

THE POSTCODE ADDRESS FILE ADVISORY BOARD (PAB)

Minutes of meeting held at 13:00 on 22nd September 2016

At the offices of Experian, George West House,

2-3 Clapham Common North Side, London SW4 0QL

PRESENT

Ian Beesley	Chairman
Iain McKay	Improvement Service, rep for Scottish public sector use of PAF
Melanie Allsop	Mail Users' Association
Carolyn Valder	CACI
Alun Evans	Racer Ltd
Dan Cooper	Allies Computing Ltd
Paul Roberts	Secretary to the Board

Also in attendance

Paul Malyon	Experian Data Quality
Scott Childes	AMU (items 6 – 13)
Ian Evans	AMU (items 6 – 13)

Apologies

Jason Goodwin	Experian Data Quality
David Heyes	Wigan BC, Local Government representative
James Mitchell	Royal Mail Group
Tim Drye	Direct Marketing Association
Ian Paterson	Mail Competition Forum

Introduction

The Chairman welcomed attendees to the 4th PAB meeting for 2016, and introduced new Board member Dan Cooper from Allies Computing Ltd, representing medium size PAF solution providers.

The Chairman outlined that 2017 would be the 10th anniversary of the PAF advisory Board and welcomed the opportunity to continue the good work that Board had undertaken to date.

1. Matters Arising

PAB(16)3rd meeting minutes

Outstanding PAB Actions

Board membership. A replacement Board member to cover the mapping market sector had not yet been completed.

ACTION: The Board invited Royal Mail to help identify a potential replacement for Razia Ahamed from the address mapping area of the addressing marketplace.

Government/ AMU dialogue re. PAF use: The Chairman reported that the Government GDS office was in transition and only limited progress had been made.

ACTION: The Chairman to continue to engage with all parties on an ongoing basis and report progress at the next PAB meeting.

Government Dataset Discussions: Experian updated the Board on progress. The Board noted that there appeared to be a current gap regarding data users advising Government on what data and datasets could be made 'open' as part of the Government Data Strategy. It was noted that the Office for National Statistics (ONS) may be advising on options.

ACTION: The Chairman to engage with Experian and the ONS and invite representatives to the next available PAB meeting to update on engagement & progress.

2. Chairman's update

EU Data Protection Regulations

The Board noted that the EU data protection regulations would come into effect from 25th May 2018. The Board gave a view as follows:

- The emerging regulations were rigorous and would require significant adjustments in data protection processes but were also ambiguous in some respects (notably where national authorities could supplement the requirements).
- A particularly onerous standard was a requirement to renew consent from individuals at frequent intervals and limitations on the use of algorithms.
- There could be a potential impact on PAF Service Providers (SPs) use of an individual or business' data.
- Brexit appeared unlikely to change the requirement for UK companies to comply with the new regulations.

The Board noted that there was some important material outlining the implications of the EU regulations already in circulation, which could be posted on the PAB website to assist with understanding.

ACTION: The Board invited Experian to share one or two website links with the Board regarding regulation information.

ACTION: The Secretary to place the website links on the PAB website for information.

3. Market Research Opportunities

This item was deferred until the next PAB meeting due to Tim Drye's absence.

4. RM Data Services Marketing

The Chairman advised the Board that Royal Mail Data Services (RMDS) had produced a 'Movers guide for marketers' as part of its marketing portfolio.

The Secretary had circulated a copy of the guide to PAB members. A copy of the guide is embedded:



PAF(16)12 -
royal-mail-guide-ma

ACTION: The Board was invited to pass comments to the Secretary by 10th October.

5. Outstanding AMU Actions

PAF(16) 3rd meeting minutes

Battersea Postcode Recoding: The AMU updated the Board on progress. All new post-codes were expected to be operational by the end of October 2016, with PAF updated in tandem with the change.

AMU blog plan: The AMU had produced a blog plan for the second half of 2016, which had been circulated to Board members a few weeks prior to the PAB meeting.

6. PAF financial performance 2015/16

The AMU updated the Board on the PAF full year financial performance for 2015/16.

The headline numbers, as reported in the RM Group regulated accounts, were as follows:

- Income £31m
- Costs £28m
- Profit £3m

The AMU reported the following for 2015/16 vs. 2014/15:

- Costs charged by RM Operations reduced, through process efficiencies and hours saved
- Costs charged by RM Customer Service (Doxford) reduced, through process efficiencies
- Direct AMU costs reduced, through staff savings
- Costs charged by RM Legal Services reduced, because of reduced licensing activity
- Costs charged by RM IT increased, due to finance system migration
- Overhead costs (apportioned from overall RM Group costs) increased, due to factors such as increased pension costs.
- Transformation costs (apportioned from overall RM Group costs) increased, due to an increase in RM-wide programme activity.

