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**DRAFT LETTER FOR THE SIGNATURE OF MR McCARTNEY TO**

1. Stuart Sweetman  
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Post Office Counters Limited  
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SE1 9UA
2. Derek Hodgson  
General Secretary  
Communication Workers Union  
The Broadway  
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SW19 1RX
3. Terry Deegan  
General Secretary  
Communication Manager's Association  
CMA House  
Ruscombe Business Park  
Twyford  
READING, Berkshire  
RG10 9JD
4. Colin Baker  
General Secretary  
National Federation of Subpostmasters  
Evelyn House  
Windlesham Gardens  
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**HORIZON WORKING GROUP**

You will know that following the recent agreement in principle with ICL on completing project Horizon in a restructured and simplified form, the Secretary of

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State asked me to set up a small working group of key players to help ensure that the project is now taken forward in a positive and decisive way to a successful conclusion.

I have decided to invite four organisations to be full members of the Horizon Working Group, namely the Post Office, the Communication Workers Union, the Communication Managers Association and the National Federation of Subpostmasters. Clearly we shall need a dialogue with other organisations including ICL, the Department of Health and Social Security, the Benefits Agency and the Treasury, but I have not thought it appropriate to include these as full members. I understand that David Sibbick, who will act as Secretary to the Group, has already advised you that I propose to hold an initial meeting here at 10.30 tomorrow morning (8 June). It would be helpful if you could confirm attendance to my Diary Secretary **GRO** on

**GRO**

I see the work of the Group as falling into three main areas. First, there are the negotiations between POCL and ICL, and between POCL and BA, that need to take place over the next few weeks to put in place the detailed contractual arrangements that will give effect to the outline agreement reached on 24 May. I see a role for the Working Group in carefully monitoring these negotiations and in addressing and helping to resolve any sticking points that may be encountered.

The second area covers the remaining development phases of Horizon, including large scale live trials, system acceptance, and roll-out of the system smoothly and in a timely fashion to all offices within the network followed by the migration from paper-based methods of benefit payment to ACT-based payments accessible at post offices. I believe that the Working Group could provide a valuable forum for bringing pressure to bear where needed and for seeking solutions to any problems that may arise.

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The third area concerns the commercial exploitation of the very considerable potential which the Horizon platform will offer once in place. The combined experience of the Working Group should prove a valuable source of ideas and contacts for business opportunities and future revenue streams.

I set out below suggested terms of reference for the Working Group intended to reflect these ideas. I hope that at our meeting on Tuesday morning we will be able to agree terms of reference on these lines, as well as an outline work programme and schedule of future meetings.

After the prolonged delays and uncertainties surrounding the future of project Horizon it is vitally important that the project is now taken forward with a high level of commitment to its success from all the parties concerned. I hope that my Working Group will be able to contribute positively to this and I look forward to working with you.