

13 AUG 1999 - 879

**Electronic *memo***

To "peter.copping" GRO < GRO >,  
"david.rees" GRO < GRO >  
cc Bruce McNiven/POCL/POSTOFFICE, "Chris French"  
< GRO >, John Meagher/POCL/POSTOFFICE,  
Ruth Holleran/POCL/POSTOFFICE, Keith K Baines/POCL/POSTOFFICE, Min  
Burdett/POCL/POSTOFFICE, "Mike Coombs"  
< GRO >, "John Dicks"  
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Hard Copy To  
Hard Copy cc  
From Andrew Simpkins < GRO >  
Date 13/08/99 15:12  
Subject Papers for Mondays' Meeting with Expert

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Peter/David

Following the Management Resolution meeting yesterday I attach as agreed by POCL and Pathway the minutes of this meeting and a summary of the incidents that are in dispute.

The minutes will give you an up-to-date position on the high priority incidents in particular.

We propose that the meeting with yourselves does not now start until 12.00. It will be in Gavrelle House room 7.

There is a room available for your use in Gavrelle House all day - 309 on the 3rd floor. When you arrive please ask for Dave Miller's secretary.

If I can be of any further help please ring me on GRO

Andrew Simpkins  
Horizon Programme



- MR Minutes 12 Aug.doc



- MRS\_1208v1.xls

**Horizon Programme**  
**Management Resolution Meeting**  
**Gavrelle House**  
**12.30 - 3.00 & 4.00 - 7.15pm**  
**12<sup>th</sup> August 1999**

**Minutes**

**Attendees:**

POCL: B McNiven, K. Baines, J.Meagher, C.French, R Holleran, M. Burdett,  
A. Simpkins (minutes)  
Pathway: M.Coombs, J.Dicks

**1. Initial Points**

Set up session by 27<sup>th</sup> August to review POCL 'Low' incidents (which Pathway may have classified as 'None') Action :JM

The letter from JD to KB of 11<sup>th</sup> August on Pathway's view of Acceptance Incidents was noted (see Attachment 1). Up-to-date copies of the AI descriptions were distributed.

**2. Current Status of Disputed Severity Ratings on Hot List**

| No. | Short Description              | PWY        | POCL     |
|-----|--------------------------------|------------|----------|
| 342 | TIP data file SLA breach       | Low        | Med      |
| 361 | Duplicates                     | Low        | Med      |
| 371 | Late HAPS transactions         | Low        | Med      |
| 376 | Derived cash account           | Low        | High     |
| 378 | AIS contravention              | Closed/Low | Med      |
| 211 | Receipts not equal to Payments | Closed     | Med      |
| 218 | Training                       | Closed     | High     |
| 372 | Systems management             | None       | Med      |
| 368 | Physical security              | Low        | Med      |
| 391 | Physical security              | Low        | Med      |
| 390 | APS recovery                   | Low        | Med      |
| 298 | Counter lockup/freezes         | Low        | High     |
| 314 | Technical Documentation        | None/Low   | Med      |
| 369 | OBCS scanning                  | None       | High/Med |
| 408 | Help Desk                      | None/Low   | Med      |
| 395 | Duplicate AP numbers           | None/Low   | Med      |

The above position was agreed and results in the following totals:

3 highs

1 high/medium

12 mediums

The following have been reclassified by POCL and taken off the Hot List:

|                                    |                                 |
|------------------------------------|---------------------------------|
| 300 Printer lockups                | Closed (covered now within 298) |
| 301 Integrity faults from Printing | Closed (included in 211)        |
| 384 Sequent failover               | Low                             |
| 410 Missing transactions           | Low                             |
| 411 AIS contravention              | Low                             |
| 394 Cash account reprints          | Closed                          |

POCL advised that they rate 410 and 411 as Low conditional on resolution of the controls proposed on 376. RH would provide further detail on this. Action : RH

Pathway noted that in their view 411 occurred after the due date but they are correcting it at their own cost. The Contract is not clear in their view on Incidents that occur after the due date but before Acceptance. POCL's view is that this is a legitimate incident, whereas Pathway are treating it under Clause 411 of the contract..

