

**HORIZON WORKING GROUP MEETING: 13 DECEMBER 2000 AT 11.30,  
DTI CONFERENCE CENTRE, 1 VICTORIA STREET, SW1**

**AGENDA**

1. Chairman's introduction and welcome;
2. Lord Whitty's presentation on electronic delivery of services by local government authorities;
3. Questions and Discussion on the presentation;
4. Horizon roll out update (Post Office);
5. PIU implementation update (Mr Johnson);
6. Any other business.

7 December 2000



x400.txt

Dear Mary,

Thank you for your message and the agenda for the Horizon Group Meeting being held on Wednesday, 13th December.

I thought it might be helpful if I recorded Terry Deegan's apologies with you, which Bill Rose was aware of at the time the meeting date was being set. Terry has gone to Australia over the Christmas and New Year season and will not be returning until 8th January. It would be much appreciated if you could relay Terry's apologies, in advance, so that Alan is aware that Terry is unable to be present this time.

Whilst writing, may I take this opportunity to wish you and your family a "Very Happy Christmas". I look forward to working with you in the New Year.

Yours sincerely,  
Jennifer Allen  
SPS to Terry Deegan

> -----Original Message-----  
> From: Spoor Mary (CGBPS) [SMTP: GRO]  
> Sent: 11 December 2000 17:04  
> To: Allen Jennifer; Baker Colin; Deegan Terry; Denton Diana; Harris  
> Tony; Hodgson Derek; Johnson, MPST; Kearns Tony; Lovett Dorothy; Miller  
> David; Payton Matthew; stuart.sweetman GRO; Whitehead, Mike  
> Cc: 'Waltho Dave'; 'Jenni Borg'; 'Susannah Swain'  
> Subject: 13 November: Horizon Working Group  
>  
> Please find attached below a copy of the agenda, as approved by Mr  
> Johnson, for the meeting on Wednesday.  
>  
> Mary Spoor  
>  
> << File: ATT00389.ATT >>



Sp Mary (CGBPS)

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**From:** stuart.sweetman [GRO]  
**Sent:** 08 December 2000 07:45  
**To:** Mary.Spoor [GRO]  
**Cc:** Derek.Davis [GRO]; basil.larkins [GRO]  
pauline.vickers [GRO]; graham.halliday [GRO]  
**Subject:** Horizon Working Group

This week the DSS Payment Modernisation Team led by Sarah Graham (Director of Corporate Modernising Government Payments and Partnership ) spent 24 hours with a Post Office team led by myself and Basil Larkins looking at a wide range of Post Office capabilities ( mails, counters and call centre). The objective was to strengthen the relationships between the two organisations - very successful. One of the actions I agreed to take away was to propose that the DSS team come to an HWG early in the new year to update the Group on DSS ACT migration plans and how they are being integrated with our plans for Universal Banking Services. Could you please brief Alan Johnson that I will be proposing this at the HWG next week.  
Thanks  
Stuart



**Spoor Mary (CGBPS)**

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**From:** Spoor Mary (CGBPS)  
**Sent:** 06 December 2000 13:35  
**To:** 'Jenny Borg'  
**Cc:** Whitehead Mike (Mr MJ)  
**Subject:** 13 December: Lord Whitty's attendance at the Horizon Working Group

To:  
Jenny Borg

We spoke briefly. I am not sure how clear we have been on what Lord Whitty is required to do on the 13th.

Alan Johnson has invited Lord Whitty to the Working Group next week to speak on the following points:

- 1) How local government is making innovative use of new technology to deliver electronically services and information;
- 2) Scope for the Post Office as a possible strategic partner with local authorities to assist in the delivery of services within the Government General Practitioner scheme;
- 3) Lord Whitty's role as an e-Government Champion;
- 4) A broad outline of DETR plans for e-Government by 2005.

