

PAF (11)6th Meeting

24th November 2011

THE POSTCODE ADDRESS FILE

ADVISORY BOARD

Minutes of the meeting held at 13.00 on Thursday, 16th November 2011

At QAS

George West House, 2-3 Clapham Common North Side, SW4 0QL

PRESENT

Ian Beesley	Chairman
Joel Curry	QAS
Terry Hiles	Capscan
Michael MacClancy	The DX Group
Emma Gooderham	Allies Computing
Ian Paterson	UK Mail
Iain McKay	Improvement Services (Scotland)
Martin Taylor	Royal Mail
Tim Drye	Direct Marketing Association
Stephen Green	Ofcom observer

Also in attendance

Steve Rooney	AMU)	
Ian Evans	AMU)	items 8-10
Scott Childes	AMU)	

Apologies

Alan Halfacre	Mail Users' Association
David Heyes	Wigan BC
Razia Ahamed	Google

1. MATTERS ARISING:

- a) The CHAIRMAN reported that both the PAB's Open Data and Public Data Corporation consultation responses were now in the public domain and had been published on the PAB website.
- b) The CHAIRMAN reported that ESL had produced a first draft of the 'Value of PAF' report and that he had suggested that ESL made contact with GB for more input. The BOARD agreed a need to present the value number as a range. The CHAIRMAN confirmed that ESL had agreed to present the report at the open meeting.

ACTION: The CHAIRMAN would convene the working group that had run the selection process (augmented by Tim Drye as a technical expert) to review the report before it was made public and to rehearse the speaker from ESL/Oxford Economics who would to present the report.

- c) The BOARD discussed the Royal Mail (RM) response on mail matching to PAF and the RM use of the Delivery Point Suffix. (Ofcom had asked to be kept in the picture.) The response made clear that RM do not use an algorithm for the matching, relying on a visual 100% match to PAF based on sampling mail batches. The Board was concerned that the approach could be misleading where addresses contained additional information not required for mail delivery.

ACTION: Martin Taylor would arrange for Chris Delger, Head of Mailsort Royal Mail Letters, to meet with a sub group of the PAB to take matters forward on the basis of a list of key points to be sent to RM before the meeting.

2. THE CHAIRMAN'S UPDATE:

The CHAIRMAN reported that he had received and accepted an invitation to meet Shareholder Executive members for Royal Mail and for Ordnance Survey at BIS to update officials on PAB priorities.

The CHAIRMAN described two complaints from the public he had received, which he had investigated. One was a change of address/postcode due to a boundary change, the notification of which had slipped between AMU and the local authority concerned. Both thought the other had notified the customer. The other concerned a customer whose believed that his village name was erroneously recorded on PAF and had been told by AMU (Doxford) that he needed to go through the address change consultation process to put matters right. These complaints had raised a query in the CHAIRMAN'S mind whether the code of practice needed revisiting. Fuller explanations of the two cases were currently awaited from the AMU.

The CHAIRMAN described the process for refreshing Board membership; he reported that he would be meeting a representative from the Metropolitan Police to see if they could represent all the emergency services; in addition, an advertisement had been placed on the PAB website inviting nominations.

The CHAIRMAN had been advised that AMU, OS and BIS were looking into options for speedier updating of the PAF file. It would be useful for PAB to have the results

of the investigation in to the indications from credit card information whether PAF was slower in recording postcode changes.

ACTION: Joel Curry would report back on the credit file project in January

3. MARKET UPDATE

Terry Hiles announced that Capscan had been taken over by GB, consolidating their joint position as the number two in the SP market. He reported that Capscan had observed some deferment of projects due to the current economic climate; however, business was still coming through, including overseas opportunities and there looked to be a growing market for ID products. QAS and Allies reported similar deferment rather than cancellation of projects. In particular, after a hiatus anticipating the Public Sector Licence, the public sector was starting to purchase PAF again.

4. A CHARTER FOR 2012-2013

Joel Curry reported back on the revised document (circulated as PAF(11)18 Revised), which reflected the Board's previous views. The BOARD recorded its appreciation of Joel work and agreed to adopt the revised text.

ACTION: The CHAIRMAN to forward the proposals to OFCOM and the AMU.

5. THE OPEN MEETING JANUARY 2012

The date for the Open meeting had been confirmed for 17th January at Ofcom offices, from 10:00 till 12:30. The Board approved the draft agenda circulated as PAF(11)26 and expressed hope that a means could be found to allow more audience participation than had occurred in past years.

