



DWM
CAPS.

Vince Gaskell
CAPS & Cards Programme Director
Benefits Agency
DSS Longbenton
Benton Park Road
Newcastle upon Tyne
NE98 1YX

Post Office Counters Ltd
Horizon Programme Director

8th April 1999

Vince

HORIZON TESTING AND ENTRY TO LIVE RUNNING

Thank you for your reply of 7th April. As you may already be aware a letter has been sent from Stuart Sweetman to Peter Mathison confirming POCL's position on how we will move forward and addressing related contractual issues for both the Authorities raised by the BA's current position.

I would nevertheless wish to reply to the points raised in your letter

General Points

I understand your concern about the impact of errors on the DSS and our joint need for a high quality system. But we are not asking the DSS to accept the system or to proceed to rollout at this time. We are moving to a live trial in 300 offices with 4 to 5 months further operational experience before a decision on contractual acceptance. This gives the opportunity to evaluate the fitness for purpose of the solution in the field while in parallel carrying out continuing testing, for example in the multi-benefit model office. What we have to judge at this time is the manageability of the risk of entry to Live Trial and to balance this with the cost and delay to all parties of a further postponement of rollout.

With regard to the five conclusions there would little value in reiterating our position, but the following comments may be helpful.

1. Outstanding Faults

The only point we wished to make, and which you have agreed, is that factually there are no known outstanding faults that prevent entry to Live Trial.

With regard to the KPR we would disagree that the cumulative effect is unknown and untested. Certainly from the POCL side we have made efforts to understand the cumulative impact, and to agree where specific workarounds need to be included in the User Guide. A large number of the KPR items are also quite minor.

Post Office Counters Ltd
King Edward Building
King Edward Street
London
EC1 1AA
Telephone 0171 776 3561
Facsimile GRO

Post Office Counters Ltd Registered in England
No: 3114141 Registered Office King Edward Building
King Edward Street London EC1A 1AA

Vince Gaskell
8th April 1999
page 2

2. Stability of the Solution

We cannot understand the assertion that the 'level of risk of new faults arising is *unknown*'. Clearly there is progressive evidence from each of the test cycles and acceptance reviews. We cannot of course be *certain* that no new faults will arise but that is the nature of the process. The CAPS/Benefit Payment System (BPS) areas have performed consistently as testing has progressed, with the later faults arising from specific conditions and not from underlying design flaws. We believe the BA itself recognises that the BPS elements of the system are stable.

We believe we have 'bottomed' the outstanding incidents in EPOSS and the TIP interface in the last 'Target Test' cycle and we have demonstrated this to the satisfaction of the independent validators within POCL. In none of our recent exchange of correspondence, or meetings, have the BA identified any POCL-related functional areas to which they can now assign any specific, serious concerns.

We therefore disagree as to what a further run of Model Office will actually achieve. We believe it will be a repetitive and time-consuming reinforcement of what we already know. The BA will have the opportunity over the next month, through a combination of the tests referred to in section 3 below, to evidence their concerns before the start of the formal Live Trial and the actual cutover from the CAPS/Pathway Release 1c interface to the NR2 end-to-end solution.

3. Additional Testing

We did not intend to suggest that the additional testing that is due to take place will simply replace the previous Model Office/End-to-End cycles. But we do believe it will provide additional confidence. For example:

- The Pathway BIT Regression Cycle has a particular focus on BPS functionality
- Your first multi-benefit model office cycle, which will run off the same Live Trial codeset, will cover we assume a wide spread of test conditions.

The main point of our comments in this section was that Model Office testing is not the end of our opportunity to prove the Pathway solution. Moreover it is our view that the limited exposure to live running in Migration and the Live Trial is now the required and essential element in gaining further confidence in the Pathway service

4. Changes During Live Trial

We believe concerns in this area should not be exaggerated. Neither Pathway nor the Sponsors are suggesting a major software upgrade. As we made clear at the CAPS Board, the Sponsors need to decide this month which of the incidents on the KPR they want to see fixed in the mid Live Trial release and they can therefore balance the value and risk of any changes. They will also be able to assess the appropriate testing effort. We agree that these software changes must not distract us from the more important issues in the Live Trial.

5. Justification of a Further Model Office

I believe the difference in our position on this point is already well covered in the above sections.

Vince Gaskell
8th April 1999
page 3

Conclusion

Both of our organisations have made their different viewpoints clear to each other in recent months. We have also sought to co-operate with each other in taking the Programme forward. But it has been my role and responsibility as the Horizon Programme Director to lead in the delivery of this service. This has required me to balance the interests of all parties, and to consider both programme delivery and contractual implications.

We will proceed with the Migration phase this coming weekend while we continue to work with you on resolving the overall way forward. I trust we can achieve progress on this wider front during the course of next week.

Yours sincerely

GRO

DAVE MILLER
Horizon Programme Director

c.c Steve Robson, David Sibbick, Bruce McNiven