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“Accountancy and opacity: another Select
Committee and the Ordnance Survey”

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The Charles Close Society was founded in 1980 to bring together all those with an interest in the maps and history of the Ordnance Survey of Great Britain and its counterparts in the island of Ireland. The Society takes its name from Colonel Sir Charles Arden-Close, OS Director General from 1911 to 1922, and initiator of many of the maps now sought after by collectors.

The Society publishes a wide range of books and booklets on historic OS map series and its journal, *Sheetlines*, is recognised internationally for its specialist articles on Ordnance Survey-related topics.

Accountancy and opacity: another Select Committee and the Ordnance Survey

Richard Oliver

In *Sheetlines* 64 I reviewed the investigation into Ordnance Survey by the House of Commons Select Committee on Transport, Local Government and the Regions in the spring of 2002.¹ Subsequent developments have recently been reviewed by the Commons Select Committee on Communities and Local Government (CLG): CLG now has what passes for ministerial responsibility for OS. The investigation was prompted partly as a follow-up to the earlier report, in particular the recommendation that there be a clearer distinction between OS's public service and commercial activities, and partly by the ending of the National Interest Mapping Services Agreement (NIMSA) in December 2006. NIMSA was the last relic of direct 'public funding' for OS. The report, issued on 2 February 2008, is not quite as elaborate as that of 2002: all the evidence is in the form of written submissions.² The OS made two submissions: the second commented on some of the other evidence.

There is not space here to discuss the report and evidence in detail, and much must be passed over. The main recommendation is that

In the interests of transparency, particularly given Ordnance Survey's dominant market position, we recommend that it seek to distinguish as clearly as possible in its annual accounts between the activities it undertakes purely because it remains a quasi-governmental national mapping agency and those it conducts on a firmly commercial basis. We accept that the absence of public funding and the requirement wholly to fund itself place Ordnance Survey in a unique position, which will make a total separation of its activities difficult to achieve.³

Practically all the submissions ask for this accounting separation, and it is evident that there is a strong desire for access to 'unrefined' as well as 'refined' data such as *OS MasterMap*: OS's view is that this not really practicable, and that 'unrefined' data and its 'public task' are by no means the same thing.⁴ The associated accounting opacity seems difficult to defend in an age of increasing 'cost centres' and attention to productivity. Greater openness might make the *status quo* easier to defend, or at any rate explain.

Neither the Select Committee nor OS comment on much of the evidence, and indeed charity demands that some of it be characterised as misunderstanding rather than misrepresentation. (OS refers to 'speculative assertions'.⁵) Though there is a strong element of complaint about OS's commercial attitude, and some good invective, it is difficult to gain an impression that, should OS continue on its present basis as a wholly self-supported trading fund, there is any real alternative to its present price structure. The present arrangement may be unsatisfactory for those who believe that OS data is overpriced, or that a substantial

¹ Richard Oliver, 'The gorilla and 433 million TOIDS: a Commons select committee and the Ordnance Survey', *Sheetlines* 64 (2002), 9-14.

² *House of Commons – Communities and Local Government Committee – Ordnance Survey – Fifth Report of Session 2007-08*, [HC 268], London: The Stationery Office, 2008: available for downloading at www.parliament.uk: referred to hereafter as *SC 2008*.

³ *SC 2008*, report, 17.

⁴ *SC 2008*, evidence, 73, 74.

⁵ *SC 2008*, evidence, 75.

element depends on transfers between government departments, but it can be defended on the basis that, whatever may have been the position in the past, since 2007 OS has been completely independent of subvention, and indeed makes a modest profit. (Indeed, *pace* the critics, it appears to be healthy enough to be able to offset the loss of that element of the NIMSA subvention that paid for rural revision.) None of the OS's numerous critics seem to have engaged properly with this, or suggest a convincing alternative. A reform of OS accounting might be illuminating for discussing alternative methods of funding, but it might merely confirm what seems to be implicit: that a self-funded OS is only possible by selling much of its data in what some see as a needlessly over-elaborate and 'over-specified' form. The alternative would be for OS data collection and maintenance – the 'unrefined' data – to be funded wholly by the taxpayer. Of course, it is arguable that in practice national and local government payments represent at least a significant minority of OS income; against this, it may be argued that the mapping has to come from somewhere, if not from OS. But that is not an argument clearly worked out here. The money-go-round, perhaps the weakest element in present arrangements, goes largely unmentioned. It seems to be easier to complain than to suggest or analyse.

That said, there are some interesting things in the evidence. Intelligent Addressing, a private sector organisation that has experienced considerable problems with OS, observes justly that 'the issue is not a vote-winner', that it is seen as an low-priority administrative problem, and that 'the consequences are normally passed for resolution by those with the power to question and initiate change in the public sector to those who have neither'.⁶ Both Intelligent Addressing and, interestingly, the Ministry of Defence suggest that OS should be split into public service and commercial sectors, and the MOD suggests that there be 'a government funded national geographic database capability' and a separate commercial arm, though neither suggests that the commercial activities be privatised.⁷

The second OS submission includes a revised definition of its Public Task, undated, but approved by ministers after the Select Committee began its work, and arguably outmanoeuvring both the Select Committee and the critics.⁸ This includes justifications for the various datasets and map scales. Many of these are fairly obvious, but it is interesting to note that the 1:25,000, which not so very long ago OS would have been glad to be rid of, is both the National Standard for education and outdoor activities, and also a NATO standard training scale, though it is to be suspected that the later is *posse* rather than *esse*: the 1:50,000 is noted as 'essential' for defence.⁹

It may be, though, that all this will be enforcedly altered by the implementation of the EU Infrastructure for Spatial Information in the European Community (INSPIRE), intended to facilitate data sharing and reuse, which must come into force in the UK by 15 May 2009 at the latest.¹⁰ This may make the present system whereby national and local government use revenue from taxation to purchase or licence data from OS unsustainable. The Public Task document might survive this unscathed; will the trading fund be so favoured?

⁶ SC 2008, evidence, 20.

⁷ SC 2008, evidence, 22, 47: for a privatisation scheme see Richard Oliver, 'Why the Ordnance Survey needs its history', *Sheetlines* 80 (2007), 6-19, especially 19.

⁸ SC 2008, evidence, 76-83.

⁹ SC 2008, evidence, 80, 81.

¹⁰ Directive 2007/2/EC of the European Parliament and of the Council, March 2007.