

**Organisation (if applicable):**

Office for National Statistics

**Ofcom may publish a response summary:**

Yes

**I confirm that I have read the declaration:**

Yes

**Additional comments:**

**Question 3.1: We welcome views from stakeholders on whether the setting of quality targets for PAF would be constructive. If so, would stakeholders find the publication of achievement against those targets helpful? Please state why:**

ONS welcomes quality targets as an instrument to measure and monitor quality and improvement. ONS has experience of measuring the quality and completeness of PAF addresses for the purpose of identifying residential addresses for 2011 census, and knows this target/measure can only be set by comparing against other address sources, i.e. to assess the gap between those actual PAF and postal addresses there should be, using other sources/intelligence as evidence. The processes for collecting AddressBase, i.e. as part of PAF's role within a comprehensive national address register, needs to be part of this target setting/measuring, in consultation with AddressBase users, whose business experiences can significantly aid the quality improvement process.

So while publishing quality targets and associated measures are a useful starting point, it is not clear that this would fully meet ONS requirements for information on quality and metadata. Methods for creating sources should be open to full scrutiny, which is not the case with PAF currently.

**Question 6.1: Do stakeholders agree with our analysis of the options for cost recovery against the principles of cost causation, and our proposal on cost recovery? Please give reasons for your response:**

ONS has a strong interest in ensuring that data collected and referenced are consistent and accurate, using a single definitive source of address referencing. Therefore ONS supports a model that increases takeup of a single definitive source of addresses Our own experience is that making products freely available increases their uptake and thus ensures that more users are working with, and producing outputs, from the same base data and single standard. This means datasets are easier to integrate, and this also delivers huge efficiencies during every part of the statistical production process that is dependent on having accurate and complete addresses.

ONS expects to be increasingly reliant on administrative and possibly commercial data sources in the production of official statistics, so having a national single source of addresses used universally in both the public and private sector would significantly help us to deliver the high quality statistics on which public policy and the economy relies.

OFCOM recognise that increased take up of PAF is a good thing, and imply that if Royal Mail simplify licensing terms OFCOM would review (i.e. raise) the current profit cap (8-10% of PAF operating costs) to give them Royal Mail more incentive to increase PAF takeup, and hence profits. However, we contend that licensing costs and terms must have a negative impact on take up of a product. ONS Geography has seen a marked increase in the takeup of its postcode products since they went "open" in 2011, and as key products in the referencing and analysis of data, their use as a standard greatly improves the consistency and comparability of statistics. A factor in the successful take up of output areas (OAs) and super output areas (SOAs) as the core statistical geography in England and Wales was that they were free (when other geographic boundaries provided by Ordnance Survey were not). A similar argument could be applied to PAF, that free and open terms encourages use, as part of a definitive national address gazetteer (of which postal addresses are the most significant component). Also ONS now publishes its product under Open Government Licence, free to download. The only charges it passes on to customers are if they want products on CD, or other non-standard formats where ONS passes on the marginal costs of supplying them. The rationale is that ONS produces these products to support the production of national statistics as its core business function, therefore should not charge for an activity it is paid to do on behalf of the taxpayer.

**Question 7.1: Do stakeholders agree with our proposed approach to the terms on which PAF is made available, and our guidance on those terms? Please give reasons for your response:**

If licence terms are imposed, they must be simple and are not burdensome or expensive to administer. ONS was until 2011 a PAF Solutions Provider (providing postcodes with additional PAF fields attached, as a service) but withdrew, due to the cost and overheads of administering the licences, collecting revenue on behalf of Royal Mail, and having to manage the risk of having to pay on behalf of product customers who under declare their user base and therefore how much they pay Royal Mail. Also the Royal Mail licensing model (and the one that OFCOM is proposing to continue) seems at odds with the ONS's and the government's move towards data openness and transparency, to unlock the value of the data and maximise their use and improve the efficiency of the UK economy.