When Mr McCartney the e-Government Minister at the Cabinet Office suggested the Working Group meet Lord Whitty, I understand his main concern was that organisations do not necessarily think of the Post Office in terms of a strategic partnership for electronic deliver of services. Lord Whitty's advice on how best to go forward with the local authorities would be useful.

The meeting is scheduled to last an hour, with other items on the agenda so I would expect that Lord Whitty (and officials) would be aiming to speak for about 15 minutes. Please note that these meetings are informal.

I attach for background my e-mail to PS/Lord Whitty,



13 December Horizon  
Working Gr...

Mary Spoor  
Postal Services Directorate

Tel: **GRO**



**Spoor Mary (CGBPS)**

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**From:** Spoor Mary (CGBPS)  
**Sent:** 29 November 2000 17:16  
**To:** 'Susannah Swain'  
**Cc:** Whitehead Mike (Mr MJ)  
**Subject:** 13 December: Horizon Working Group on computerisation of the Post Office Network

To:  
PS/Lord Whitty

You asked me to let you have background on the invitation extended to Lord Whitty to attend the next meeting of the Horizon Working Group on 13 December. Cabinet Office Minister, Ian McCartney, suggested your Minister's name in his capacity as the DETR e-government Champion.

Alan Johnson, Minister for Competitiveness, chairs the Working Group which monitors the Horizon project to computerise the Post Office counters network. Its members comprise representatives from the communications' unions, the Post Office and the National Federation of SubPostmasters.

Government has contributed £500 million to the equipment installation programme which is progressing well. Project completion is on schedule for Spring 2001 when the whole network, comprising 18,000 post offices will be operating with the new equipment. The computer system will provide the network with an automated platform on which there is the potential to build and provide services. The Working Group is also responsible for identifying and promoting new areas of work for the network.

On publication in June of the Cabinet Office PIU report on the Post Office (Counter Revolution Modernising the Post Office Network), the Government accepted all 24 recommendations. One of these concerns the development of the role of sub post offices as local centres for information and advice. The proposal is that post offices fulfil the role of Government General Practitioner (GGP) to become one stop or first stop shops for the citizen who is seeking advice on government services and those of the voluntary sector. It is envisaged that through use of the Horizon platform, appropriate computer software and Internet kiosks, electronic databases of local and central government and other agencies such as NHS Direct Age Concern and CAB would be accessible at the local post office. In taking forward this proposal, the Post Office has produced a business case and ring fenced funding from the Spending Review is being made available for the purpose of trialling the GGP concept.

In the context of updating on GGP, the Horizon Working Group invited Ian McCartney to speak to them on e-Government, the Cabinet Office co-ordinating role and UK Online. Mr McCartney suggested then, that Lord Whitty could also contribute to the information of the Group in view of his position of Ministerial Champion.

In addition, Mr McCartney mentioned that he understood some local government bodies were using new technology innovatively to deliver services and information and that DETR may wish to consider scope there for collaboration with the Post Office on plans for GGP.

I understand that Mr McCartney hopes to attend the meeting of the Group on 13 December.

Please let me know if more information is required.

Mary Spoor  
Postal Services Directorate  
DTI

GRO



x400.txt

Thank you, Mary. Tony Harris has read and approved the document.

Regards  
Polly

> -----Original Message-----  
> From: Spoor Mary (CGBPS) [SMTP: **GRO**]  
> Sent: Tuesday, December 05, 2000 5:00 PM  
> To: Allen Jennifer; Baker Colin; Deegan Terry; Denton Diana; H  
arris  
> Tony; Hodgson Derek; Johnson, MPST; Kearns Tony; Lovett Dorothy;  
Miller  
> David; Payton Matthew; Sweetman Stuart; Whitehead, Mike  
> Cc: 'Madden Sebastian'; 'Thomas.Lovesey' **GRO**  
**GRO**;  
> Rawson Hugh (Mr HJ); Buck Rosemary (Ms RC)  
> Subject: Horizon Working Group  
>  
> Mr Sweetman  
> Mr Baker  
> Mr Deegan  
> Mr Hodgson  
> Mr Madden  
>  
> Please find attached below a copy of the note of the Working Gro  
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> comments or amendments on this note, please let me know.  
>  
> Mary Spoor  
> Postal Services Directorate  
>  
> Tel: **GRO**  
> Fax: **GRO**  
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>  
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>  
> << File: ATT00239.ATT >>



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Many thanks for e-mailing the Minutes of our meeting held on 8th November.