Pathway has used the term 'None' to describe an Incident (i.e. not high, medium or low). It was proposed that 'None' should only reflect the status of an Incident (i.e. whether it existed or not) rather than severity. Pathway agreed to review those incidents described as 'None' and to either propose they are closed or to give a severity rating. Action : MC

There is a need to clarify the testing and observation that has been performed by Pathway in order to close or downrate Incidents. POCL's view is that under paragraph 4.2. of the Acceptance Schedule analysis alone does not justify any change in severity and that the time allowed for retesting is 2 weeks following the end of the Core Observation Period. Pathway contested this view saying they believe they could reclassify incidents based on their view of the situation at the end of the period (11<sup>th</sup> August) and had done so. KB would follow up the evidence for incidents as appropriate

### 3. Review of High Priority Incidents

#### AI 376 Derived Cash Account not Equal to Electronic Cash Account

JD reported as follows:

Pathway recognise that not all transactions had been harvested and sent to TIP. A provisional fix went in on 2<sup>nd</sup> August and this has worked satisfactorily so far with the effect that all records had been sent. A root cause analysis has been developed, identifying 8 contributory problems, and all but one has been diagnosed and tested in Pathway to date. Pathway cannot guarantee however that all problems have been trapped. They will need to see evidence from the fix of the 8 known problems, and will continue to monitor the problem for 3 months to be confident of its resolution .

The provisional fix and the control procedures developed allow Pathway to identify any errors, to patch the file , and to notify TIP in advance. Since implementation there have been no errors to report and hence Pathway contend that the action taken to date and the result they have observed justify the downgrading of this incident.

The fix for the 7 solved problems will go in tonight (Thursday). The last item will be delivered separately - date to be confirmed.

RH said that POCL need to see the impact of the full fix and to agree the duration required for observation. Secondly POCL need assurance as to how controls will subsequently work on the Pathway side to prevent reoccurrence.

On observation it would be preferable to monitor an accounting period in full. RH said POCL would be prepared to consider observing only the remainder of the current period which ends on 25<sup>th</sup> August, which would include two weeks cash accounts under the new fix. The analysis and confirmation of the evidence would be available in POCL by 30th August. Two weeks are seen as a minimum because the nature of the fault can be intermittent and there is a need to ensure that there are no subsequent knock-on effects.

Pathway believe they have made sufficient progress to rate as low. POCL believe they must have the opportunity to verify the fix.

Pathway pointed to the fact that no new errors have occurred since 2<sup>nd</sup> August. POCL believe they cannot downrate until their own observation can be performed given the risk to the accounts. They recognise the corrective action that has been taken but the potential size of errors that can occur is too serious to risk proceeding without proof, which will not be available until 30th August. Advice from the POCL external auditors was that without clear verification of the success of the solution there would be implications on the qualification of Post Office Limited accounts.

RH reiterated the need for an ongoing control. Pathway asked for POCL's view as to how this might work in the longer term. RH said this would include advance notification of when there is a discrepancy on daily transactions. JD said a check to do this is part of what is already in place but Pathway were prepared to discuss what further could be done to meet POCL's concern.

In summary:

- The difference in view is logged.
- The POCL request for improved control should be articulated and related to the current Pathway solution and the contractual requirement. Within the current requirement, Pathway would be willing to perform more checks or to amend the file creation process at their end, but this needs to be related to the end-to-end interface process.

Two actions were proposed:

1. POCL and Pathway will look at a design change to provide a more robust long-term solution.
2. POCL agreed to review Pathway's current monitoring process to establish how this might contribute to their requirement for improved control, and to consider Pathway's request as to whether it may influence POCL's severity rating.

