

THE POSTCODE ADDRESS FILE ADVISORY BOARD (PAB)

Minutes of meeting held at 13:00 on 21st October 2021

At: The Boardroom, The National Army Museum,
Royal Hospital Rd, Chelsea, London, SW3 4HT

And by video conference

Present

Ian Beesley	Chairman
Paul Cresswell	Experian Data Services
Judith Donovan	Strategic Mailing Partnership
Paul Brough	Mail Users' Association
Paul Roberts	Secretary

In attendance

Ian Evans	AMU
Tom Foyle	AMU

Attended by Video Conference

Iain McKay	Improvement Service, Scotland
Ian Paterson	Mail Competition Forum
Charles Neilson	Mail Competition Forum
Steve Goodsell	Royal Mail Group
Tim Drye	Direct Marketing Association
Neil Haydock	Metapack
Dan Cooper	Allies Computing
Rob Parker	CACI

Apologies

David Green	GB Group
Nick Chapallaz	GeoPlace

1 Chairman's Update

- PostTag. The Chairman had researched PostTag and found they appeared to be a Solutions Provider (SP). Neil Haydock confirmed they were a user of PAF and thought that they may be happy to come to a future PAB meeting to discuss their assessment of PAF.

ACTION: The Chairman to invite PostTag to a future PAB meeting.

- PAB website issues. The Chairman reported that the 'contact us' mechanism on the PAB website had been faulty but was now fixed. Following the fix, many spam messages were now being received. There may be an opportunity to place spam filters on the PAB website.

ACTION: The Secretary to investigate the possibility of applying spam filters

2 RM PDA Developments

Steve Goodsell and the AMU gave a presentation outlining the ongoing rollout of new PDA equipment across Royal Mail (RM). Over 70k devices had been deployed to approximately 1700 Delivery Offices, plus sorting centres, over the last 6 months, to be used on a shared basis by employees to aid efficiency and effectiveness.

The technology offered a significant upgrade to previous PDA equipment used in RM, including the potential opportunity to provide greater PAF validation through activities such as targeted PAF improvements (including business names) and increased operating efficiency through activities such as push notifications to delivery and collection staff whilst out on rounds.

Board members questioned whether the PDAs currently have access to Not Yet Built (NYB) information. Steve Goodsell advised that it was not in the first phase of the technology specification, that it was possible, but that RM would need the requirements developing as a first step and development/deployment was always subject to funding and a timeline based on the wider business priorities. Ian Evans confirmed that access to addresses from NYB would be included in the AMUs set of development requirements for the devices.

3 PAF Alias File

The AMU gave a presentation on the PAF Alias file (available at Annex A). The file contains approximately 3 million records across 4 datasets – county names, localities, thoroughfares, and individual delivery points.

The cost of taking the Alias file ranges from £68-£269 per annum depending on the frequency of update the customer subscribes to. At present, 38% of SPs and 17% of direct end users (DEU) use alias data.

The AMU explained that RM collects this information to help narrow down a delivery point, in instances where the official postal address has not been used.

PAF Customers often use Alias data to help identify the correct postal address when their customers have provided free-form or alternative address details.

The Board questioned why the file was kept as a separate database and not offered as extra fields in the regular PAF. The AMU advised that the data was not regulated and keeping the file as a separate dataset also helped keep PAF as a pure delivery point database.

The Board took note.

4 AMU Financial Report 2020/21 & Licensing Trends Update

The AMU presented the 2020/21 AMU financial report (summary at Annex B). Profit levels remained stable at 6.2%.

Revenue had increased £0.5m and standard costs had remained flat. The AMU's contribution to Royal Mail costs of transformation had been assessed at £1.7m

Licence Revenues have continued to move from annual User based licensing to a transactional basis, as in previous years. This reflects an increase in use of PAF across the marketplace in Transactional licensing which offers a cost effective and flexible offering for end users.

The AMU reported a growth in the number of organisations licensing PAF + other AMU datasets.

The Board noted that profitability remained within the range judged reasonable by OFCOM and that PAF End-Users had seen lower percentage price increases than in many other areas of RM,

ACTION: The Board invited the AMU to separate the effects of volume and price changes behind the revenues .

The AMU spend on postage had reduced significantly in 2020/21, reflecting the fact that business mailings (to assure business addresses) had not been undertaken in 2020/21.

Over the course of the last 6 years, costs had increased slightly slower than revenue growth, but profit levels remained fairly static over the period.

