

RM Pinpoint
Is it really such a good idea?

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SLA Event

Royal Mail set to shake up the Locational Data market

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Royal Mail Pinpoint
A welcome addition to the National
Spatial Data Infrastructure?

Or

The declaration of Address War 3

?

Where I'm going.....

Credentials

Some history

The technical case

The commercial case

The public interest

Conclusions

Credentials

Credentials

- Started address related research circa 1986
- Appointed to first GIS Lectureship in UK and directed URPE RRL Manchester
- Familiar with the original Pinpoint project
- First academic user of PAF on CD
- Instigator of NORA (National On-line Register of Adresses)
- which became AddressPoint
- Director of JUG-T
 - Sponsored by Royal Mail, ONS, Ordnance Survey, ODPM, VOA , MCC and private sponsors

Credentials

- AGI founder member, Council for 13 yrs and Chairman 2000
- Director of 2001 Census checking project
 - Sponsored by 15 LAs and ONS
- Director of MGL input into 2011 Census NAR
- LA Councillor and Executive Board member with responsibility for Planning Regeneration and Housing
- Currently on APPSI and ODUG
- Consistent campaigner for an open address data policy for the UK

Some history

Timeline

- 1960s – 1970s
 - Postcode project started
- Circa 1975
 - An address file required to inform every household in the UK of their Postcode
- Circa 1980
 - PAF made available in machine readable form to major mailers and newly established address management companies. Charged on a cost recovery basis.

Timeline

- Circa 1985
 - PAF made available on CD
- Circa 1988
 - Gurmukh Singh starts Pinpoint project digitising assumed letterbox locations using YOP trainees in Runcorn
- Circa 1993
 - Ordnance Survey launch AddressPoint

Timeline

- Circa 1993
 - OS price AddressPoint at approximately 100 x PAF price
 - Pinpoint project abandoned
- Circa 2000
 - Local government, frustrated with RM and OS management of address data and geocodes launch the NLIS initiative to be underpinned by the NLPG a conflation of LLPGs
 - Intelligent Addressing appointed as the sole commercial partners to LGIH
 - Intelligent Addressing claim “it’s a tough nut but we’ve cracked it” and predict demise of PAF and AddressPoint within 18 months

Timeline

- 2006
 - ONS find that NLPG, PAF and AddressPoint are “not fit for purpose” to conduct the 2011 Census. Launch their own National Address Register project.
- 2009
 - “Data Sharing Agreement” signed between ONS RM OS and LGIH to create a national Address Register. Principal purpose apparently to restrict data sharing and ensure destruction of NAR after the census

Timeline

- 2010
 - GeoPlace LLP formed to merge Local Government and OS interests in addressing.
 - GeoPlace continues OS pricing and licensing model
- 2012
 - GeoPlace launch “Data Cooperation Agreement” which will prevent LAs from passing address related data to third parties

Address War 1

Ordnance Survey versus Automobile Association

- OS gained confidence by eliminating Pinpoint and establishing a monopoly on geocoded addressing
- By pricing AddressPoint at about 100 x the cost of PAF demand was stifled and returns were low
- OS then turned on the AA for breach of copyright in road locations
- This led to the largest out of court damages settlement for copyright infringement in British legal history with a payment of £20m by AA's new owners, Centrica to OS

Address War 2

Local Government versus OS and Royal Mail

- Frustrated by having to pay large amounts to buy back their own street naming and numbering information from OS and RM. LAs through I&DeA established the LGIH
- A private sector partner, Intelligent Addressing was appointed to manage the coordination of LLPGs into an NLPG
- IA bragged "It's a tough nut but we've cracked it" and thought they would supplant OS and RM in the address database business within 18 months
- To achieve this they tried to persuade LAs to withhold information from RM and OS
- This development led to the departure of OS's DG at the time
- Following two failed peace making initiatives, Acacia and NSAI an armistice was eventually arranged by forming GeoPlace LLP