*Action: JM/John Pope/Graham Seedall/Mark Burley/Peter Jones to meet in London tomorrow on both the above items*

## AI298 System Stability (Counter lockups and freezes)

JD reported as follows:

Pathway consider that the Incident has raised its profile only recently since telephone surveys revealed the extent of lockouts and reboots in outlets. This came as some surprise to Pathway. Pathway then performed their own phone survey which confirmed the prevalence of rebooting to a greater extent than recorded at the HSH.

POCL replied that they did not believe this was only evident recently but that the quality of analysis had been lacking.

Pathway believe that some offices are rebooting unnecessarily and without calling HSH. Reasons given by offices were various and not entirely clear e.g. no point in making a phone call if the expected advice is to reboot anyway. Also Pathway claimed that larger offices feel there is not much difference in the time taken to process a call to HSH and rebooting (approximately 15 minutes). POCL stated that the total time to perform all actions associated with a reboot could run to 40-45 minutes.

In Pathway's view some reboots are also caused by users switching the machines back on (when they should not have switched off).

POCL however believe that offices are rebooting because this is how they have been advised by HSH in the past and this is the main reason why they have not called again. Pathway believe this leads to reboots which would not be the advice given if the HSH had been called.

It was accepted that progress in analysing causes would be made by concentrating on the 9 offices that have displayed the greatest incidence of reboots. We must not lose sight however of the many offices which have a lower frequency of freezes and reboots. These also need to be identified from the HSH logs.

Pathway tabled an analysis of calls that were due to freezes and lockouts. There was a discrepancy in understanding regarding these figures and those provided within POCL. MC said that Pathway had previously written to request an extension of the deadline for analysis of this incident to Friday 13<sup>th</sup> August but that KB had written back refusing the request. Therefore Pathway had difficulty in providing further analysis. Following discussion of the nature of the analysis proposed, POCL agreed to consider any further inputs from Pathway but could not agree to take them into account in the Acceptance process until they had seen them and determined how much time would be needed to review them.

Pathway have been performing further lab tests. Suggested causes for lockups investigated so far were that the swap file is too small and that there are memory leakages. No evidence for these have been found to date. Pathway will also contact offices who are rebooting to identify the conditions and evidence.

BMc and RH emphasised the business impact on staff time and cost, and on customers, of the loss of the service. This was particularly severe in one or two position offices. Fuller impact details would be ready for Monday. The frequency is significantly greater than on the current POCL legacy systems.

JM said that the Incident was wider than reboots - it was the overall loss of service to the customer, and this had to be taken into account in the severity.



POCL also stated that the current absence of reasons for this type of failure actually increased their concern at this time. POCL needs to understand more the factors involved and there was no evidence that Pathway's current level of analysis provided this. Pathway said they will continue looking for explanations.

In summary POCL believe the current position is not supportable - given the frequency and business impact and the lack of explanation. There appears much work to be done before this could be resolved.

#### **Actions**

1. *Establish a common view and analysis of the HSH logs - Pathway propose D Hollingsworth from their side and to base the work in Bracknell. POCL would provide someone from BSM (Dave McLaughlin) and Testing (via Don Docherty) for a meeting tomorrow. JM to arrange*
2. *Pathway(MC) to provide more information on work done to date for POCL review by the ATM (Bob Booth) who would provide a critique for Monday. JM to arrange*

#### **AI218 Training**

The recent exchange of correspondence between BMc and JD was referred to.

JD summarised the Pathway position as distinguishing the Horizon training from the corresponding changes in business processes. Pathway have responded to concerns through the changes in the revised course but the two issues must be distinguished. They believe little more can realistically be done within the course. The process issues are with POCL although Pathway are willing to help.

BMc referred back to the Requirement as the basic criterion to be met which is to provide trained and capable users. If Pathway believed their training alone could not deliver the capability they had not raised the issue with POCL. There was deep concern whether Pathway's training solution can genuinely support the NRO rollout rate.

MC said that the Live Trial has clarified the balance that is required between training, implementation support and Help Desks within Pathway. This has led them to increase their resources. They expect that POCL will have learned similar lessons and will be faced with similar adjustments.