5 Business Names

The AMU reported that they had made slow progress, but were undertaking two main strands of activity to try and improve business name accuracy in PAF:

- Reviewing Companies House data: The AMU had currently sampled 100k records against the details held by Companies House but had so far found a high proportion to be businesses at residential addresses.

- Business mailings: The AMU confirmed that business mailings had been suspended in 2020/21 due to COVID, but were due to be restarted in the coming months. To improve their efficiency, AMU were planning to use a 3rd party mail-capture company and a filter to eliminate cases of no change.

The PAB expressed dissatisfaction with the lack of progress on business name improvements (including the lack of scoping a potential separate business address file) and requested the AMU improve their efforts in the coming months.

ACTION: (1) The Board invited the AMU to provide a further update on activity at the next PAB meeting.

ACTION: (2) The Chairman and AMU to discuss the case for re-establishing the working group on business name improvement

6 Data Quality

The AMU confirmed that the data quality audits for Q22 and Q23 would be sent to PAB members following the PAB meeting.

Board members asked what happened when the survey organisation could not match an address to PAF. The AMU explained that those addresses were sent to the AMU for a manual match to be undertaken.

Board members queried if data quality scores were actually improving, as the graphical illustrations did not seem to indicate overall improvement.

ACTION: The Board invited the AMU and Tim Drye to discuss and confirm how best to analyse and present the numbers and trends on data quality.

7 Other AMU Updates

- AMU Structure: The Board asked if the AMU could provide a role-based structure, to better understand the remit of the revised operating structure. The AMU advised that most roles within the AMU contained a significant degree of cross-functional working, to ensure that increasing demands could be met, and confirmed that they would send the revised operating structure of the AMU to PAB members following the PAB meeting.
- Addresses Being Taken off PAF: Steve Goodsell advised that the next review of the design of the paper label used to identify redundant addresses may include detail to assist with PAF updating.

ACTION: The Board invited Steve Goodsell to include the PAB members and the AMU in any changes to labelling, to ensure PAF requirements were considered.

- Analysis of reasons for termination of licences: The AMU confirmed they were reintroducing coding to capture reasons for termination of licenses

- **AMU & RM Ops SLA:** The AMU confirmed that the next set of meeting with RM Operations to agree the 2022/23 SLA would be held in November or December 2021.

ACTION: The Board invited the AMU to advise when the dates of meetings were known, so that the Board could ensure that outputs from the SLA working Group were being factored into the new SLA

8 Inter-PAB Report from the AMU

The Board commented that the second inter-PAB report was an improvement from the first report and requested that the format be continued and improved for future reports.

The report had highlighted an interesting case of a Health Authority, where use of the postcode area as a first line filter tool for location had led to people being incorrectly signposted to alternative Authorities. The AMU explained that they were seeking to increase education and awareness of postcodes, to help people/ businesses and other agencies use postcode information in ways that support their businesses but also realise the pitfalls of using it as a simple shorthand for all types of geography.

The Board felt that whilst postcodes were primarily for efficient mail handling, their widespread use for other purposes placed an obligation on RM to engage constructively with administrative authorities on a case-by-case basis to optimise those wider uses.

9 PAB Calendar and Venues 2022

The Secretary confirmed the PAB dates for 2022 to be 20th January, 21st April, 21st July and 20th October. Venues were to be confirmed closer to the dates.

10 Strategic Mailing Partnership (SMP) Awards

Judith Donovan reported that one of the winners at the recent SMP awards featured use of the Not Yet Built file and that this was a good recognition of the quality of data contained in the file.

11 Geospatial Commission

ACTION: The Board invited the AMU to give an update on its contacts with the Geospatial Commission at the next PAB meeting.

12 Next Meeting

20th January 2022, time and location to be confirmed.

Subject to COVID rules at the time, the January 2022 meeting would be an in-person meeting

Annex A – PAF Alias File



What is it?

How does it help?

How is it maintained?

What does it cost and who takes it?

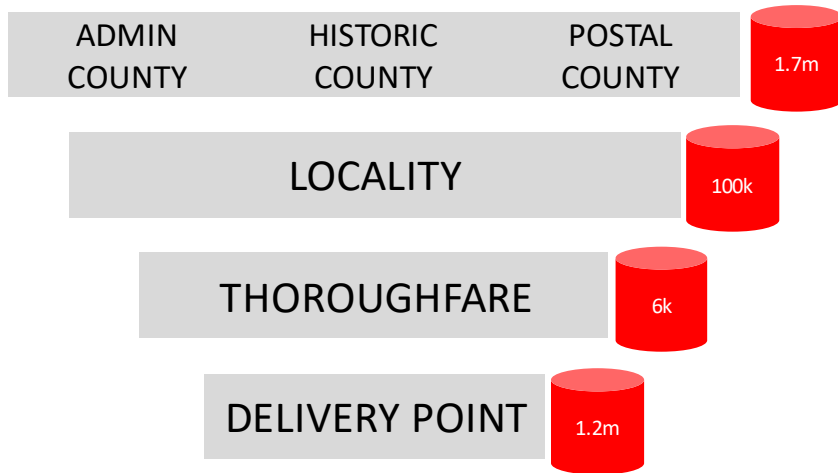


What is Alias?