Address War 3

GeoPlace aggressively enters the market to produce the *single definitive* NAG

- The partnership of LAs and OS, under OS control, persuades the government that they should hold the monopoly for the *definitive* address data
- LAs are again, dragooned into a data collaboration agreement which would prevent them from passing address information to third parties including RM
- GeoPlace adopt a not invented here approach to the technology behind the ONS NAR, which ONS are forced to abandon after it has been used for the 2011 Census to comply with their Orwellian “data sharing” agreement
- RM retaliate by secretly plotting to produce Pinpoint in apparent breach of their Gridlink agreement with OS and ONS

Gridlink®

Gridlink® is the brand name for the joint approach to creating postcode location products. These products relate unit postcodes to geographic areas such as electoral wards and Primary Care Trusts, and also provide postcode grid references.

The Gridlink® consortium comprises the Office for National Statistics (ONS), Ordnance Survey, Royal Mail, the General Register Office for Scotland and the Ordnance Survey of Northern Ireland.

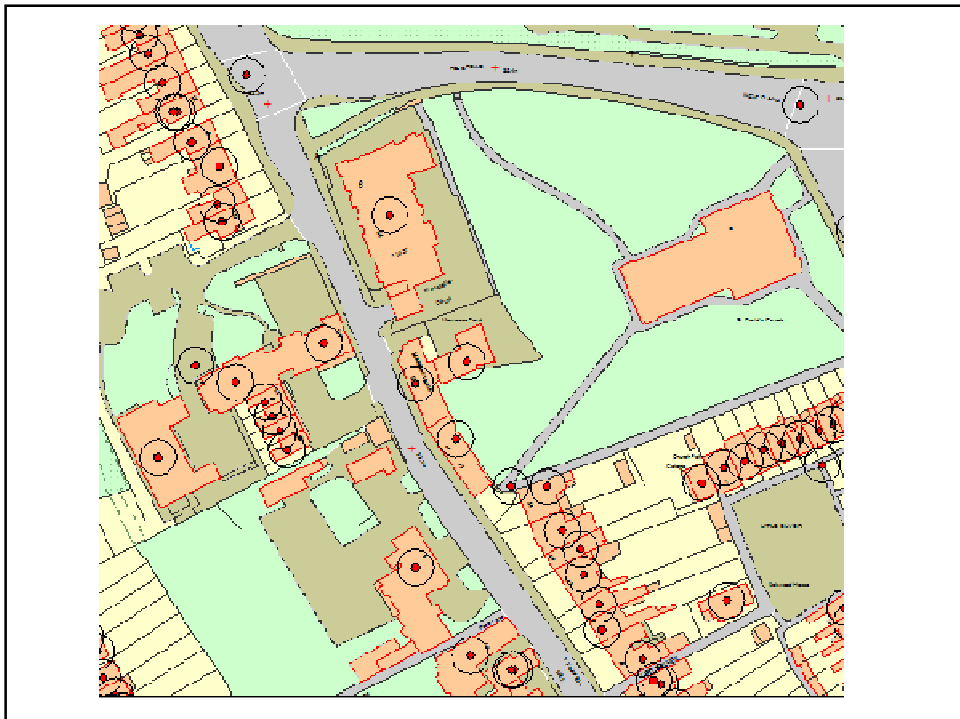
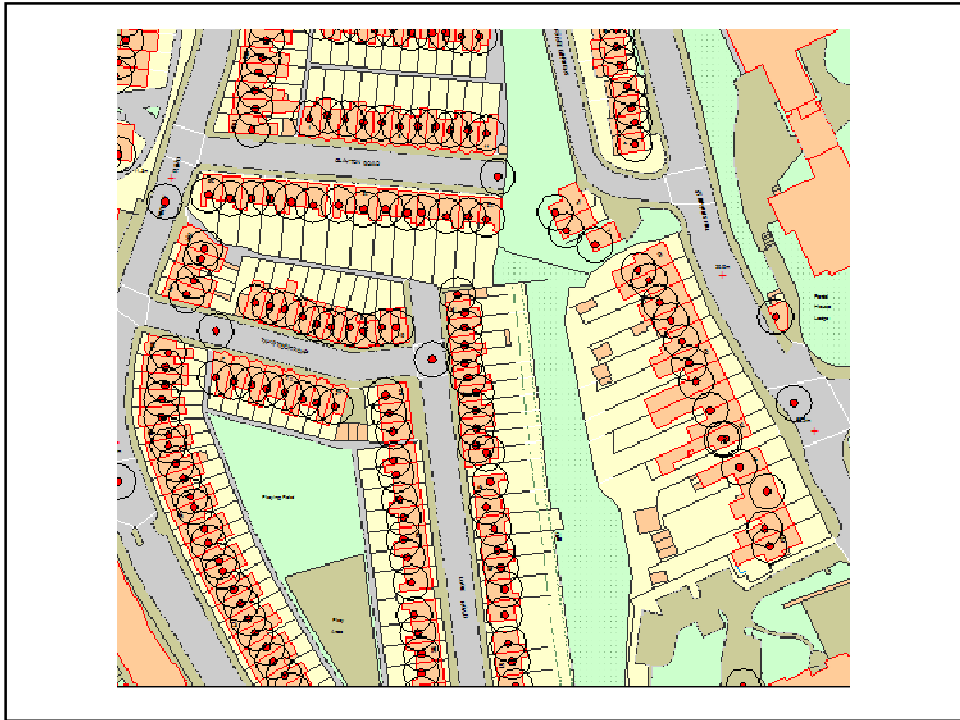
In the past, competition between different organisations had led to duplication of effort on postcode products and also to variation in method and inconsistency of the actual outputs. Gridlink® now ensures a standard and consistent approach to postcode referencing products in the UK. It is a good example of an initiative to join up geography.