ACTION: The CHAIRMAN to post the draft agenda and a synopsis of the Board's plans on the PAB web site inviting comments and questions in advance of the meeting.

6. OFCOM APPROACH TO REGULATION

The CHAIRMAN confirmed that Stephen Green would be the Ofcom observer at the Board. Steve reported that the focus of Ofcom's PAF regulation would be sustaining the Universal Service Provision (UPS) and ensuring that PAF contributed to the promotion of effective competition in the postal market. He confirmed that pending further review of PAF regulation Ofcom will have regard to Postcomm's decisions and rely on them as appropriate. Ofcom was due to meet Royal Mail to discuss the most recent RM P&L accounts including the ring fenced P&L for PAF.

The BOARD emphasized that whilst it appreciated that the sustainability of the UPS would be a focus for Ofcom it was important that any review of PAF conditions gave appropriate weight to the non-postal uses. Stephen Green agreed to alert the Board to any arising issues and that the Board had his full support for advice and guidance.

ACTION: Royal Mail to present their P&L to PAB in January.

ACTION: Ofcom to provide an update in January on their meeting with Royal Mail.

7. CREATING INCENTIVES TO LOWER PAF COSTS

The BOARD noted that the Postcomm Consultation of 2010 had highlighted a need to create an incentive for the AMU to lower PAF costs. It discussed briefly the attractiveness of PAF regulation by price on an RPI-x basis but also registered concern

that recent Ofcom decisions on postage rates gave cause for concern that such a switch could lead to RM seeking to capture a larger share of users' value added than now.

ACTION: The CHAIRMAN to discuss with RM Shareholder Executive representatives from BIS.

8. INVESTMENT PROGRAMME

Following on from the Chairman's letter to AMU dated 23rd September, 13 possible investment activities were discussed on the basis of PAF(11)27. Royal Mail were in talks with OS and BIS over possible investment using Geospace links to local authorities to improve the timeliness of updates to PAF. In discussion a number of clarifications were given and the grading of some investment proposals revised as a consequence. It was agreed that a project plan was required for each of the projects indicated as green for 'go ahead' in PAF(11)27 as amended in discussion. For amber coded projects further work to specify the objectives and possible approaches would be set in hand.

ACTION: The CHAIRMAN to circulate PAF(11)27 revised to take account of the discussion.

ACTION: AMU to set in hand production of project plans for projects coded green.

ACTION: AMU to provide confirmation of the cutoff date for the Budget 2012/13 investment plan

9. AMU UPDATE

a. Navigation licence

Royal Mail confirmed the Navigation licence would be in use by 20 November.

b. Public sector licence

AMU confirmed that negotiations on the proposed licence had not moved on; the OS and RM Stakeholder Executives had queried the delay with BIS colleagues who were now responsible for the project and were pushing for implementation from April 2012. The outstanding issues concerned who would be responsible for licence administration and how to allocate costs to Departments.

ACTION: AMU to provide regular updates to PAB and to press Graham Reed from BIS for action to enable deployment., including the need to give SPs adequate warning of the vesting date.

c. Bureau licence

The Board discussed the requirement for a timeline for bringing in currently unlicensed bureaux. An incentive would be to allow license holders to advertise themselves as authorized by RM. Subject to a satisfactory legal formulation, a penalty would be to remove any organisation offering bureau services which remained unlicensed from the AMU suppliers list AMU were currently building a list of those advertising bureau services to investigate non-licence holders.

ACTION: AMU to update the BOARD in the New Year.

d. Plans for a licence review in 2013

AMU confirmed they had started conversations with the top 10 suppliers, and that the discussions would be extended to more suppliers in time. By April/May AMU would produce a list of ways forward for the BOARD to discuss

ACTION: AMU to propose a strategy for licence development for discussion at the PAB meeting in May.

e. BFPO

AMU confirmed a meeting with BFPO had been arranged for the week commencing 20 November with a soft launch planned for January and a full launch by the end of March.

ACTION: Royal Mail would update the BOARD in January

Compliance Centre

ACTION: Royal Mail to report back on the DQM audits by the end of March.

FUTURE MEETINGS

17th January 2012 – Open Meeting, Ofcom offices

19th January 2012 – Mail Media Centre, Stukeley Street, London

[END]