

PAF (11)1st Meeting

20th January 2010

THE POSTCODE ADDRESS FILE

ADVISORY BOARD

Minutes of the meeting held at 13.30 on Thursday, 20th January 2011

At Mail Media Centre

Stukely Street,

London, WC1V 7AB

PRESENT

Ian Beesley	Chairman
Iain McKay	DNAS
Ian Paterson	UK Mail
Tim Drye	Direct Marketing Association
Joel Curry	QAS
Terry Hiles	Capscan
David Heyes	Wigan BC
Michael MacClancy	The DX Group
Emma Gooderham	Allies Computing
Philip Groves	Postcomm

Also in attendance

Scott Childes	AMU (Items 6-8)
---------------	-----------------

Apologies

Kelly Allison	Google
Martin Taylor	Royal Mail

1. MATTERS ARISING:

The Chairman reported that the Consultation from the OFT on the proposed National Address Gazetteer Database was the only item not covered in the agenda. There had been no further developments.

2. CHAIRMAN'S UPDATE:

Several suggestions had been received regarding possible additional members of the Board given a possible upcoming vacancy. For example, one attendee at the Open Day had suggested that the Board consider inviting a representative of the Emergency Services on the Board. A brief discussion took place on possible candidates.

The Chairman also reported on the Postcomm consultation on the regulatory framework for PAF where a Postcomm decision was expected around the end of January.

Finally, the Chairman flagged up that despite the ongoing negotiations between the AMU and Government, it was as yet unclear how the AMU would ensure that other equivalent users of PAF received the same conditions. It was similarly unclear to the Board how it would be able to fulfill its remit under the PAF regulatory framework and give the proposed licence conditions due consideration before a possible launch of the National Gazetteer on 1 April 2011.

ACTIONS:

- a) - Chair to write to the new Postcomm Chair, Millie Banerjee, to express concern about what the Board saw as inadequate consultation of the Board on the proposed public sector agreement since October 2010;
 - David Heyes to research who best to contact at ACPO regarding a possible new emergency services member for the Board;
 - Board members to let Ian know of any additional suggestions for additional Board members;
- b) Chair to follow up possibility of new Board member, including advertising a position on the Board's web site;
- c) Philip Groves to send one hard copy of the Postcomm decision on the conclusions of the review of the regulatory arrangements for PAF to the Chair, as soon as published, and to arrange at the same time for electronic copies to be sent to the members of the Board.

3. Reflections on the Open Meeting

The Chairman reported on the Open Day held in December which had an attendance of 46 and it was noted that the Ordnance Survey Geospace presentation had been especially well-received.

4. Quality Improvement specifications

A report by the Quality Working Group (PAF (11) 01), putting forward four recommended technical improvements, was presented to the Board with a request to the Board for it to consider and decide which if any of the recommendations should be forwarded to Royal Mail for inclusion in the 2011/12 PAF improvement programme. The Board discussed these recommendations in turn.

First, the recommendation to include the Unique Delivery Point Reference Number (UDPRN) as an address - rather than a delivery point reference - was considered a useful suggestion to maintain data quality but its inclusion would also depend on the cost and how it could link to other datasets. This proposal should be further examined to see what value it had as a means of ensuring maintenance of data quality.

Second, on bringing the quality of business names up to the same standard as PAF and indicating whether a business was being run from a residential address, the Board considered that Royal Mail was not updating business file data to the degree needed and that it should already have this information. The question was raised as to why the information was not downloaded when mail was scanned at the Mail Centre.

Third, the working group recommended that the Multiple Residency (MR) file be fully integrated with PAF as it felt it had identified clear benefits to users from doing so. However, in discussion, the Board considered that as the multi residency file was not regulated it would not be appropriate for the profits from PAF to be reinvested in it. The Board considered that the service impact of such a change went wider than PAF.

Fourth, the working group recommended that the PAF structure and update mechanisms be redesigned to accommodate additional address components and an unchanging UUID. The Board considered that a useful step would be to ask the AMU whether it planned to modify the structure, if not whether it could facilitate this and finally what would be the cost of such changes.

ACTIONS:

- a) With regard to the first recommendation, the Board agreed to ask the AMU to explore how it would meet a UDPRN requirement, and to examine how much it would cost as well as proposals to link it with the unique reference point in the National Address Gazetteer;

- b) The Board agreed to propose the second and fourth recommendations to the AMU for further consideration;
- c) The third recommendation was rejected on the grounds that this file was outside the regulated definition of PAF and therefore not an appropriate candidate for an investment using excess profits from regulated PAF.

