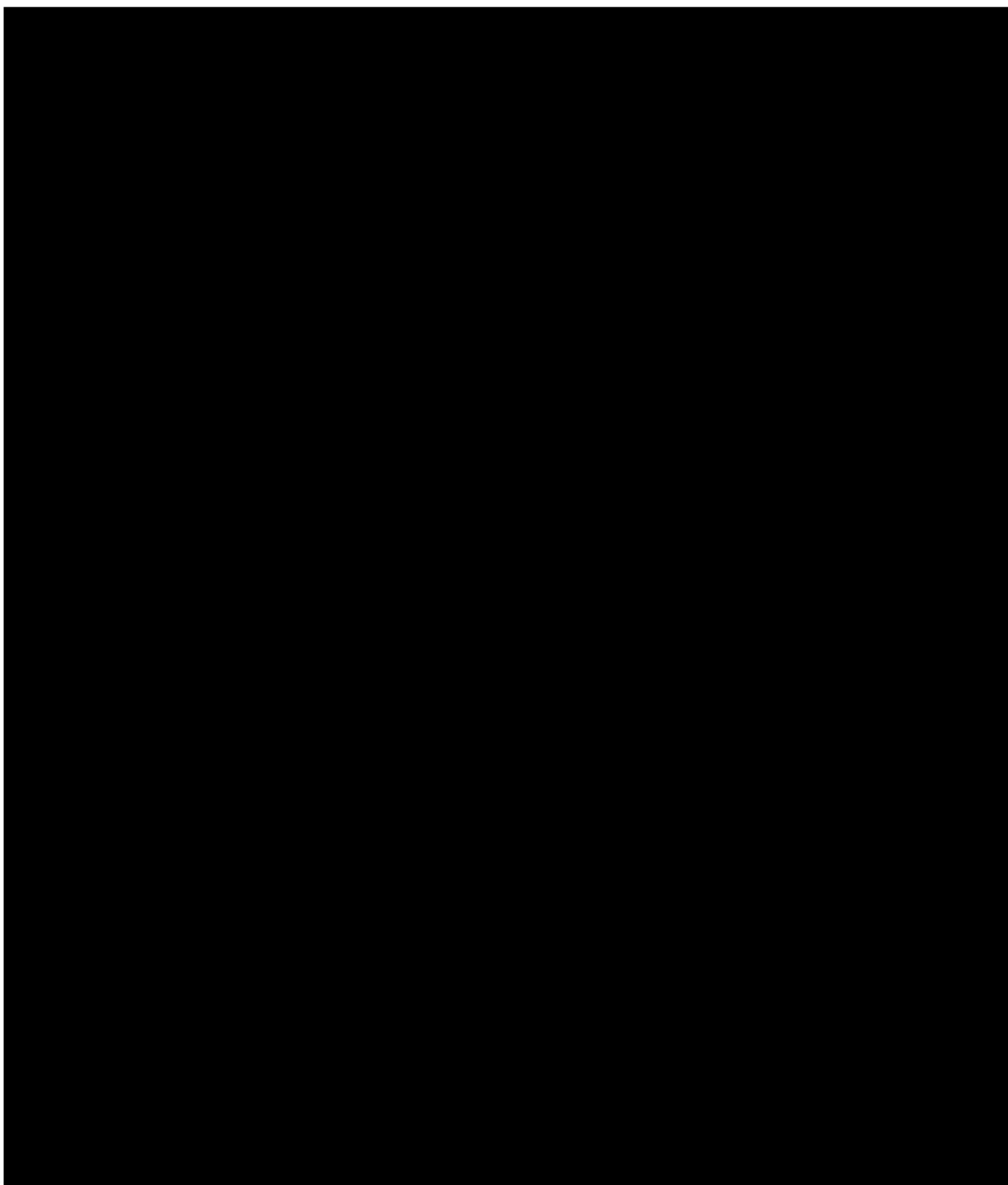
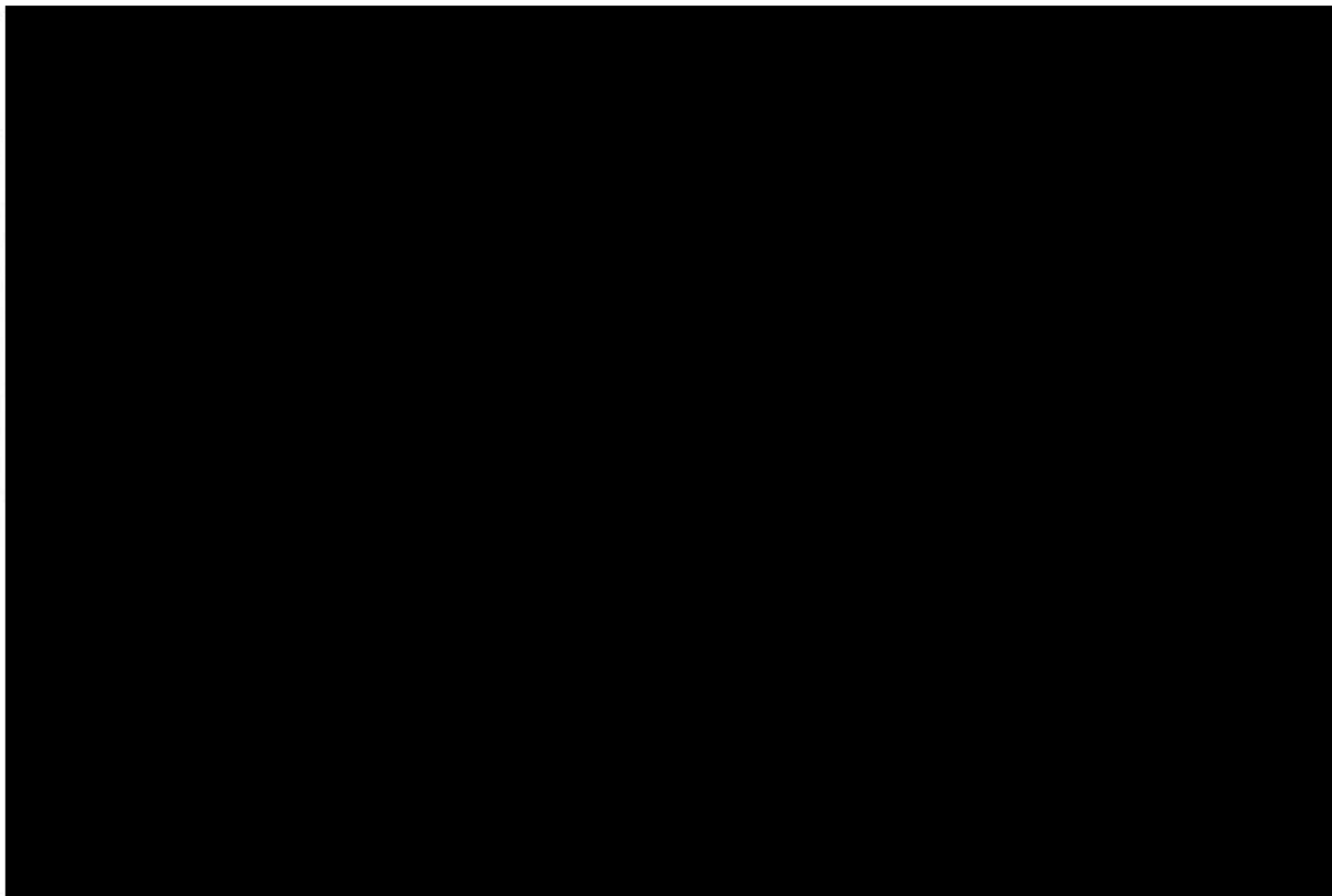


1. Progress Report against Period 8 Strategic Milestones
(as defined in the Budget Paper)



POCL Milestones

Traffic light indicator	Overall objective	Milestone
 A	Harnessing Technology	<ul style="list-style-type: none">• To continue the automation of POCL by:<ul style="list-style-type: none">• successfully completing the live trial of Horizon by the end of September 1999;• installing 4,000 post offices with Horizon by the end of March 2000;

Harnessing Technology

The traffic light for this milestone has changed to amber this month to reflect the current uncertainty around Horizon meeting the acceptance criteria. There will be a formal review around the 7th of January to assess whether acceptance criteria has been met satisfactorily.

However, POCL believe that they are still on target to achieve this milestone.