BMc asked if Pathway would say to the Expert that their training solution could support the planned rollout. JD said this cannot be answered in isolation of other things. There is a need for POCL to prepare the sub postmasters. MC reiterated his point of balance - that training can only deliver so much in the change process.

BMc agreed to explore additional actions but the training has to provide the basic level of capability. If the HFSO support was not available to support balancing, POCL's view was that the whole go-live process was in jeopardy. He asked if Pathway believed the course could deliver success without this support. JD said yes. BMc said that he believed it would not - the majority of staff could not complete the first balance unsupported.

CF said he felt the system mainly automated the manual process, that many staff were not properly trained to use the automated process, and that the overall training was therefore insufficient. Pathway did not share or agree with this view.

JD said he was willing to explore ideas for example in terms of pre-course education but as part of a planned joint programme.

Some areas could be explored before Monday e.g.:

- Pre-training support
- Need to address different audiences in terms of skill levels as stated in the Requirement. This may include material and course attendance
- What can be done by way of joint action
- Other areas that could be included in the joint Change Programme.

It was noted that there is a potential commercial issue as well.

*Action: A without prejudice discussion could be held tomorrow however. BMc and MC to arrange appropriate participants.*

#### AI369 Scanner reliability

There is an unexplained discrepancy between Pathway and DSS reporting on this Incident in terms of reject rates. DSS are reporting 5% false rejects in the live environment. Pathway believe that the cause is the poor quality of the order books in use. They believe new paper has now been ordered by the DSS and had been introduced with new books since late May/early June. The problem with 'old books' would continue throughout 1999 until the 'old books' expire

KB said DSS have said new books have been supplied but the problem is still re-occurring. This raises concern as to whether there is a problem beyond the scanner itself or the quality of the books.

Pathway contest this view. POCL however reiterate there appears an unexplained variation in reject rates in the field.

The way forward may be to re-examine rejected books.

Pathway would want more evidence from DSS that the problem is not with them, and believe they have demonstrated the scanners work with the new paper.

KB said more evidence is also required on the pattern of rejection in offices.

*Action : POCL would present the case to Copping and ask for a view on whether this is an Incident and its severity. RH and K Corrigan would prepare this.*

#### 4. Status of Disputed Medium Severity Incidents - Pathway dispute POCL's rating of medium for all of the following incidents.

It was agreed that only the status of rectification plans would be discussed as the differences on severity ratings had been identified and noted earlier. It was noted that medium severity incidents do require an agreed rectification plan under the contract.

The current rectification status of these Incidents is summarised below.

342

Rectification plan agreed and largely implemented.. MB to establish when the plan is due to complete and closure will occur.

361

Pathway believe rectification has taken place . POCL are unable to close or downgrade until all fixes have been observed especially as there is some evidence that new errors are still occurring. The issue is the success criteria for closure rather than the approach.

371

Rectification plan agreed but not complete.

378

Rectification plan agreed and being monitored

211

Rectification plan agreed but closure date not agreed due to separate fault arising as a result. New resolution plan required for agreement based on Pathway's analysis of the new fault.372 POCL have not accepted Pathway's claim that there is no further rectification. Pathway to propose a rectification plan to deal with POCL's concerns and to reach agreement.

368

Agreed rectification plan but not yet closed. Pathway informed POCL that the grille had been installed and requested closure.

391

Agreed rectification plan but outstanding actions.

390

Further rectification required but delaying this until CSR+ is not agreed. Current workaround is onerous. POCL requested Pathway to consider implementing a solution at the latest by Christmas 1999.

395

Further rectification requested and proposed in August. Needs formal agreement to the revised plan.

314

POCL to consider Pathway's new paper and contention that they are now conformant and respond to Pathway's position that further action will be taken but not as an Acceptance Incident.

408

Rectification plan is not yet agreed.

#### 5. Process of Referral to Expert

It was agreed to pass David Rees a copy of the updated Hot List and a copy of the minutes of this meeting after they have been approved by BMc and MC. He should then discuss these with both parties. The documents should be ready by midday. JM and JD would be the contact points for him.

