

Marilyn Stoddart

To: Mervyn Jones

Subject: FW: Horizon - further loss of on-line services

Hi Mervyn

I said I would copy you in on the email exchange with Dave Hulbert on goodwill payments covering the run up to Christmas and New years Eve . This is the chain that started the ball rolling and I will send you a couple of others that lead to the final deal.

Marilyn

Marilyn Stoddart
Assistant General Secretary
Evelyn House
22 Windlesham Gardens
Shoreham-by-Sea
West Sussex
BN3 5AZ

Tel: **GRO**
Fax:

From: Marilyn Stoddart

Sent: 23 December 2009 12:09

To: 'dave.hulbert@'; **GRO**

Cc: George Thomson; 'anita.l.turner@'; **GRO**

Subject: RE: Horizon - further loss of on-line services

Dear Dave

Thank you for your reply, but I think it illustrates why the usual parameters of the Goodwill Agreement need to be extended to deal with the intermittent nature of the problem, which meant that although branches may have had on-line services restored for a period this was often short-lived and it was impossible to keep customers once they had experienced the problem. As I indicated, lost custom is not the only impact here as many subpostmasters have hired additional staff over this period and will of course have to cover their payment. Therefore we believe that the usual qualifying period should not be applied in these circumstances and that subpostmasters should receive payment for all days when the service was not fully operational. We also believe that the level of payment should be enhanced to recognise the additional impact given the time of year.

Of course these payments can never compensate for the long term impact of customers feeling let down by the network at a crucial time of year and abandoning their local post office where they have other options. You indicate that yesterday's problems were not related to the ISDN issues but were another 'unrelated hardware issue' which was difficult to diagnose - does this also apply to Monday's failures too, or were they part of the ongoing ISDN problem. It would be helpful if, once you have further information about yesterday's hardware issue, you could share that with us.

I appreciate that you will endeavour to make prompt payments in January and hope that the goodwill gesture will more generous on this occasion.

I look forward to your consideration and hearing further from you.

Regards
Marilyn

Marilyn Stoddart
Assistant General Secretary
Evelyn House
22 Windlesham Gardens
Shoreham-by-Sea
West Sussex

18/01/2010

GRO

Tel:
Fax:

GRO

From: dave.hulbert@postoffice.co.uk [GRO] [GRO]
Sent: 22 December 2009 17:09
To: Marilyn Stoddart
Cc: anita.l.turner@postoffice.co.uk [GRO] Duty Manager@postoffice.co.uk [GRO] George Thomson; Lynda Willoughby; Adam Martin; Lynn Hobbs; tracy.marshall@postoffice.co.uk [GRO]; andy.z.mclean@postoffice.co.uk [GRO]
Subject: Fw: Horizon - further loss of on-line services

Marilyn,

firstly please accept my apologies for the service over the last couple of weeks and the impact this has had on your members and their customers. My team and our suppliers have been working hard to resolve the problems as quickly as possible, but I accept that we are judged on the end results and I can understand the level of dissatisfaction there will be in the branches impacted by the recent failures.

In terms of the points at the bottom of your email, the facts are that we did have 2 days of intermittent service on the 8th and 9th December, followed by 2 days of intermittent service on the 14th and 15th. These service issues affected the branches who connect to Horizon via an ISDN line, which is a maximum of 689 Post Offices. The level of disruption caused at each of these branches would have varied and this is due to the cause of the problems, which I'll cover off in a bit, but it means that some branches will have had service back quickly where as others like Thorngumbald were impacted significantly. The Horizon Service Desk did try to keep branches that got through updated with the best information they had, however, the event proved difficult to diagnose and therefore the information was initially sketchy.

The root cause was found to be intermittent hardware failures on the servers that authenticate the ISDN connections. As the issues were intermittent this took longer to diagnose and resolve, but as soon as we identified the problem, these servers were replaced and no further problems have been encountered. I should point out that the servers sit in Wigan and Bootle and not N. Ireland and therefore has nothing to do with Horizon On Line - hence Mark Burley's reference to the matter being dealt with by the business as usual teams.

With regards to yesterday's problems, this wasn't a network connection issue and therefore wasn't a repeat of the ISDN issues. However, it does appear to be a another (unrelated) hardware issue and did cause a loss of service for banking and card account transactions right across our network for up to 30 minutes. Again, apologies for this and at the time of writing we're continuing our investigations to ensure there's no further service issues.

Finally, in terms of the goodwill gestures, as you know we have a Goodwill Payment agreement in place and whilst I will work within that agreement for the 689 branches that were impacted by the ISDN issues, I am sympathetic to the loss of business at this busy time of year and therefore I'll endeavour to get all the payments made in January rather than the normal 3 months timescales.

Regards.

Dave

Dave Hulbert
Senior Service Delivery Manager
Operations Directorate
Post Office Ltd

