



**COMMERCIAL-IN-CONFIDENCE**

	<p align="center"> <b>Horizon Commercial Forum</b>  <b>Minutes No. 16 (Final)</b>  <b>Meeting: 14-00 – 16 -00</b>  <b>Held on 28<sup>th</sup> April 2004</b>  <b>At Calthorpe House, 15-20 Phoenix Place,</b>  <b>LONDON</b> </p>	
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**Present**

<i>Name</i>	<i>Initials</i>	<i>Org.</i>	<i>Role</i>
Keith Baines*	KB	Post Office	Contract Manager (FS)
Simon Glynn	SG	Post Office	Commercial & Contract Manager (FS)
John Cole #	JC	Post Office	Contract Author
Colin Lenton-Smith*	CLS	Fujitsu	Director Commercial and Finance
Hilary Forrest	HF	Fujitsu	Commercial & Contracts Manager
Pam Purewal	PP	Fujitsu	Commercial Executive

# denotes minute-taker

**Apologies**

(Note: if a member of a Forum is not able to attend a meeting, a fully empowered deputy shall be nominated by the relevant Lead Attendee to take his/her place. Schedule 4 para 1.1.4)

<i>Name</i>	<i>Initials</i>	<i>Org.</i>	<i>Role</i>
Tam Curran	TC	Post Office	Commercial Manager Purchasing Services
Nicholas Samuel	NS	Post Office	Commercial Manager (FS)



**Copies to**

Post Office:	Yodit Tewelde
Fujitsu Services:	Post Office Account Document Management

**Meeting Agenda** (as set out in Schedule 4 for the relevant Forum)

1. Review Actions & Communications from other Forums
2. Ordering and Invoice Process
3. Commercial Terms for Work Orders
4. Oversight of carrying out Work Orders
5. Management of Price Review
6. Escalated disputes
7. Scorecard.
8. A.O.B. (i) Technical Service Desk (ii) Evidence for Court Cases. (iii) Next Executive Forum – 17/05/04 (preparation of report) (iv) Smart post CT costs (v) Liam Foley letter 25/02/04 (vi) Schedule 12 Benefits (vii) Gartner UK – NDA (viii) Audit Queries. (ix) Modification of the CT Form & General comments on the CT Form (CT0191)
9. DONF No 17. –26.05.04 (in Feltham)

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**Review of Previous Actions**

Ref	ACTION	By Whom (Inits)	Target Date	STATUS (I=in progress, M=monitoring, C=closed)
14.12	JC to add Asset Register as an AOB item on April Commercial Forum Agenda.	JC	28/04/04	<b>Closed</b> <b>02/04/04</b> (see new action point 16.01)
15.01	CLS explained that Ian Lamb and Alan Barrie had discussed a process to reimburse Post Office for costs incurred due to late cancellation of ROME C fitting Rate Board's. KB to find out the result of these discussions.	KB	16/04/04	<b>Closed</b> <b>28/04/04</b> (see new action point 16.03)
15.02	HF to consider how we record in the contract any ongoing Post Office responsibilities contained in CCN's (and possibly CTs)	HF	28/04/04	<b>Closed</b>  28/04/04 (see new action point 16.02)
15.03	JC to find out from Dennis Norgard who in FS is the contact with regard to Day J Data Service level issue.	JC	02/04/04	<b>Closed</b> <b>26/03/04</b>
Noted	CLS and KB discussed the contents of a 'draft' letter with further proposed changes to Schedule 12 Benefits			
15.04	CLS to send latest Schedule 12 Benefits letter to KB	CLS	26/03/04	<b>Closed</b> <b>25/03/04</b>
Noted And Agreed	KB outlined that there were a number of CT's received recently with agreed "quick turnaround" expiry dates,. He wanted to find ways of reducing this number because it was accepted at certain times it may not be possible to for the correct people/reviewers to turn them round quickly.			





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Ref	ACTION	By Whom (Inits)	Target Date	STATUS (I=in progress, M=monitoring, C=closed)
15.05	CLS to investigate reasons behind 'quick turnaround' CT's submitted during the period	CLS	28/04/04	Closed 28/04/04
15.06	JC to update scorecard and re send to FS with revised score.	JC	29/03/04	Closed 26/03/04
Noted	KB advised that PO were trying to negotiate a settlement with regard to the Julie Wolstenholme case.  KB further suggested that a discussion should be held between both parties at some future date to understand how the situation regarding the "Expert" could be avoided in the future.			
15.07	HF to arrange for suspension of CR POLCC_FSL_CR0015.	HF	26/03/04	Closed 24/03/04
15.08	HF to send draft amended wording in relation to CR POLCC FSL CR0015 to SG which HF and SG will agree off-line before FS formally submit a CCN.	HF	28/04/04	Closed 08/04/04
	<b>Appendix A – Simultaneous Finance Meeting (SFM)</b>			
SFM (1)	DB to confirm with CW invoicing arrangements for March 2004	DB	19/04/04	Closed 19/04/04