On Monday it was believed that a POCL/Pathway meeting would proceed the meeting with P Copping. POCL were asked to consider a start time of 12.00 noon to allow the actions identified to be completed and the results assimilated prior to the start of the meeting.



**DRAFT**

13th August '99

**Acceptance Incidents Discussed at Management Resolution Session 12th August****NOTES:**

1. These notes should be read in conjunction with the MRS meeting minutes
2. Pathway to confirm 'none' and 'closed' status of some incidents

| A_Spec     | AI  | Description                                                            | Severity (PWY) | Severity (POCL) | Remarks                                                                                     |
|------------|-----|------------------------------------------------------------------------|----------------|-----------------|---------------------------------------------------------------------------------------------|
| TIP        | 342 | TIP data file delivery SLA breach                                      | Low            | Medium          |                                                                                             |
| TIP        | 361 | Duplicate records and files over TIP Interface.                        | Low            | Medium          |                                                                                             |
| TIP        | 371 | Late transactions over 9 days old on HAPS system.                      | Low            | Medium          |                                                                                             |
| TIP        | 376 | Derived cash account not equal to electronic cash account              | Low            | High            |                                                                                             |
| TIP        | 378 | AIS contravention/Data Integrity on the cash account (TIP)             | Closed         | Medium          |                                                                                             |
| TIP        | 410 | Loss of data integrity when changing products from core to non core    | None           | Low             | Incident severity reduced on the basis that the outstanding issue is included in AI376      |
| TIP        | 411 | Correspondence server not replicating properly in bulk                 | None           | Low             | AI raised outside Core Observation Period but Pathway are implementing a rectification plan |
| EPOSS      | 211 | Receipts and payments not equal on cash account                        | Closed         | Medium          | The meeting agreed that the recent LT1/LT2 build incompatibility is included in AI211       |
| EPOSS      | 394 | Differences in reprints of Cash Account report & the original report   | Closed         | Closed          |                                                                                             |
| Training   | 218 | Training course Cash Account module inadequate.                        | Closed         | High            |                                                                                             |
| Rollout    | 372 | Systems management (not all 299 offices successfully upgraded to LT2)  | None           | Medium          |                                                                                             |
| Security   | 368 | Physical Security of Lytham St Annes Computer Room                     | Low            | Medium          |                                                                                             |
| Security   | 391 | Deficiency in physical security at Bootle & Wigan                      | Low            | Medium          |                                                                                             |
| APS        | 390 | Recovery of APS transactions                                           | Low            | Medium          |                                                                                             |
| APS        | 395 | Duplicate AP transaction reference numbers                             | None/Low       | Medium          |                                                                                             |
| POCL Infra | 298 | Counter system subject to lockups & screen freezes requiring re-boots. | Low            | High            |                                                                                             |

**DRAFT**

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| A_Spec         | AI  | Description                                                   | Severity (PWY) | Severity (POCL) | Remarks                                                                           |
|----------------|-----|---------------------------------------------------------------|----------------|-----------------|-----------------------------------------------------------------------------------|
| POCL Infra     | 300 | System lockups on printer failure                             | Closed         | Closed          | Closed on the basis that system lockups on printer failure are included in AI298  |
| POCL Infra     | 301 | Printer failure integrity problems                            | Closed         | Closed          | Closed on the basis that printer failure integrity problems are included in AI211 |
| POCL Infra     | 314 | Provision of tech. documentation for TP suppliers inadequate. | None/Low       | Medium          |                                                                                   |
| POCL Infra     | 369 | Scanner reliability in relation to OBCS transactions          | None           | High/Med        |                                                                                   |
| POCL Infra     | 384 | Sequent failover time                                         | None           | Low             |                                                                                   |
| Service Levels | 408 | Failure of the Horizon System helpdesk to support the network | None/Low       | Medium          |                                                                                   |

**DRAFT**