I would confirm that the Minutes are OK with the CWU.

Dorothy Lovett

> -----Original Message-----  
> From: Spoor Mary (CGBPS) [SMTP: **GRO**]  
> Sent: 05 December 2000 17:00  
> To: Allen Jennifer; Baker Colin; Deegan Terry; Denton Diana; Harris  
> Tony; Hodgson Derek; Johnson, MPST; Kearns Tony; Lovett Dorothy; Miller  
> David; Payton Matthew; Sweetman Stuart; Whitehead, Mike  
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> Mary Spoor  
> Postal Services Directorate  
>  
> Tel: **GRO**  
> Fax:  
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>  
>  
> << File: ATT01162.ATT >>



**Spoor Mary (CGBPS)**

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**From:** Spoor Mary (CGBPS)  
**Sent:** 05 December 2000 17:00  
**To:** Allen Jennifer; Baker Colin; Deegan Terry; Denton Diana; Harris Tony; Hodgson Derek; Johnson, MPST; Kearns Tony; Lovett Dorothy; Miller David; Payton Matthew; Sweetman Stuart; Whitehead, Mike  
**Cc:** 'Madden Sebastian'; 'Thomas.Lovesey'; **GRO**; Rawson Hugh (Mr HJ); Buck Rosemary (Ms RC)  
**Subject:** Horizon Working Group

Mr Sweetman  
Mr Baker  
Mr Deegan  
Mr Hodgson  
Mr Madden

Please find attached below a copy of the note of the Working Group meeting of 8 November which has been approved by Mr Johnson. If you have any comments or amendments on this note, please let me know.

Mary Spoor  
Postal Services Directorate

Tel: **GRO**  
Fax:



12thmeetingnote.doc



HWG/12/1

**NOTE OF THE TWELFTH MEETING OF THE HORIZON WORKING  
GROUP HELD ON WEDNESDAY 8 NOVEMBER AT 15.00 AT THE DTI  
CONFERENCE CENTRE, 1, VICTORIA STREET, LONDON**

Those present:

DTI

Alan Johnson MP	Minster for Competitiveness
Simon Lancaster	PS/Mr Johnson
David Sibbick	Postal Services Directorate
Mike Whitehead	Postal Services Directorate
Mary Spoor	Postal Services Directorate

Cabinet Office

Andrew Pinder	e-Envoy
Bob Evans	Office of the e-Envoy
Sebastian Madden	Office of the e-Envoy
Chris Parker	Office of the e-Envoy
Barbara Rose	Modernising Public Services Group

Post Office

Stuart Sweetman	Group Managing Director Customer and Banking Services
Dave Miller	Managing Director Post Office Networks
Dave Waltho	Government Gateway Director
Catherine McCrohan	Head Government GP

CWU

Derek Hodgson	General Secretary
Tony Kearns	Assistant Secretary
Matthew Payton	Research Assistant

CMA

Terry Deegan	General Secretary
Tony Harris	Assistant National Secretary

NFSP

Colin Baker	General Secretary
John Peberdy	Chairman Negotiating Committee

**Chairman's Introduction**

Mr Johnson welcomed Andrew Pinder, the acting e-Envoy and his team and Dave Waltho who would be making the presentation on Government GP on behalf of the Post Office. Owing to illness, Mr McCartney was unable to attend the meeting.

**Post Office presentation on Government GP**

Dave Waltho spoke to a series of slides.

