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22/09/99 15:19 FAX: GROWORKSRV3 printed INC37E8F5337F8B on Sep 22 03:28PM 1999 \* Pg 1/8  
HORIZON PROGRAM 01To: John Meagher, POCL

600 0289

Post office / DSS

**Electronic memo**

**To** Andrew Simpkins/POSTOFFICE GRO John  
Meagher/POCL/POSTOFFICE GRO  
**cc** David W Miller/POCL/POSTOFFICE GRO David X  
Smith/POCL/POSTOFFICE GRO E. Ruth  
Holleran/POCL/POSTOFFICE GRO

**Hard Copy To  
Hard Copy cc**

**From** Keith K Baines/POCL/POSTOFFICE  
**Date** 22/09/99 13:27

**Subject** AB and RAB on Friday

John/Andrew,

At this morning's briefing session with Stuart Sweetman on the Acceptance position, there was some discussion about the role and empowerment of the AB and RAB. I have since spoken to Jeff Triggs and obtained his view on this, and then discussed with Dave Miller. The position is as follows...

POCL will not be accepting the services against the existing contract, and therefore the nature of the decision at the acceptance board is different to that originally intended. The board should make a recommendation as to whether or not the second supplementary agreement, which has been negotiated with Pathway over the last few weeks, should be signed. The supplementary agreement then states that acceptance is deemed to have taken place, and the various contractual consequences of that (such as payment to Pathway) will follow.

The same applies to the RAB, since the supplementary agreement says that POCL has authorised roll-out.

The supplementary agreement is formally a change control note to the contract, and therefore can be signed by Dave Miller - it doesn't need Stuart's signature.

Can you make this (rather subtle) change in the roles of the meetings apparent in their agendas, please.

Keith

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HORIZON PROGRAM [redacted] 02

## Electronic *memo*



**To** David W Miller/POCL/POSTOFFICE [redacted] GRO David X  
Smith/POCL/POSTOFFICE [redacted] GRO Ruth  
Holleran/POCL/POSTOFFICE [redacted] GRO John  
Meagher/POCL/POSTOFFICE [redacted] GRO  
**cc** Jeff Triggs [redacted] GRO Liz  
Blackburn/POCL/POSTOFFICE [redacted] GRO  
**Hard Copy To**  
**Hard Copy cc**  
**From** Keith K Baines/POCL/POSTOFFICE  
**Date** 22/09/99 13:51  
**Subject** Supplementary Agreement

The enclosed is my understanding of the position we reached at the end of yesterday's meeting with pathway. There is one area not yet agreed - namely the question of how to count incidents under AI 298. The wording in the enclosure is that suggested by pathway, and recommended by Peter Copping. We were not able to agree it yesterday, because we didn't have the right people available to review it. Can John and Ruth look and comment to me, copied to Jeff Triggs, please.

Keith



Proposal\_990921.do

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HORIZON PROGRAM 03

WITHOUT PREJUDICE AND SUBJECT TO CONTRACT

Position reached in negotiations on 21/9/99

Acceptance Incident 298 (System stability)

The occurrence of operational incidents in connection with this AI should have been reduced below a target threshold as measured over the 4 weeks

Measurement will be based on all outlets installed before or on 1<sup>st</sup> October 1999, provided that there are at least 750 such outlets. Otherwise, measurement will be over all outlets installed up to the end of the first week in which the number of live outlets equals or exceeds 750.

*[Following is Pathway proposal, for POCL to review]*

*Incidents are to be quantified in "units" where:*

- *Help desk authorised re-boots and Office Snapshot Print Previews to count as one unit each;*
- *Other work-arounds to remove invalid no-entry signs to count as half a unit;*
- *New work-arounds to remove the need for re-boots (such work-arounds to take less than 10% of the combined re-boot and recovery time) to count as half a unit;*

The target to be met is that the rate of occurrence measured over the four week period to mid-November 1999 should average no more than one unit per counter position per 3 months.

In addition, Pathway are to be permitted to continue the good business practice of planned re-boots outside working hours, not to exceed one per counter position per month.

Acceptance incident 376 (Data integrity)

The arrangements for the integrity control to be implemented by Pathway by 31 December 1999 will be as previously required by POCL apart from the following:

1. POCL will accept manual error reports up to a limit of 50 transaction errors per week.
2. Above this level, Pathway will fix all errors and resubmit the data electronically to the TIP interface, unless agreed otherwise by POCL.
3. The delay between the occurrence of an error (or where applicable its later detection) and the notification of the correction to POCL (either manually in accordance with (1) above or electronically in accordance with (2) above) shall not exceed 5 working days.
4. Manual error reports are to include a full specification of the repaired transaction data, such that the data would pass the integrity checks if resubmitted. Where it is necessary to make a judgement about a repair, such judgement shall be declared explicitly by Pathway. Data is to be presented in a suitable format for POCL to key into a POCL data input facility.
5. Pathway are to pay POCL liquidated damages of £100 per transaction error submitted manually.