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Ref	ACTION	By Whom (Inits)	Target Date	STATUS (I=in progress, M=monitoring, C=closed)
SFM (2)	POL to perform housekeeping on all purchase orders to reflect revised CT's values following RPI increase and to look specifically at PO 4500093608 as part of this exercise. POL to liaise with FS with regards to this purchase order in the case of cancellation and creating a new purchase order number.	DB	14/05/04	In Progress
SFM (2) Agreed	KB informed FS that PO Ltd did not want to reissue all POs due to the RPI increase. FS to inform PO Ltd when it looks like FS will exceed the value (and by how much) on any CTs which would be affected by the RPI rate change.			Inform DPF
SFM (3)	Liaise with purchasing regarding missing hard copy purchase orders look at option of supplying by e-mail	DB	Ongoing	Closed 26/03/04
SFM (4)	To inform FS of new purchase orders for the key contractual payment i.e. availability fees, implementation charges etc due in 2004/05	DB	19/04/04	Closed All complete, except OBC (See new action point 16.04)





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**New Action Points, Decisions Recorded, Items Noted**



	<b>ACTION/DECISION/NOTED –details</b>	<b>By Whom (Inits)</b>	<b>Target Date</b>
16.01	JC to add review of Asset Register as an AOB item for May Commercial Forum	<b>JC</b>	<b>26/05/04</b>
Agreed	It was agreed that new PO responsibilities would be documented in the relevant sections of the PO responsibilities CCD or into the Debit Card spec CCD as appropriate and those updates would be done at contract baseline time.		
16.02	HF to send KB drafting re old PO responsibilities	<b>HF</b>	<b>26/05/04</b>
Noted and Agreed	CLS provided an analysis of the “quick turnaround” (QT) CT’s, which provide the reason why the QT were required. KB stated QT’s needed to be kept to the minimum, especially with the onset of summer leave commitments etc. With better planning it should be possible to reduce the number of bridging CT’s, for example for Impact and Banking, necessitating turnarounds of less than 2 weeks.		
16.03	KB to inform CLS of what Post Office wish the ‘credit note’ generated by reimbursement of costs from late cancellation of ROMEK fitting Rate Boards, to be set against	<b>KB</b>	<b>14/05/04</b>
16.04	To inform FS of new purchase orders for OBC contractual payments (JC to liaise with Liz McKinstry)	<b>JC</b>	<b>30/04/04</b>
16.05	Scorecard - consider additions or deletions from the current measures, provide suggestions at next Forum.	<b>All</b>	<b>26/05/04</b>
Noted	KB explained that POL may wish to terminate the TSD and wanted to know what commercial issues FS anticipated if that were done. CLS outlined his understanding of discussions covering this at the SMF where FS had proposed use of the spare capacity by adding work to the TSD. CLS also suggested it may be possible to trade off TSD capacity to cover the over limit status of the HSH.		
16.06	CLS to provide a financial analysis and lead time to terminate the TSD	<b>CLS</b>	<b>14/05/04</b>
Noted and agreed.	KB suggested that when the ‘Cleveleys’ court case had been concluded, a review is undertaken to find improvements in information storage for future cases.		
16.07	Report for next Executive Forum on 17/05/04 to be completed by 10/05/04	<b>KB/CLS</b>	<b>10/05/04</b>
16.08	FS to investigate charging arrangements for Smart Post CT costs, there appear to be ‘miscellaneous’ costs which are not included in CT0092. JC to provide details of the relevant invoices to HF	<b>JC</b>	<b>07/05/04</b>