PIU report recommendations 17, 18 and 19 for Government General Practitioner and Internet and Local Access Points at post offices were being developed together as Government GP. The concept of the GP scheme was to build on the network's traditional role as a centre for advice on government business; it was envisaged that post offices would act as one stop shops for around 80% of queries and as first stop shops for the remaining 20%. The work undertaken would include dispensing basic information and advice and effecting official transactions. The scheme would provide customers with the convenience of a one stop shop and a number of channels by which to transact business, such as information kiosks and web phones. Indications



were encouraging for the project's success, the Post Office possessed numerous assets namely a trusted brand, solid customer base including SMEs, national infrastructure, integrated channels and the depth and breadth of the Post Office offer.

Government GP was something of a misnomer in that the 1,000 potential clients covered a wide range of functions from the voluntary sector and European organisations.

A pilot trial was planned using about 250 outlets and, although a final decision had not been taken on location, the choice of area had been narrowed to Leicestershire, Avon, Norfolk and South Lancashire. The pilot would test viability, consumer demand, value for money and future operation and implementation. As a general approach, the pilot would be customer focussed and would expand gradually on a learn and build basis, initially the assistance available would be centred on the needs of selected consumer groups e.g. young families and on selected social areas.

To date, good progress had been made. The project team was set up and a private sector partner selected, although no contract had been signed yet. A number of stakeholder meetings had been held and benchmarking and baseline tools were in development.

Risks of a general nature had been identified, namely project complexity, the timescales involved and the capacity and capability of the Post Office to effect delivery. Proactivity and a co-ordinated Government approach were also factors. Recent developments had also raised risks associated with procurement and ownership.

On procurement, there was the potential requirement for the roll out to be subject to competitive tender. However, there were a number of ways of dealing with this issue which were currently under examination.

On ownership, the Post Office saw a gap in the Government stance. The project needed a Champion at Ministerial level who would be pivotal in providing leadership and co-ordinating the various Government Departments.

In conclusion there were a number of steps the Post Office envisaged would take forward the plan, namely drafting a letter of intent, appointing a Government Champion, the Post Office to engage with its private sector partner, stakeholder consultations to be continued and the pilot project to begin as soon as possible after April 2001.

#### Discussion

Mr Johnson said that the matter of identifying a Government Champion to take forward the important work of the Government GP was an important one. He had not yet had an opportunity to discuss with Mr McCartney how this should be taken forward. Andrew Pinder said that he would seek Mr



McCartney's view. Mr Johnson assured the meeting that this matter would be resolved once Mr McCartney's views were known.

**ACTION: DTI**

On procurement, Mr Johnson said that as distribution of financial support through DfEE could have presented issues of open tendering for the pilot project, responsibility for distribution of the ring-fenced money had been passed to DTI. The Post Office business plan had been approved by Ministers and the matter of a letter of comfort was being examined. Andrew Pinder said that on procurement, the Cabinet Office had some expertise in IT projects which may be relevant in the case of Government GP and which it would be happy to share with DTI.

In response to Tony Kearns' request for more detail on the proposal, Dave Waltho said that the fine detail would follow Ministers' final decision. However, it was possible to say that the Post Office had engaged in discussion with a number of potential stakeholders from the voluntary and public sectors and had received a positive response. Some of the organisations contacted were Age Concern, NACAB, the NHS and DSS. The Citizens Advice Bureaux organisation had offered to work with the Post Office on training of advisers and talks with the NHS indicated the possibility of arranging access at post offices to the Health Service website as well as their acting as leaflet distribution points.

In reply to Mr Johnson concerning remuneration for Subpostmasters, Dave Waltho said that this was a complex matter which would be subject to negotiation between the Post Office and the Federation. The aim was to agree an arrangement which provided incentives; a possible area for exploration was inclusion of the use of National Vocational Qualifications as one base on which to build a pay package.