The technical case

The technical case

We are being told by Royal Mail that a coordinate at the letterbox or delivery point (the original Pinpoint aimed to capture letterbox locations) is entirely different from a building seed of the delivery point. The current AddressPoint used by Ordnance Survey and addresses a separate market.

Is that credible?



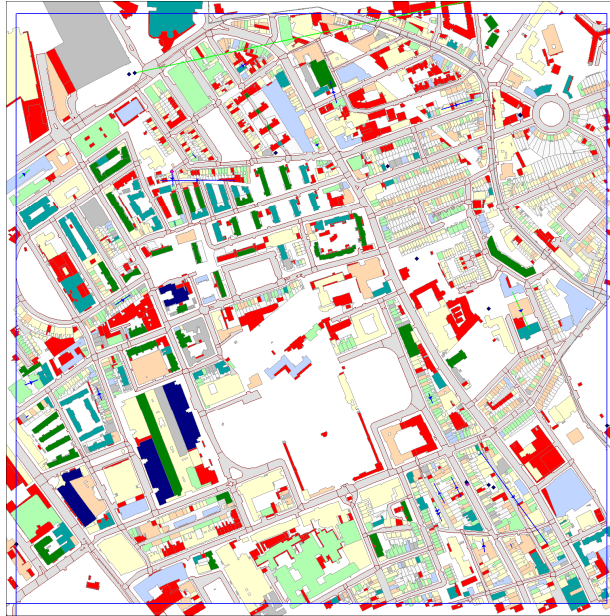
The technical case

National Objectives

- *To capture all address points and access points circa 28.2m*
- *To achieve data accuracy of c95% accurate to within <5m*
- *To achieve 60% positive experience from the volunteers involved in PDC covering training and use of the technology.*
- *To provide a commercially viable product and enhance Royal Mail's portfolio of products and services*

