From Ruth Holleran   *12/8/99*

13 AUG 1999 - 860

Summary of Overall Position

1. **Position at end of last Acceptance workshop on 10 August (Recognised by ICL Pathway).**

   The last of the 3 acceptance incident meetings between POCL and ICL Pathway concluded with the POCL Hotlist containing:

   Disputed Acceptance Incidents:

     8 High   (one of these 376, was previously agreed as high)
     2 High/Medium
   <u>12</u> Medium   (two of these were previously agreed medium)
   <u>22</u>

   However, a lot of work was due to be complete during 11 August, and a revised position is now proposed by POCL.

2. **Results of work on 11 August**

   The POCL review of the actions today has concluded that of the disputed acceptance incidents

   Changes POCL would accept

High's closed	2	(300, 301)
high's to low	3	(410, 411 [both subject to 376 actions], and 384)
Medium closed	1	(394)
Medium to low	1	(211)

   These are shown in attachment 1

3. **Position POCL enters Management Resolution Meeting**

3 High	- 376	Data integrity on TIP files
	- 298	System instability (lockups and reboots)
	- 218	Training
12 Medium		(including the two former high/med

   The summary of acceptance incidents table is shown in attachment 2

   On this basis, grounds for not accepting will rest on:
   - the 3 disputed high severity incidents
   - inability to agree resolution plan for the medium Acceptance incidents.

The most worrying Incident is : 298 System Instability
- Pathway have not explained satisfactorily why these occur
- they have requested an extension to the time to conclude their analysis. This gives us insufficient time to respond so we have refused
- the frequency of occurrence has not been clearly established or agreed
  - we have rung around samples of offices
  - we have received the ICL HSH logs while awaiting Pathway analysis
  - we have suggested ways for Pathway to get more detail on freezing
- Some of these occurrences maybe the responsibility of POCL (the SPMR rebooting without good reason)
- this could cost £1.8m per annum and inconvenience 1 million customers a month.

The Clear High is: 376 TIP - Data Integrity
376 is a clear high (as it was originally agreed by Pathway as high) but Pathway are making progress:

  Pathway had a codified work around:
  - implemented 3/8
  - Pathway will not confirm that this solves all the problem
  - We need a full Accounting period to be sure, but will accept 2 full clear weeks. (We have had periods of low occurrences, so one week of zero occurrences could be followed by a non zero week). The second full week will occur on 18th cash account and would flow through our systems for checking on 23rd.

We will only get the Pathway root cause analysis today 11th. Pathway claim they will have an adequate rectification plan by Friday 13th. These problems are caught by "matching" at TIP, but this facility will not be available in roll out.
So POCL want:
a) a solution that meets the requirements: i.e. a full reconciliation in the Pathway domain (before the data gets to TIP)
b) to agree the rectification plan
c) the rectification proven

NB. Problem 891 looked good after 1 week but then became clear the rectification had failed.

The high cost of work around incident: 218 Training

Training has not been adequate. Training is not just the course but other events. With ICL, we have worked on a range of solutions. While these solutions have improved the position, staff have only been able to cope as well as they do, because of HFSO support.
This is shown in attachment 3

Details of all the disputed Medium and High severity incidents will be sent by Ruth Holleran in time for the meeting.

Criterion	Severity from to	Reason
410 Loss of data integrity when changing products from core to non-core	High to low	- Originally part of 376 - POCL understands cause - Rectification plan presented and agreed - ICL put in fix 10/8 - outstanding issue on reconciliation covered by 376
411 Correspondence server not replicating properly in bulk	High to Low/None	- Originally part of 376 - POCL understands cause - Rectification plan presented and agreed (confirm BoBo) - outstanding issue on reconciliation covered by 376 - outside core observation period (confirmed position John Cook)
211 Receipts not = payments	Medium ~~to Low~~ contested, See Bob Booth Memo	- Rectification plan implemented and results show worked - Some remaining incidents due to reference data 1 incident reported possibly due to kit swap out re-introducing pre-LT2 s/w - Action with Pathway to investigate - possible that combination of builds have not been tested properly ~~reduced to low even with this action outstanding~~
394 differences between reprints of cash account	Medium to closed	- rectification plan implemented via LT2 - No incidences since LT2
300 System lock up on printer failure	High to closed	- Pathway suggested this was part of AI298 - Following POCL investigations unable to substantiate AI300 incident in own right - Will close provided Pathway consider printer incidents part of AI298
301 printer failure resulting in data integrity loss	High to closed	- Pathway Suggested that AI301 was a cause of AI211 - As AI211 now low and no further incidents of doubling up of opening balance problem since LT2 - now closed
384 sequent failover	High to low	- POCL reviewed results of rectification plan - generally satisfactory but a few issues still outstanding