Mr Baker expressed concern about progress in PIU report implementation. The future of the network rested on setting up universal banking services at post offices and the Government GP, success in these two core schemes was vital. Government GP was particularly important in that there were no outside influences in going forward, the initiative lay entirely with Government and the Post Office. However, the presentation had highlighted a number of pitfalls which had not yet been addressed. Network confidence was already fragile, risks and difficulties as outlined in the Post Office presentation did not augur well for the future. Mr Hodgson said that there appeared to be a danger of missed target dates for the Government GP pilot trial which would impact on the programme and funding as well as affect the morale within the network. Mr Johnson said that on the publication of the PIU report, all the stakeholders were aware that implementation of the 24 recommendations would not be easy. It was not possible to ignore procurement and competition rules and these were being actively addressed. By exposing the issues and potential difficulties now, the Government was taking an honest approach so that all the partners could work together on solutions and so avoid setbacks later. Andrew Pinder said that it was essential to remember that the full support of



Ministers lay behind implementation and that Cabinet Office was committed to assisting the Post Office in this project. Large contracts by their very nature invariably presented a number of difficulties but that these could be managed to a successful conclusion.

#### Cabinet Office information papers

Mr Johnson thanked the Cabinet Office for the five information papers.

#### Horizon roll out update

Dave Miller said that currently there were 14,044 post offices equipped with the Horizon system and the installation programme was running about one and a half weeks ahead of schedule. Work would continue until early December and would be substantially completed by mid-March. There were however about 400 offices which would remain without computer equipment beyond March as these constituted the difficult cases where offices lacked ISDN lines or electricity or required substantial building work. The programme was scheduled for final completion by June 2001 by which time every outlet in the network would be equipped with the Horizon system.

The Horizon system was now equipped with software which made the system smartcard enabled. This was available in all the post offices currently equipped with Horizon and would be available to those outlets still to be integrated.

#### PIU implementation update

Mr Johnson said that the round of visits to senior management of the individual High Street Banks was nearly complete and to date, discussion with them about the Post Office business case had been encouraging. He reminded the meeting that the Johnson and Johnson letter of July had requested the banks' commitment to either development of a PAT 14 account or to join in support of a Universal Bank. Through the Summer, the approach had developed to the extent that the business case called for PAT 14 accounts to be accessed at post offices and for support for a Clear account which was a stripped down version of an account, without ATM access. Support for Universal Banking would enable the banks to meet all the obligations required by Government to effect greater financial inclusion. It would also benefit the post offices which would gain footfall. Currently the banks were further considering the Post Office business plan with a view to taking a decision by the end of November. It was envisaged that a Memorandum of Understanding would be available for signing early in December.

David Sibbick said that although the talks with the banks had been encouraging, it was necessary for senior management to seek clearance from the banks' Boards of Directors. The banks were fully aware that the move to delivery of benefits and pensions by ACT from 2003 would impact on them and that takeup of PAT 14 accounts would be considerable. The ability to



access PAT 14 accounts at post office counters was an attractive option to relieve pressure in bank branches.

Any other business

Mr Johnson said that David Sibbick was retiring from the Civil Service at the end of the month and that the meeting marked his final attendance at the Working Group. He was confident that members would join him in wishing Mr Sibbick a long and happy retirement.

Date of the next meeting

Wednesday 13 December at 11.30.

CGBPS1A  
30 November 2000



**Spoor Mary (CGBPS)**

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**From:** Johnson MPST  
**Sent:** 04 December 2000 10:26  
**To:** Spoor Mary (CGBPS)  
**Subject:** RE: Note of the Horizon Working Group meeting

Mary

The note is fine - many thanks.

Simon

-----Original Message-----

**From:** Spoor Mary (CGBPS)  
**Sent:** 01 December 2000 12:55  
**To:** Johnson MPST  
**Subject:** Note of the Horizon Working Group meeting

Simon

Please find attached a draft note of the meeting which took place on 8 November. I should be pleased to distribute if the Minister is content with the text.

Cabinet Office have had sight of the draft note and their minor amendments are included.

Mary Spoor  
Postal Services

<< File: 12thmeetingnote.doc >>



12  
For Mary (CGBPS)

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HWG/12/1

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30 November 2000