

Expert opinion

A world of information

Enthusiasm for the National Address Gazetteer has waned since it was announced this would not be free

Open data access



says Mark Harrison

Managing director of Business Insight

At the end of last year, the government announced proposals to build the National Address Gazetteer — an initiative combining available sources of address information across government, covering England and Wales, into one definitive database.

Following the creation of the Public Sector Transparency board and the successful launch of OS Open Data, which made a number of Ordnance Survey products open access to the private sector, there was every hope that the new NAG would be made widely available.

A two-tier system

However, enthusiasm for the scheme was dampened by the suggestion that the NAG would be supplied via a two-tier system — free for use to the public sector but charged for to the private sector, with suggestions that the annual licences will be prohibitive. In addition, contractual restrictions could apply on how the data — and derived data — can be used, discouraging wider usage, such as innovation or start-up applications in the information economy.

In the competitive UK household market, knowing precise details about the property to be insured is key to the assessment of risk. Information provided by the NAG will not only verify the address, but identify whether it is residential, business, mixed or multi-occupier, together with the National Grid co-ordinate references, at one metre resolution.



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Used with high-resolution flood risk maps, geological data, crime hot spot maps and other models, this level of detail will provide a more accurate assessment of property

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risk. For example, at individual property level, cross referencing other geographic datasets could enable properties at the top of a hill to be differentiated from those at the bottom of the hill, within the same

postcode. This is useful information when setting an appropriate risk premium in areas prone to flooding.

Full address-level risk analysis has not yet been really exploited across the insurance market. The cost and licensing restrictions currently placed on detailed address-level geo-referencing data is, without doubt, a restricting factor.

Many insurance companies look for more cost-effective solutions that are sub-optimal, such as using code-point data rather than the co-ordinates of individual properties to assess risk. If, as currently intended, the NAG is only supplied via restricted contractual agreements, the take-up of the latest risk technology will continue to be slow.

An open-source NAG would stimulate the growth in solutions for ‘peril risk models’ and geographic

information systems, not only encouraging the development in suppliers of information solutions, but also enabling smaller insurers and start-up operations to access better solutions that would have otherwise been unaffordable.

Predictions in climate change show that there is an increased likelihood of storm and flood events in the future. The government expects the insurance industry to continue to provide adequate insurance cover for individual properties across the UK; so perhaps it should show its support by allowing open access to such data that will assist the industry in gaining a better measurement of risk in specific areas.

Valuable national asset

Surely releasing the NAG as open for commercial or non-commercial use, without restriction, would create the greatest economic return to the UK. It is a valuable national asset, paid for by the taxpayer, and making it free would promote a wider usage across the market, boosting tax revenues.

A range of industry groups, for example, the Census and Geodemographics Group, with the support of Business Insight, is lobbying the government to make the NAG open source. The government has launched a consultation process, where it will consider all arguments around licensing, access and cost of access to public data and it is due to reach a decision in October.

It would certainly strengthen our case if insurance companies and industry bodies put forward their support for this national asset to be made open data. This initiative is what we need to help create wider growth and get the economy back on its feet. ■