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ACCEPTANCE INCIDENT SUMMARY @ 11TH AUGUST 1999

High Priority Incidents

A_Spec	AI	Description	Severity	Business Impact	Status	Proposed Actions
TIP	376	Derived cash account from daily txns sent to TIP is not equal in all cases to the weekly electronic cash account	High		Pathway claim to have delivered an additional fix. They will have evidence from live environment on 13/8. POCL will have evidence on 16/8 but need at least 3 weeks continuous observation i.e. cannot be proven prior to 18/8. In addition Pathway need to deliver an internal reconciliation process to check daily txn files and the weekly cash account always agree. External auditors expected to confirm this requirement	ICL have timed out on the retest so this is a failure to meet the acceptance conditions. Alternatively it could be proposed to 1. Agree additional time required to verify corrections in live 2. Agree time for Pathway to deliver their internal reconciliation and the period over which it needs to be observed in live
POCL Infra	298	Counter system is subject to an unacceptable frequency of lockups which requires reboot of terminal(s) affected. AI 300 (printer related lockups) now proposed as combined with this AI	High	A failure rate per terminal of one per month in full steady state will equate to 30000 lost hours of counter staff time per month (40000 terminals x 45 minutes) or £1.8m per annum. In addition the number of customers impacted by the loss of serving time per month is up to 1m	Pathway cannot yet provide a comprehensive root cause analysis but have claimed occurrence is within industry tolerance which POCL dispute e.g 76 system freezes reported in week 19. Also there have recently been 164 instances of HSH advising offices to reboot within a 5 day period. This equates to a reboot per terminal of one per month	1. Need better analysis of incidents reported to HSH from Pathway (and BSM) 2. Need comprehensive resolution plan 3. Establish whether Gartner, Meta etc can provide benchmark comparisons
Training	218	Training course for managers inadequate	High		Evidence evaluated from additional offices. BMc has written to J Dicks - performance still not acceptable due to high level of required support in offices from HFSOs	Awaiting Pathway response to BMc letter

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Medium Priority Incidents

A_Spec	AI	Description	Severity	Business Impact	Status	Actions
Rollout	372	Quality of systems management (upgrade problems during LT2)	Medium		Pathway resolution plan evaluated but cannot be satisfactorily demonstrated pre 18/8	Agree approach to retest or redemonstration of upgrade processes ideally with greater number of offices
POCL Infra	369	Scanner reliability in relation to OBCS transactions	Medium		BA have raised issue with POCL regarding frequency of failure	BA letter being evaluated
TIP	371	Late transactions over 9 days old on HAPS system	Medium		Latest Pathway and POCL evidence being evaluated to establish whether requirement is being met	Awaiting latest evaluation
APS	390	Recovery of APS transactions	Medium		Pathway resolution not yet acceptable	
APS	395	Duplicate AP transaction reference numbers	Medium	Creation of duplicate transactions results in over or under payment with clients	Original problem now appears resolved but system remains vulnerable to keying error. Pathway verbal proposal has been made to modify screen entry	Resolution needs confirmation
TIP	361	Duplicate records and files over TIP interface	Medium		Part of original incident appears corrected by LT2 but duplicate AP txns still occurring	Pathway analysis and resolution required
TIP	378	AIS contravention/data integrity error on cash account	Medium		Pathway claim fix provided and evidence will be available by 13/8	Assess documentation and live experience on 13/8

Medium Priority Incidents continued

A_Spec	AI	Description	Severity	Business Impact	Status	Actions
Security	368	Physical security of Lytham St Annes computer room	Medium		Security grills not yet installed	Awaiting confirmation of action from Pathway
Security	391	Deficiency in physical security at Bootle and Wigan	Medium		Resolution plan not agreed with POCL	Agree outstanding actions
TIP	342	TIP data file delivery - SLA breach	Medium		Pathway rectification provided but demonstration cannot be proved prior to 18/8	Agree closure process
POCL Infra	314	Provision of technical documentation for TP suppliers inadequate	Medium		Pathway claim adequate detail has been provided Contracts currently clarifying the position	Awaiting clarfication of POCL view
Service Levels	408	Failure of Horizon System Help Desk to support the network	Medium		New HSH scripts only available for review on 11/8 Call volume projections and resource plans not available for POCL assessment	Awaiting detailed Pathway proposals

Acceptance Incident 218 - Status

An analysis of the evaluation against the business impacts identified in the Acceptance Incident has been completed.

