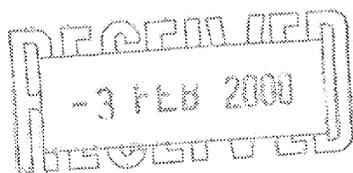


RE NEW PGS OF



Mr C Baker  
General Secretary  
National Federation of Subpostmasters  
Evelyn House  
Windlesham Gardens  
SHOREHAM BY SEA  
Sussex  
BN4 5AZ

Post Office Counters Ltd

our ref: dz659  
1 February 2000

Dear *Colin*

I was sorry to learn from our recent telephone conversation that you had received no affirmation of Horizon national roll out from 24 January. I hope that with the regular dialogue we will establish in my new role that such incidents will be a thing of the past.

Since we paused roll out in November we have undertaken a number of improvements to build on past experiences and provide the robust arrangements we would all like to see to support a programme of around 300 outlets a week coming on stream. I note that Dave Smith has outlined most of these in his letter of 31 January so I will not repeat here. Suffice to say if you need more detail on any of these please let me know.

Hopefully these improvements will have an evident beneficial effect and tackle the problems identified in the pre-Christmas research that was done via 335 telephone interviews with staff and agents who were involved in Horizon roll out during last Autumn. There is some positive feedback from this research (eg, 36% improvement in ease of balancing; 90% found the system was easy to use; fewer dissatisfied with training than in live trial and 80% satisfaction with the automation programme in general). The January edition of Subpostmaster (Your Letters) also contained some encouraging comments. However, we should not kid ourselves that we are out of the woods yet. The research also showed that many would like more training and balancing is still difficult for too many. Certainly we will need to continue to monitor the position as we go through the programme and respond to prevailing requirements as appropriate.



INVESTOR IN PEOPLE

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1 February 2000

Mr C Baker

We could usefully spend some time when we meet on 15 February reviewing performance measures, the impact of recent changes which should becoming apparent by then and what more can reasonably be done. I have also enclosed for your information a measure you may not have seen before which attempts to quantify the coping curve outlets endure post go-live. It is a composite measure based on number of calls to the National Business Support Centre Helpdesk, number of cash account errors and the time taken to produce cash accounts (from telephone calls to a sample of outlets). The graph shows a noticeable improvement since live trial and suggests a 13 week period to adapt to Horizon and before most aspects of performance are back to normal. We will be working to reduce this.

On the other specific issues you raised:-

- a) I have arranged for someone to speak with Tony Harrod to resolve his concerns around balancing with later lottery cut off.
- b) I will pursue the issues around John Peberdy 's training when you let me have details.
- c) If you let me know of part-time office training problems we will handle as sensitively as possible.
- d) On the non-fixed counters we are developing a solution and I will let you have details of the trolley solution specification when we meet. As things stand the processor with these systems will need to be left on at all times.
- e) On the turn round and number of calls to the Support Centre someone from Andy Radka's team should be in touch shortly to arrange a presentation.

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1 February 2000  
Mr C Baker

f) Of the three offices you mentioned with losses none of them had any reported discrepancy problem at migration nor is there, with the possible exception of Burley in Wharfedale, (ie, Giro rent error under query) any evidence of subsequent migration related issues. It is also apparent that all three offices had a number of significant misbalances pre-migration. I am, however, doing some more digging to satisfy myself on this issue and will be in touch if there is other information that has a bearing.

Hopefully, this is sufficient for your needs at present; I will be happy to pick up any outstanding issues when we meet shortly.

Yours sincerely

**GRO**

Don Grey  
Horizon National Roll Out Project Manager

Telephone: **GRO**