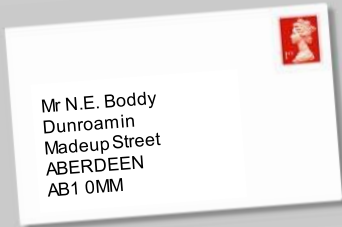
A dataset with over
3 million
records of alternative
names associated
with addresses



What is Alias?



How does it help?



Without Alias One of 15 potential addresses

With Alias
Dunroamin
14, Madeup Street
ABERDEEN
AB1 0MM

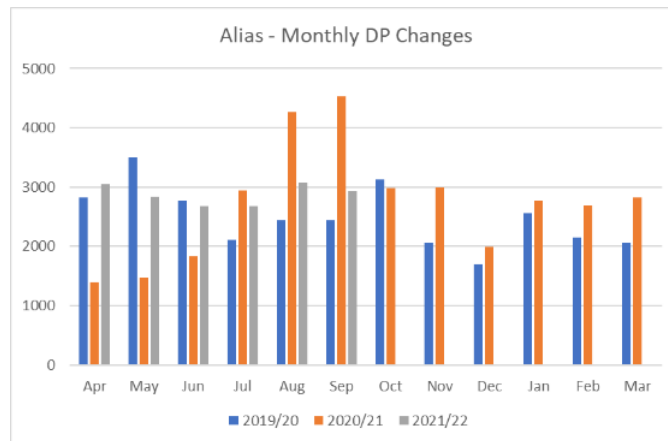


Without Alias One of 5 potential addresses

With Alias
3 Unreal Avenue
NEWPORT
SA42 0MM



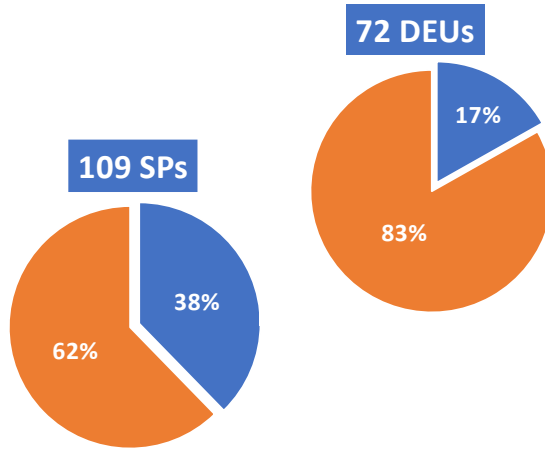
How is it maintained?



What does it cost and who takes it?



Supply: £68-£269 per annum
Licence: FREE (included with PAF)



2020 PAF® WWW.POWEREDBYPAF.COM

Classified: RMG – Public

For more Info...

poweredbypaf.com/product/alias



2020 PAF® WWW.POWEREDBYPAF.COM

Classified: RMG – Public

Annex B – AMU P&L 2020/21



Published P&L – FY20/21

Regulatory income statement for selected products

	52 weeks ended 28 March 2021		52 weeks ended 29 March 2020	
	Network Access £m	PAF £m	Network Access £m	PAF £m
Revenue	1,321	32	1,551	32
Operating costs	(1,444)	(29)	(1,592)	(29)
People costs	(1,118)	(23)	(1,265)	(22)
Depreciation and amortisation	(64)	(1)	(69)	(1)
Other operating costs	(262)	(5)	(258)	(6)
Operating (loss)/profit before transformation costs	(123)	3	(41)	3
Transformation costs	(32)	(2)	(24)	(1)
Financeability EBIT	(157)	1	(65)	2
Financeability EBIT as % of total revenues	(11.9)%	6.2%	(4.2)%	6.2%
Volumes (million items)	5,013	-	6,362	-



£m	20/21	19/20
Revenue	32,405	31,867
Op. Costs	(28,678)	(28,691)
Op. Profit before	3,727	3,176
Transformation	(1,719)	(1,192)
Op. Profit after	2,008	1,984
Op. Margin after	6.2%	6.2%