ACTION: The Board noted that OFCOM had approved the costs apportionment regime and invited the Chairman to confirm this arrangement with OFCOM.

For 2016/17, the AMU reported the opportunity to further reduce net costs under their direct control in areas such as RM Operational and Customer Service costs and had also factored cost reduction opportunities into early thinking on budgets for 2017/18.

ACTION: The Board invited the AMU to report on budget setting progress for 2017/18 at the January 2017 PAB meeting.

7. Licensing Update

General Licensing Trends

The AMU updated the Board on changing PAF licensing behaviour between 2014/15 and 2015/16:

The share of organisations licensing as Users was down 8 percentage points to 49%, with Transactions licensing up from 40 to 49% of total PAF licensees. The AMU indicated it would be likely that there would continue to be a shift from user to transactional use.

The AMU also reported a continuing shift from licensing part PAF data to using full PAF data, and a continuing shift to use of the full UK-wide data rather than just individual Postcode Areas.

ACTION: The Chairman to liaise with the AMU to discuss the opportunity of running a working group to review licensing (including PSL) pricing going forward, with the aim of during October/ November 2016. An update to be provided to the next PAB meeting.

Public Sector Licence (PSL) Update

The AMU reported a continuing steady growth in PSL membership. This was viewed as organic growth driven by the market as opposed to marketing-driven impact.

The Board noted that of circa 4500 registered members 20% use PAF on a regular basis.

The AMU reported variable percentage take-up and usage across different communities within the Public Sector.

ACTION: The Board invited the AMU to produce a table to demonstrate membership as a percentage of the various communities and update at the next PAB meeting.

ACTION: The Chairman to liaise with the AMU to discuss the opportunity for increasing the scope of the PSL (to potentially include datasets such as Multiple Residence and Not Yet Built) to drive efficiency opportunities.

Public Sector Licence Review Update

The AMU advised the Board that the Government had now agreed to further discussions to extend the PSL into 2017/18

ACTION: The Board invited the AMU to report on progress of the discussions at the next PAB meeting.

8. PAF Quality Update

Quarterly quality checks

The AMU updated the Board on quarter 3 PAF quality checks, undertaken in partnership with DQM.

The audit covered urban, suburban and rural postcode areas.

Results showed a continuing upward trend in accuracy of both address assessment and accuracy on PAF.

Quarter 4 audit results were expected to be available in time for the next PAB meeting.

ACTION: The Secretary to invite DQM to the next available PAB meeting to discuss the process of auditing and the challenges faced/ solutions.

9. Business Address Check – update/ future developments AMU

The AMU reported on the latest business address checks.

A mailing had been issued to all business addresses (1.6m addresses held on PAF), asking if their address was correct.

Overall, circa 18% of businesses had responded to the mailing to date, with approximately 50% of the responses indicating an incorrect element of the address. Overall, just under 9% of business addresses had been updated on PAF.

For future mailings, the AMU had reviewed the opportunity to amend the content of the mailing to enable capture of more effective data, and also discussed the opportunity for RM Operations to capture extra business details as part of PAF validation. The benefit vs. cost case had not yet been completed and the review was ongoing.

ACTION: The Board invited the AMU to discuss the options for an incremental added value PAF product with SPs, to give further input on options for capturing business address details.

ACTION: The Board invited the AMU to update on future mailings (mailing content and results) at the next available PAB meeting.

10. AMU Videos (MR & NYB)

AMU

The AMU showed two videos to the Board, on Multiple Residence and Not Yet Built products.

The AMU reported positive feedback from SPs on the videos, enabling increased understanding of the value of the products when used in conjunction with PAF.

The Board recorded positive feedback.

The videos can be accessed at www.poweredbypaf.com

11. Taking the Pulse of PAF

AMU

The Board took note of the latest issues of the Pulse.

12. BSI standard for addressing

Iain McKay reported that the British Standards were currently being reviewed. One of the standards (part 5) related to the quality of addressing.

ACTION: The Board invited Iain McKay to send the consultation on standards to the AMU for onward response and input.

ACTION: The Board invited the AMU to update the Board once more information was known.

13. Future Meetings

The timing for PAB meetings for 2017 was discussed. Hitherto, the meetings had been held on the 3rd Thursday of alternate months of the year but the date pattern had started to conflict with other key forums (Mail Users Association etc.).

ACTION: The Secretary to write out to PAB members with alternatives for 2017. Dates to be selected based on the majority view and confirmed at the next PAB meeting.

14. Next Meeting

10:00 to 13:00 on 24th November at the Direct Marketing Association, 12 Margaret Street, London, W1W 8JQ