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	<b>ACTION/DECISION/NOTED –details</b>	<b>By Whom (Inits)</b>	<b>Target Date</b>
Noted	<p>KB explained, his understanding of how the new discount would work, this was 20% from each CT (and a year end discount up to 7.5%), it was agreed that a memo amount would be put on each CT to estimate the 20% element. The details of the discount structure need not be shown on CT's as they will be added to Schedule 10 of the Agreement.</p> <p>KB also wanted to know, when the new grading structure was going to be introduced. CLS said that CT's should be using the new grading structure, and would be effective from 01/04/04.</p> <p>HF said that until the new grading rates were introduced into the contract nothing should be changed. It was also agreed that the Demand Planning Forum would need to have detailed information for resource purposes.</p>		
16.09	HF to raise the necessary CCN to introduce the appropriate new grading structure and the discount mechanism for additional SI	<b>HF</b>	<b>26/05/04</b>
Noted	<p>CLS stated that the rates quoted in Liam Foley's letter of 10 December 2003, would be subject to an RPI increase (2.8%)</p> <p>KB said that the letter stated that the rates applied until 31 March 2005, so no adjustment was due this year.</p>		
16.10	CLS and KB to check with Liam Foley and Ian O'Driscoll respectively whether the rates in the letter would be subject to the RPI increase of 31/03/04	<b>CLS/KB</b>	<b>07/05/04</b>
16.11	CLS to provide a draft CCN for Schedule 12 Benefits (from letter of 25/03/04 to Tam Curran)	<b>CLS</b>	<b>07/05/04</b>
16.12	SG to check current position with Joint Working (ISL Guide)	<b>SG</b>	<b>30/04/04</b>
16.13	HF to check current position with Tony Drahota regarding status of Joint Working ISL Guide.	<b>HF</b>	<b>30/04/04</b>
Noted	<p>With respect to the terms of reference for Gartner UK:</p> <ul style="list-style-type: none"> <li>(i) Gartner would NOT be provided with a copy of the Agreement;</li> <li>(ii) Gartner would be engaged against terms of reference setting out the required outputs and methodology;</li> <li>(iii) Gartner would need to access information about current services in order to understand the ported S80 baseline.</li> </ul>		



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	<b>ACTION/DECISION/NOTED –details</b>	<b>By Whom (Inits)</b>	<b>Target Date</b>
Noted	<p>KB explained that POL may wish to exercise the option of increasing the number of Audit Record Queries, however Schedule 10 para 5.12, was unclear about any increased costs which may apply if this option is taken.</p> <p>To get nearer to the volumes that POL now wanted we would need to go up 2 steps on the published scale. It was agreed that FS would provide details of the notice period needed to go up 2 steps at the same time, the possibility of amending the contractually prescribed limits resulting from “step 2”, the availability of any capacity to provide additional Audit Record Queries for DWP probably until 2007 and any additional costs that might be incurred.</p>		
16.14	FS to consider POL request surrounding Audit Record Queries and will provide an update at the next Commercial Forum.	<b>CLS</b>	<b>26/05/04</b>
Noted and Agreed	<p>HF explained that following a number of suggested improvements to the existing CT form from Post Office it was agreed that the first page of the revised CT form would be introduced, with one of the 2 requested sets of check boxes (specifying the Development Lifecycle Stage), but with “other (Specify)” replaced by “not applicable”. FS would propose changes to the deliverables list that had been requested.</p>		
16.15	HF to provide FS response on possible inclusion of “deliverables” list on CT form as requested by POL.	<b>HF</b>	<b>21/05/04</b>
Agreed	It was agreed POL would copy FS Change Management on all correspondence regarding comments on the CT forms		
16.16	KB requested FS to provide a formal written offer surrounding NBX costs which Ian Lamb verbally made to Alan Barrie regarding the cost of developing report at circa £600k and the proposition to reduce the recovery time in respect of link recovery from 5mins to 2 mins at an additional cost at circa £100k	<b>CLS</b>	<b>07/05/04</b>

**Actions/Communications communicated to other Forums**

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Ref	Action	Communicated to	Status/Comments	Target date
CF 16/SFM/2	FS to inform PO Ltd when it looks like FS will exceed the value (and by how much) on any CTs which would be effected by the RPI rate change	Demand Planning Forum		<b>Ongoing</b>

**Actions/Communications communicated from other Forums**

Ref	Action	Communicated from	Status/Comments	Target date

**Disputes for Forum Review\***



(Note: See Annex 2 to Schedule 4, paragraphs 2 and 3.1)

\* optional section, may be omitted by Forums not requiring it

Reference	Brief Description and List of Related Documents	Referred by	Next Action	Date of Next Action



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Agreed as a true and complete record of the meeting:

Signature: \_\_\_\_\_



Signature: \_\_\_\_\_

For Post Office Ltd.

For Fujitsu Services Ltd.

Note: Governance Forum Minutes are to be agreed as a true and complete record either at the meeting or within 48 hours of the end of the meeting (Schedule 4 paragraph 1.1.5). Alternatively, by exchange of digitally signed emails between authorised signatories.

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Key points from the meeting are tabulated below for the information of other Horizon Governance Forums.

Exec Forum	New Business Forum	Demand Planning Forum	Service Mgmt Forum	Joint Architecture Forum	Project Boards	Action or Decision