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HORIZON PROGRAM 05

### Financial Terms

- The first payment of £90m, due on completion of 1800 outlets in the current contract, will be reduced to £80m, and will be payable when 1600 outlets have been automated (or on the due date in the current contract, whichever is later.)
- The £10m pro-rata reduction in the first £90m payment will be added back to the second £90m payment. (The £90m payments refer to the payments of £120m less the 25% retentions.)
- POCL will have a further 28 days relief from time and cost adjustments that may otherwise be due as a result of POCL causing delays to the roll-out.
- The £200m limit on Pathway liabilities will cover new liabilities arising from the changes to the contract introduced by the second supplementary agreement, subject to agreement of the above.

Keith Baines  
22 September 1999

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HORIZON PROGRAM 008

## Electronic memo



**To** David X Smith/POCL/POSTOFFICE GRO Ruth  
Holleran/POCL/POSTOFFICE GRO John  
Meagher/POCL/POSTOFFICE GRO David W  
Miller/POCL/POSTOFFICE GRO Liz  
Blackburn/POCL/POSTOFFICE GRO Jerome  
Brice/POCL/POSTOFFICE GRO John G  
Cook/POCL/POSTOFFICE GRO

**cc**

**Hard Copy To**

**Hard Copy cc**

**From** Keith K Baines/POCL/POSTOFFICE

**Date** 21/09/99 09:29

**Subject** Fwd: POCL Proposal

Copy for info.

**To** tony.oppepheim GRO  
**cc** Jeff Triggs GRO David W  
Miller/POCL/POSTOFFICE GRO

**Hard Copy To**

**Hard Copy cc**

**From** Keith K Baines/POCL/POSTOFFICE

**Date** 20/09/99 19:08

**Subject** POCL Proposal

Tony,  
As discussed, to avoid any possible misunderstandings, I have made a short note of the proposal which POCL explained to you at the end of today's meeting. A copy is enclosed.

Regards,  
Keith



POCL\_Proposal\_990920.d

**WITHOUT PREJUDICE AND SUBJECT TO CONTRACT**

**POCL Proposal at 20/9/99 Acceptance Meeting in relation to issues escalated to Dave Miller and Richard Christou**

**Acceptance Incident 298 (System stability)**

The success criteria in relation to this AI to be evaluated in November in relation to the continuation of national roll-out in January 2000 should have the following characteristics:

- Be measured over the first 800 outlets rolled out (including the live trial outlets;
- Incidents to be quantified in "units" where:
  - Help desk authorised re-boots and Office Snapshot work-arounds count as one unit
  - Other work-arounds resulting from instability count as half a unit - this to include work-arounds to remove invalid no-entry signs on icons and other work-arounds as may be introduced;
- The rate of occurrence measured over the four week period to mid-November 1999 should average no more than one unit per counter position per 3 months.

**Acceptance incident 376 (Data integrity)**

The arrangements for the integrity control to be implemented by Pathway by 31 December 1999 will be as previously required by POCL apart from the following:

- POCL will accept manual error reports up to a limit of 30 per week measured as a moving average over a period (4 to 6 weeks) to be agreed.
- Above this level, Pathway will fix all errors and resubmit the data electronically to the TIP interface, unless agreed otherwise by POCL.
- Manual error reports are to include a full specification of the repaired transaction data, such that the data would pass the integrity checks if resubmitted. Data is to be presented in a suitable format for POCL to key into a new TIP data input facility.
- Pathway are to pay POCL £100 per transaction error report submitted manually.
- Pathway are to pay POCL's development costs for the new TIP data input facility referred to above.

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HORIZON PROGRAM 08

### Financial Terms

- The first payment of £90m, due on completion of 1800 outlets in the current contract, will be reduced to £85m, and will be payable when 1700 outlets have been automated (or on the due date in the current contract, whichever is later.)
- The £5m pro-rata reduction in the first £90m payment will be added back to the second £90m payment. (The £90m payments refer to the payments of £120m less the 25% retentions.)
- POCL will have a further 14 days relief from time and cost adjustments that may otherwise be due as a result of POCL causing delays to the roll-out.
- The £200m limit on Pathway liabilities will cover new liabilities arising from the changes to the contract introduced by the second supplementary agreement, subject to agreement of the above.

Keith Baines  
20 September 1999