

IN STRICTEST CONFIDENCECOUNTER AUTOMATION STEERING GROUP: FILE NOTE

Horizon: ICL/Post Office Meeting  
5 September 1997  
148 Old Street

Attendees

Post Office - John Roberts, Jerry Cope, Richard Close, Stuart Sweetman,  
Paul Rich

ICL - Keith Todd, John Bennett, Mike Coombs

Copy: Scott Childes, Mena Rego

Key Points Made

1. John Roberts set out the purpose (per his letter to Keith Todd), and emphasised he needed:
  - a clear picture from ICL on how they think the programme is going, and their confidence in solving issues around delay; and
  - assurance about the programme for the PO Board.
2. Keith Todd gave his overview:
  - a) • Horizon is critically important to ICL and Fujitsu, and to Post Office, and (hoped) it is for DSS;
    - his belief that the programme is do-able, and that ICL will commit all necessary funds to deliver its part;
    - his view that his own macro-objectives in setting out on the programming had not changed, ie
      - to put in a UK national infrastructure via post offices that could be developed long-term for society as part of a "national information flow";
      - to take the first serious steps, through using cards for DSS fraud control, to take the "information society" to the technology-resistant "mass market" in the country and then build on that (eg via smartcards);
    - he has taken a calculated gamble that delivering Pathway's programme will enable ICL to become the PO's main technology partner;
    - that Horizon remains the best practicable option for DSS;
    - that Horizon is a world-class system (evidence of many postal administrations wanting it).
  - b) • That there were short term practical issues around Releases 1c and 2, which meant a three week slippage to the former, and at least a three month slippage to the latter. The latter still needs another 4-6 weeks for Pathway to validate and re-baseline Release 2.

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- that a key lesson learnt was that the joint sponsor contractual relationship had made delivery much more complex, and that ICL had been over-ambitious at the outset;
  - that the DSS attitude was less than helpful in some respects.
3. John Bennett and Mike Coombs gave a short presentation (copies attached for Scott) in which they highlighted:
- a number of contributory factors for delay, which in their view were not solely Pathway's fault;
  - in particular, the need to get an adequate and agreed requirements baseline fully in place; the fact that the overall system was more complex than first envisaged; and the need to understand dependencies across the programme to get a common critical path and a better change control process in place;
  - the complexities around level of requirements because of PFI;
  - Pathway's need to improve their design, testing and integration approach;
  - some commercial ideas to help POCL longer term.
4. John Roberts invited comments from Post Office colleagues. These were:
- not accepting all of the contributory factors as described;
  - acknowledgement that some lessons had been learnt, and plans were in place to address them;
  - that sponsors, via the PDA, had for some time been wanting a more realistic timetable approach from ICL;
  - that confidence levels were still low;
  - that any new commercial ideas would be picked up by POCL with Pathway;
  - that some POCL scenario planning had begun as a matter of prudence;
  - that POCL remained committed to providing all the resources necessary to enable these plans to be made.
5. John Roberts summarised as follows:
- the Post Office was very disappointed at the current situation;
  - the Post Office, and POCL, is still keen to do this project and make it work;
  - ICL's credibility is at stake, and confidence in Pathway within the Post Office is still uncertain;
  - a realistic baselined plan must be settled, and then frozen, with issues or changes properly identified and processed after that;
  - the open working between all parties must continue;
  - that the Post Office could not guarantee its position to sustain commitment if a realistic plan together with evidence of delivery is not forthcoming from ICL in the next, say, six months;
  - that the Post Office was willing to listen to ICL if it felt DSS was unfairly inhibiting progress in some way.

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6. Keith Todd replied by saying he appreciated the spirit in which the meeting had been conducted, and reaffirmed ICL's commitment to make it work. The meeting ended.
7. Following ICL personnel's departure, Post Office colleagues discussed the approach to the PO Board. It was agreed that a short update would be given as part of the Chief Executive's Report at the September Board, and a fuller presentation by POCL would be given on the situation at the November Board, once the independent PA review was fully known, DSS's reaction to it was established, and Pathway's baseline planning work had been completed. This presentation would also include a summary of POCL's strategic scenario planning, being done as a contingency if Horizon was ceased or radically altered in its scope or delivery.

Paul Rich  
5 September 1997

*Do say  
I've heard the  
presentation  
so that I can  
send a copy to  
John?*

*Thank you  
Please give  
with copies to  
D. Murphy, D. Walker  
Bruce M. W.*