

CIRCULATION: NATIONAL EXECUTIVE COUNCIL

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Dear Executive Officer

RE: HORIZON FAILURES

As a result of our ongoing work with Post Office Ltd on Horizon failures the Operations Control Team have produced the attached article which we intend to distribute with the next Branch Secretaries Circular, (with an NFSP introduction), before it is published in a later "Subpostmaster".

I have commented on the fact that the article does not make reference to the Global System for Mobile Communications (GSM) solution that Post Office Ltd hope to introduce as a back-up this month. The team want to cover the GSM mobile solution at a later stage once they understand how it is operating.

Yours sincerely

GRO

MARILYN STODDART
Assistant General Secretary

On Line Services

As more and more transactions with Post Office branches are carried out on line it is critical that we provide a stable, fast and reliable on line service.

Post Office Ltd's Operations Control team works very closely with Fujitsu to improve the service we provide and drive up branch availability. Did you know that in April 2006, our daily average was more than 99.7% of branches able to carry out on line transactions – up from 97.75% in August 2004. This equates to an average of 345 branches per day experiencing problems with on line services a couple of years ago, reducing to 38 this April. What's more, 85% of all on-line service calls in April were resolved within 24 hours. The graph below shows the improvements made in the last six months.

(insert graph on separate attachment)

Despite increased availability we are not satisfied, however, with 99.7% and want to drive that figure higher and higher. Within Operations Control we have two distinct teams working closely to improve on line services. We have a robust central network infrastructure but know that this can sometimes fail. Our Live Service team will deal with the immediate impact of a network failure like the one experienced on Tuesday 2 May. The Live Service team's primary aim is to work with our service providers to restore service as quickly as possible whilst communicating with key interested parties within Post Office Ltd.

The second team within Operations Control looking closely at on line services is the Service Improvement Team. Service Improvement's responsibility is to look at the lessons learned from major incidents and also work in partnership with suppliers to pro actively identify service improvements. We have two Service Analysts dedicated to dealing with individual branch issues. This small team has a daily conference call with Fujitsu and Cable and Wireless (our Internet Service Provider) to discuss problem branches, liaise with the branches themselves and other teams within Post Office Ltd to ensure a resolution as quickly as possible.

If your branch ever loses on line services you should first contact the Horizon Service Desk (HSD) on selecting option 2. They will carry out some initial diagnostics, which could

include asking you to assist by unplugging pieces of equipment to establish the root cause. This is important to establish if it is the "voice" element of your telephone line (PSTN), kit within the branch or the Horizon kit itself that could be faulty. Resolving broadband service issues that require action from BT can be problematic. Currently, two different BT departments deal with faults depending on if they are internal or external to the branch. These teams work independently and each has service levels such that resolution can take anything up to 40 **working** hours. It is vitally important that you provide access to the branch for any engineers calling to resolve faults. If an engineer is turned away it will delay resolution and, for BT engineers, your job will be put back to the bottom of the pile and they will reset the service level clock back to zero. Post Office Ltd and its suppliers fully understand the inconvenience that can be caused by an engineer visit to branch but sometimes short term pain can lead to long term gain.

Because of this complexity, we are currently working with our suppliers and OFCOM to try and simplify the process for engaging BT and, more importantly, speed up fault resolution. Through the work done in this area over the last year, we've seen the percentage of problems resolved within 24 hours increase from 78% to 85%. That improvement is as a result of the high focus that we put on driving up on line service availability and improving the fault resolution processes.

The vast majority of Post Office branches have ADSL broadband. This service "piggy backs" on the branches PSTN line. Have you ever been approached by an Internet Service Provider offering broadband at "competitive rates"? If so, you must NOT take up this offer and cancel your current broadband unless you are prepared to have another PSTN line installed at your own expense. If the current broadband is cancelled you WILL lose on line services. The process for restoring the Horizon ADSL can take weeks to complete and is dependant upon BT having capacity in their exchange to re provide the service. We seem to be having a spate of these recently and one particular branch was without on line services for more than a month as a result of cancelling the Horizon broadband service.

One final tip regarding BT. HSD or the Service Improvement team may ask you to provide your BT account number – this is vital if we

are arranging BT engineer visit both to the branch or the exchange as they will not act without it for data protection reasons.

So you can see that on line service availability has high focus within Post Office Ltd. You will shortly receive more information concerning investment to improve on line service resilience within branches, the first stage of which has just been implemented and early results are being analysed. We will continue to work in partnership with our suppliers to drive up branch availability and will continue to push the bar higher as we are acutely aware that this is what you need.

Daily Horizon Availability