Although many of the criteria have been met, it is regarded as significant that the training and go-live process relies on the deployment of POCL HFSO resource. On the basis of this evaluation, we are not prepared to reduce the severity rating from 'high'.

POCLs view is that without this resource there would have to be a complete revision of the training approach in order to ensure helpdesks were not rendered ineffective by the high level of calls following the first and, to some extent, subsequent balances.

POCLs view is that HFSO resource was not deployed as an extension of training. The cost impact and diversion of resource which this requires must be addressed by ICL Pathway.

It is also POCLs view that the related adequacy of HSH support must be integrated with this Acceptance Incident and removed as an additional source of concern.

The training improvements identified as part of the qualitative research by Post Office Business Consultancy must also be addressed as part of a rectification plan.

Outstanding Action

The Training Experience

	User Awareness Event	Outlet Contact to establish Training Requirement	Contact with Training Helpdesk	Training Event	PSA	Training Mode	After Care	HSH Support
Declared Intention	Opportunity to see and touch the equipment. Removal of 'Fear Factor'.	Building relationship with outlets. Establishing training needs.	Building relationship with outlets. Flexible and sympathetic approach to scheduling within contractual window.	Training in use of system in live operation.	Measured value of training experience and requirement for remedial training.	Integral part of training solution.	1 hour per person aftercare. Subsumed within HFSO role.	Advice and guidance plus technical support.
Actual Experience	Well received as described.	Both regarded as mechanistic approach to scheduling. Maximisation of course places. Not regarded as user friendly or part of training experience.		Specification as good as possible within time available.	Subjective; value unclear.	Not providing added value to training experience.	Does not address support to balancing.	Universally criticised for unresponsiveness.
Deficiency or requirement	-----	■ Pre entry training/awareness required to address differing levels of user experience and abilities to learn. ■ Number of courses in the solution does not allow streaming beyond agreed approach to ECCO outlet stock holders. ■ Number of courses may not meet requirement of user population.		Assessment and response to trainer quality.	■ Review effectiveness of application. ■ Review effectiveness of remedial training. ■ Pathway to take responsibility for not passing on people who cant operate the system.	Integrated with training solution.	■ Cost of POCL support to balancing. ■ Extended RNM training and deployment. ■ Support beyond first balance.	■ Meet agreed user requirements. ■ Investigation of continuing failure to balance at 'rump' of outlets.

Incident Description and Impact - Horizon Incident Number 218

1.   Criterion : 534/1

"Pathway's Training solution shall take account of users experience in terms of automated products and platforms (ECCO+, APT, ALPs) and their differing abilities to learn".

2.	BUSINESS IMPACT	SUMMARY OF SUCCESS CRITERIA MEASURE	EVALUATION
1.	The Office Managers ability to undertake daily balancing and produce a cash account is adversely impacted resulting in a failure to support accurate POCL accounting. This is a high severity impact on POCL's ability to perform its normal business functions.	■ Reduction in the number of offices unable to complete the cash account balance process and produce a cash account balance (relative to the sample). ■ Continuing or better level of success in the pass rate of the Performance Standard Assessment (PSA) test. ■ Performance Standard Assessment (PSA) to reflect live operation and standard practices; Horizon users complete PSA again on day 10.	■ Data from BSM telephone survey for balance related to the 4th August contained the following; 22 offices produced an account, 1 office had a two week cash account. This criteria is therefore met. ■ Criteria met. ■ Criteria met.
2.	The consequential effect is that the amount of time taken to produce the cash accounts is excessive in relation to the time taken on the previous (manual) system and significantly in excess of POCLs expectations for the service.	■ Reduction in time taken to produce a stock unit balance , the office balance and finally produce a cash account (relative to the sample.	■ Balancing statistics for the 4th August Cash Account indicate an overall reduction in time taken to complete balances in both sub offices and ECCO offices. Even at the reduced level, concerns remain about overall balancing times.