The technical case

- Only 60% of buildings on OS large scale maps are postal address points
- OS captures coordinates within .1 metre rather than 95% within 5 metres
- Most of the problematic properties for couriers and emergency services are not RM delivery points e.g.
 - Campuses, industrial estates, gated communities rural re-use of agricultural buildings



The technical case

- Following the 2001 census debacle ONS re-tested PAF in the run up to 2011 and found it, along with the NLPG *not fit for the purpose of delivering a census form to every **dwelling***
- Royal Mail has a serious problem with explaining precisely what their intended coverage is because it is so dependent on operational parameters which may vary around the country

The technical case

- The field based method proposed is cumbersome and very expensive
- It has been estimated that a sustained capture rate of more than 12 points per hour across all types of delivery point is very unlikely
- That implies an investment of 2.35 million person hours in field data capture – at what cost?

The technical case

- If this task was carried out in cooperation with OS data could be derived from MasterMap and AddressBase. I estimate that 80% or more of Pinpoint coordinates could be derived algorithmically leaving 20% or fewer for fieldwork.
- This leads to the conclusion that there is no technical case for doing the project the way that is proposed

The commercial case

The commercial case

- The commercial case for investing, at my estimate £35 - £50 million in replicating, in a very slightly enhanced form, a data set that already exists escapes me.
- I can only presume that this is part of “fattening up” Royal Mail in preparation for privatization
- The Shareholder Executive has no objection to Royal Mail investing its funds in this way

The commercial case

- It is not clear whether RM Pinpoint is intended to compete with OS AddressBase on Quality or Price. It is more likely to be the latter.
- From a tax payers' point of view unless RM Pinpoint is perceived as a genuinely innovative product with a new market, by customers, the revenue will be coming at the cost of another public data set provider.

The commercial case

- Point X a company jointly owned by Ordnance Survey and Landmark Information Group already produces a geocoded data set of all commercial properties.
- To date this data has made no significant sales in to the markets targeted by RM Pinpoint with the bulk of its customers coming from the public sector

The commercial case

- If Royal Mail are really confident about the prospects of RM Pinpoint it should be funded with venture capital from private investors – not surpluses on trading profit which belong to taxpayers’.
- At least that way the risk would be borne by willing informed investors, not taxpayers’ and those who pay for postal services

The commercial case

- Royal Mail’s record on providing value for money in addressing is not good:
 - Ordnance Survey Turnover:
1986 c £60m 2012 c £120m
Maintains a national digital map with more than 500 million objects and dozens of products
 - RM AMU Turnover
1986 c £3m 2012 c £30m
Maintains PAF 28.2 million addresses

The commercial case

- Royal Mail is obliged under the Postal Services Act 2000 to supply PAF at a price that is “*reasonable*”
- Postcomm concluded that RM was complying with this requirement
- Ofcom are revisiting this and will report by April 2013
- Royal Mail’s “*ownership*” of PAF is “*for the time*” being under the act

The public interest

The Public Interest

- The address and its location is probably the single most important item of “core reference data”
- THE EU in its INSPIRE Programme (enacted into UK law) identifies Addresses as a high priority data set
- INSPIRE and the UK Location programme both have an objective to “*collect data once*” and “*use it many times*”
- Duplication of effort on addressing is not in the national interest of UK plc

The Public Interest

- A commercial market in address data reduces usage and encourages poor addressing practice
- The public now have to pay Local Authorities to register new addresses – this should become the funding stream for an Open National Address Register
- The Universal Postal Service Provider – currently Royal Mail should be obliged to postcode and provide postal variants for all postal delivery points in an open National Address Register
- These principles have been demonstrated in the Netherlands and Denmark

Conclusions

Conclusions

- I believe that the RM Pinpoint initiative is ill conceived, technically, commercially and as a matter of public policy.
- It HAS triggered the third major Address War
- This can only be resolved by brave government action to resolve the issue of maintaining an open National Address Gazetteer in the public interest

That's It!

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