

To: Tait Duncan[GRO]
From: Bounds Gavin[/O=EXCHANGE/OU=ADMINGROUP1/CN=RECIPIENTS/CN=BOUNDSG]
Sent: Fri 6/18/2010 8:43:22 AM (UTC)
Subject: POL response to 'claim'

I will be sending this to Andy Mclean at POL later today.

G

Without Prejudice

Andy,

Thank you for your email.

We are greatly encouraged by the recent re-start on HNG-X Pilot rollout and we are hopeful that the programme will now move forward to a successful and uninterrupted conclusion. Despite this, it is acknowledged that getting to this point has caused us to move beyond the period covered by the last arrangements made regarding the schedule and, like you, we would like to discuss this to ensure our financial position is clear.

In order to progress to a satisfactory resolution I suggest we meet in the next week or so and in preparation I would be grateful if you would consider and then indicate your likely shortfall on your direct project costs through to the end of August 2010 (with a breakdown of the costs). This will better allow us to consider your share, along with ours, of any cost overrun.

We anticipate that the arrangements made regarding Service Delivery for Live HNG-X sites continue as previously discussed and will be handled separately by the Service Management Relationship.

I have had confirmation from Duncan re his and Mike Young's conversation, unfortunately no such agreement was reached. Just to be clear, while I can sympathise with the intention behind your suggestion, Fujitsu is not contractually liable in any way, any measures agreed without prejudice would have to be very carefully considered – as you know such a precedent if set by POL to its Sub-Postmasters might make POL liable for compensation to Sub-Postmasters in all future cases where the service is interrupted and any related/direct payments by Fujitsu might be misinterpreted. Perhaps some sort of event with dinner as a thank you for bearing with us for some of the worst affected may be an appropriate solution?

I look forward to a swift agreement with you along the lines above. Thank you for bearing with us to the point where we can now all see the light at the end of the tunnel, the comments made by David Smith at the recent NFSP conference were extremely supportive of Fujitsu and the Programme and were hugely heartening for our team. We now look to a great outcome for all involved.

Kind regards,

Gavin

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From: Andy Z Mclean [GRO]
Sent: 09 June 2010 16:36
To: Bounds Gavin
Subject: Post Office Costs

Gavin,

As discussed, I said I would drop you a note to outline our costs that are being incurred by the over-run of HNG. This will allow us to formalise the process.

As I outlined we are experiencing substantial costs which are largely based upon the team we have had to keep in place to manage the physical migration in the network. Although we have made some provision for this we are still facing a substantial shortfall.

In addition to this I believe that Duncan and Mike have come to a verbal agreement that Fujitsu would 'help out' with a goodwill payment for subpostmasters involved in the pilot.

How would you like to proceed?

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