BUSINESS IMPACT	SUMMARY OF SUCCESS CRITERIA MEASURE	EVALUATION
3. The consequences are also that the number of cash account related incidents reported to POCL NBSC is considerably greater than expected. (About a third of the calls coming to NBSC Help Desk indicate a lack of understanding of the cash accounting and balancing process). HSH are responsible for resolving these service incidents but are unable to cope with the content and volume of calls which are therefore having to be dealt with by NBSC. As the Manger's training course is deficient, NBSC and presumably HSH staff who receive this training course, are also inadequately trained.	■ Reduction in demand on support - Measured through a reduction in the number of calls (at the peak time on Wednesday evening and Thursday morning) for advice and guidance to support stock unit balancing, office balancing and production of the cash account received at the HSH and/or at the NBSC. ■ Reduction in the length of calls from the additional 25 offices.	■ The overall number of calls in weeks 1, 2 and 3 by the LT2 offices showed a reduction on the LT1 mirror offices for the equivalent three weeks. The average number of calls made by offices during the non-peak days also showed a reduction. However, it should be noted there is a significant increase in the 2nd week cash account for both LT1 and LT2 offices when there is no support at these outlets, suggesting that some of the outlet managers still do not have the confidence or ability to complete the process unsupported. ■ The evidence to analyse this criteria is limited and was regarded as indicative only. The broad conclusion is that the evidence is insufficient to make a substantive judgement regarding first cash accounts but there is overall evidence to suggest a reduction in call times for 2nd cash accounts. However, it again has to be noted that the length of calls for both LT1 and LT2 offices was significantly higher on 2nd cash accounts than the 1st cash account suggesting the critical requirement for training to be supported/delivered by HSH. It also underlines the necessity of the HFSO support to balancing in week 1.

BUSINESS IMPACT	SUMMARY OF SUCCESS CRITERIA MEASURE	EVALUATION
4. The practical effect of the incident is also causing the HFSO's to devote a disproportionate amount of time to support the outlets on cash accounts. The number of HFSOs that would be required to support National Roll-Out would be significantly greater than currently envisaged (initial indications are that two to three times as many HFSOs as planned would be required). This compounds the major impact on POCLs resources.	■ No specific success criteria was identified to address this business impact. Overall, POCL would wish to reduce the cost of extended training support at outlets through HFSOs.	■ POCL are now planning for 100% support of first cash accounts and recognise that significant additional support may be required for second and subsequent balances at some offices. This is a cost and resource drain on POCL. It is also a change to the original HFSO role which was to support the KPI delivery for POCL and to accelerate the learning curve at outlets. POCL concerns on this impact remain.
5. There is also an impact on TP who are having to process a significant increase in errors on Class and Pivot (up to 3 times as many weekly errors). This is having a significant impact on resources in TP during the live trial. These errors will also raise liability issues between the POCL and subpostmasters, and POCL and client organisations.	■ Reduction in both the number of incidents where Receipts do not equal Payments and Incidents where balance B/F does not equal balance due to PO on previous Cash Account. ■ Reduction in the number of errors reported by TP - both CLASS and PIVOT errors (relative to the sample).	■ Overall, the incidents of receipts not equal to payments have reduced and the residual causes are under investigation or have been resolved. Criteria met. ■ The level of CLASS errors between 26th May and 21st July has reduced. Without full information, the indications are that PIVOT errors have also reduced.

3.   Qualitative Measures

3.1   Although the small sample size of 18 responses limits the validity of the findings, some significant improvements were found in comparison to Live Trial 1 (a sample of 102). Overall, attitudes towards Horizon are better at the LT2 offices compared to the LT1 experience. The key outstanding issues to emerge from research were as follows:

- The course is still considered to be too short and intensive. ICL have proposed a pre-training course but details are awaited.
- The need to further stream the training groups. This issue has not been addressed by Pathway beyond the streaming required by POCL for ECCO+ staff. Pathway's response is to do this wherever possible. There are impacts on the number of training places.
- Variation in trainer quality. Discussions taking place between POCL and ICL Pathway to look at how there can be a greater quality assurance for trainer ability and consistency of delivering the course specification.
- There are significant problems with technical and software faults in the training sessions. POCL regard these are significant issues which will require rectification.

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