5. A research programme for 2011

The Board discussed PAF(11) 02, prepared by the Chairman, which provided two proposals for research into key aspects of PAF data. The first proposal was to establish a methodology to assess the value of PAF to the UK economy given likely future discussions between Government and Royal Mail over the future management of PAF. It was reported that Royal Mail had assessed the value of PAF as around £200m but the Board did not know what methodology had been used to arrive at this figure. The value of confirming a figure based on a robust methodology would be that it would help to determine the future desired level of investment in PAF.

The second proposal was to research independently how and where any delays in updating PAF arise, given evidence presented at the Open Meeting which showed that 74% of respondents to a customer satisfaction survey said they had experienced difficulties ordering goods and services since moving into their new home. In discussion it was commented that Royal Mail delivery staff were not systematically updating the Not Yet Built file and that in addition Customer Services had no access to the file. The Board considered that it needed further information on where the gaps in updating PAF occurred to evaluate what was going wrong and what steps might be needed to remedy quality deficiencies.

In discussion, it was felt that consideration of the first proposal would need to be preceded by an assessment of how Royal Mail had arrived at its own estimate. On the second proposal, the Board considered that an objective, independent piece of research was needed to establish where delays in updating PAF were occurring to help determine where management attention and/or further investment might be needed.

ACTIONS:

- a) Chair to ask Royal Mail how it had arrived at the estimated value of PAF to the UK economy of £200m;
- b) The Board agreed to endorse the research into how the delays in updating PAF arise as a piece of independent research to assess objectively where the delays to updating PAF were occurring.

6. AMU re-organisation

Scott Childes of the AMU explained the background to the reorganization of the AMU. The current AMU Head had submitted revised proposals to the Customer Services Board last Autumn (originally prepared by his predecessor). These proposals coincided with the recent major organizational review by Royal Mail including a voluntary redundancy exercise which by legal necessity also applied to the AMU. As a consequence, the AMU was migrating some activities from Portsmouth to Doxford and a service level agreement was already in place with new activities and targets.

The changes were about to go through union consultation. So far out of 35 AMU staff 7 had left, and 28 remained, 9 of who were likely to move to Doxford. The AMU now reported to Royal Mail's Customer Services Director and Royal Mail's Compliance officer had been involved in the restructuring to ensure that sufficient separation remained for the AMU under the ring-fencing arrangements established by Postcomm in 2007.

In discussion, the Board expressed concern that the new structure should adequately safeguard the ring-fencing arrangements established by Postcomm and noted that care was needed to ensure that customer service was not adversely affected by these organizational changes.

ACTION/DECISION:

Summing up for the Board, the Chairman thanked Scott for the update but expressed regret that the head of the AMU was not there in person to explain the changes to the Board.

7. PAF Development programme 2011-2012

The first area of investment, for validation enhancements (£150K), was accepted as a genuine investment in improved quality. The second area of proposed investment, to tackle pockets of poor performance in certain areas (also £150K) was not accepted on the grounds that this should be normal management activity on the part of the supplier to correct service issues in order to meet agreed quality standards and avoid the penalties payable under the service level agreement.

The third area of proposed investment was the compliance centre (£75k) and here the Board considered that the case for the centre needed further justification. Further, the proposal did not reflect well on the clarity of the PAF licenses. As the current licence only had a 26 month remaining lifespan this investment would relate more to the successor licences. The Board had made clear that it was looking for a fundamental redesign of the licensing system but the proposal could offer a substantial market benefit if it enabled transition to a regime of self-certification and audit that released third party suppliers from the obligation to ensure licence compliance .

ACTION/DECISION:

- a. - The Board endorsed the proposed investment in validation enhancements (£150K), product supply improvements (£50K), the supplier directory (£40K) and operational communications (£10K);
- b. - The Board would approve the proposed investment in the compliance centre (£75K) if the AMU is willing to transfer self-certification to the end user and to remove the obligation from solutions providers to provide an educational tool for end users.
- c. - The Board was not currently convinced by the initiative to tackle poor performance in certain operational areas (£150K) given that this was Royal Mail's responsibility to address to avoid or mitigate the impact of fines under the service level agreement, and it therefore asked for more reasoning of the rationale for this proposal.

8. Next meeting

The next meeting would be held on Thursday 17th March at 13.30 and was provisionally fixed to be held by invitation of Postcomm at its offices (Hercules House, 6 Hercules Road, London SE1 7DB) – subsequently confirmed.

[END]