareness events.
- Pathway gain agreement that POCL/BA provide liaison staff for all key work package deliverables.

POCL regional office will notify Pathway of staff under the competence level within 5 days of go live. Pathway will notify Peritas of excessive support calls within 5 working days of the sample period containing the excess.

- Pathway agree training measures with POCL/BA which are acceptable to Peritas in order that we meet the expected performance levels - specifically course appraisal format and questions, analysis method, competence test contents.
- Pathway software functionality and reliability is stable for development.
- Pathway do not change current implementation plan without consulting Peritas for impact input under change control Schedule F.
- Pathway ensure training mode is provided to an acceptable level to Peritas and POCL.
- Terms of Reference for all roles can be agreed with the BA/POCL.
- BA/POCL adhere to reasonable sign off procedures and timescales.



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- Pathway are responsible for the provision of additional events to cater for staff turnover which Peritas will undertake on their behalf.
- Pathway accept responsibility for attendance levels on the training courses and User Awareness events by ensuring POCL and BA make best endeavours to communicate that they are mandatory.
- Pathway make implementation plan available electronically.
- WTL site survey identifies staff and also checks their P13 status and confirms release rates. Peritas to input site survey process and programme.
- POCL/BA/Pathway ensure people are available for the dry run of any events.
- Insurance of Pathway Systems provided for training purposes is the responsibility of Pathway.
- Pathway must agree with POCL that the awareness event, training course and workbook consolidation are mandatory for all staff for Peritas to meet performance criteria for competency test.
- Peritas have authority to recommend a delay to the "Go Live" date where staff deemed not competent and remedial training required; where Pathway ignores a reasonable recommendation, Peritas shall not be liable.
- POCL / BA agree Peritas development methodology and standards.



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APPENDIX 3 - ASSUMPTIONS AND DEPENDENCIES**

Peritas Key Dependencies on Pathway

1. Information Interchange

The completion of the implementation programme has a critical dependency on the timely interchange of information between the various contractors and Pathway programmes. From the perspective of Peritas the sole source of data interchange is the Pathway Implementation Programmes Office, with data interchange having a maximum lag of 12 hours from real time. The mechanism envisaged would be file transfer with detailed file specifications to be agreed. The timing and nature of the required interchanges is as follows:

Days are 5 working day weeks relative to counter installation.

Day No.	From	To	Information transferred
-90	PATH	PER	Post Office details within implementation locations
-85	PER	PATH	Awareness schedule for location
-82	PER	PO	Invitations to awareness events issued to post masters
-81	PER	PATH	Post Office bookings for awareness schedule
-60	PER	PATH	Awareness attendance feedback
-55	PATH	WTL	***Site Surveys may start
-35	WTL	PATH	***Site Surveys Feedback
-30	PATH	PER	Staff details from Site Survey
-26	PER	PATH	Training schedule for location
-23	PER	PO	Invitations to training events
-22	PER	PATH	PO training schedules allocations
-12	PER	PO	Joining instructions for PO staff
-11	PER	PATH	Schedule adjustments
-3thru-1	PER	PATH	Training attendance details
-2thru-2			Help desk support
0			Installation
2	PER	PO	Competence test schedule confirmed
3			In-store Support/Competence testing(user acceptance)
3	PER	PATH	User acceptance results
+4 on	PATH	PER	Postmaster/premises/staff turnover notifications
+4 on	PATH	PER	Postmaster/premises/staff turnover trained notifications
23			Retail Network Manager/Area Review POCL



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2. Equipment for Training

Provision of systems for delivery of training is the primary constraint to the throughput of the training programme. To achieve a maximum concurrency of up to 36 events/day i.e. 216 trainees would require the following provision:

Per event

- 6 Counter terminal systems
- 2 Counter printers
- 1 A4 page printer
- Associated peripherals
- 1 set of Post Office Scales

Roll out concurrency

- 1 Training system for each event day at a specified location
- 6 Training systems in transit or in maintenance

Total

- 42 systems

Schedules requiring >36 events on any one day are available subject to the temporary loan of additional systems from Pathway.

An increase in the roll out rate of up to 46 events/day may be achieved subject to the supply of an additional 6 counter servers/2 printers per event.

Insurance of Pathway Systems provided for training purposes is the responsibility of Pathway



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3. Access to Information

The development of accurate and relevant courseware is dependent on Peritas being considered as an integrated function within the Pathway development environment:

- Inclusion of Peritas development group within the validation distribution list for all Pathway counter & back office application
- Receipt of all user applications documentation issued for comment (both counter and back office)

4. Delegation to attend implementation reviews

In order to ensure the optimum use of personnel the Peritas project manager may delegate responsibility for attendance at the Pathway Implementation Programme review, such delegation will not be made for more than one successive review without prior agreement by the Pathway Implementation programme manager.