COMMUNICATIONS CONSUMER PANEL

Communications Consumer Panel response to the Second consultation on coexistence of new services in the 800 MHz band with digital terrestrial television

1. The Communications Consumer Panel (CCP) welcomes Ofcom's second consultation into the possible impact that new 4G mobile services may have on DTT viewers. The next generation of mobile services will bring with it many benefits, and it is important that we maximise these new resources for consumers. However, it is vital that any potential problems for existing DTT viewers are identified and consumers and citizens protected.

2. In our response to the first consultation, in 2011, the Panel noted that it:
   - believes that new 4G services will be of benefit to mobile users;
   - notes that DTT is a popular platform via which valued TV services are received;
   - advocates that viewers who currently receive a DTT service should continue to do so or be enabled to access an equivalent service following the rollout of new 4G services;
   - believes that people affected by interference to their DTT signal should not be made to bear the cost of rectifying the issue;
   - notes that the non-cash implications of the likely interference issues and the measures needed to rectify them should not be underestimated;
   - encourages the consideration of UK-wide awareness raising of the issues that are likely to occur – and the solutions – well in advance of any network roll-out, followed by targeted information campaigns in advance of roll-out in any given area. These must be clearly delineated from switchover messages;
   - encourages the provision of clear, comprehensive advice which is easily accessible by all;
   - urges the provision of appropriate advice and support – particularly for older, disabled and 'hard to reach' consumers;
   - advocates the early testing of equipment to alert people to the likelihood of their experiencing interference when new services commence and allow the necessary remedial action to start; and
   - encourages a partnership approach to this issue.

We appreciate that many of these issues have been taken into account by the teams working on this project.

The provision of information and support

3. The Panel notes that the revised modelling now suggests that up to 2.3 million households are potentially affected by the revised utilisation of the 800MHz band. The

consultation states that 40% of UK households use DTT as their primary television service, which equates to approximately 900,000 households in this instance.

4. Given the significant number of households potentially affected, the Panel would support the establishment of MitCo prior to the auction, as it would not wish the use of this spectrum to be further delayed. The Panel also believes that earlier, rather than later, formation of MitCo will better serve consumers by enabling advance planning and communication to take place.

5. The Panel would encourage consideration of consumers' likely response to the information they receive from MitCo about possible interference. Table 7.3 refers to affected households being supplied with sufficient information before interference occurs to 'enable them to make appropriate mitigation decisions'. In reality, the role of consumers in making these decisions is limited at this point.

6. As noted in our previous response, it is vital that people are fully informed of likely interference in advance. Those informed should not be limited to those households most likely to be affected. That will create a risk that any interference suffered in outlying areas is not readily or correctly identified by viewers as related to this issue, and they would then be less likely to contact MitCo to achieve a solution.

7. The Panel notes that it is envisaged that MitCo will not provide installation for the majority of consumers – however the Panel would question whether this position was reached on the basis of too positive a view of consumers' likely reaction to fitting filters. Research testing consumer confidence and ability to fit was based on an interviewed sample of those who said that they "would be likely to attempt installing such a device if the need arose". Therefore the research potentially underestimates the difficulties that may be faced by consumers, as those who said that they would **not** be likely to attempt installing such a device if the need arose were automatically excluded from the research interviews. Even amongst this sample, 8% of over 65s considered that they would need physical help in fitting the filter. However in terms of qualifying age for additional support from MitCo, the consultation suggests that this would only be available to consumers aged over 75 years. This could leave many older people in a position where they were unable to fit the filter but did not qualify for additional support. Whilst there are similarities between this issue and DSO, the required consumer action is not the same. We would welcome more information about how consumers in communal dwellings or who have amplifiers located on the chimney/in the loft will be supported during this process. With reference to the amount allocated for the support of vulnerable consumers, the Panel would appreciate clarification of whether this is £21 million (Table 6.2) or £20 million (page 42); and whether, if a proven need arose, there is a mechanism for increasing the amount.

8. The consultation states that it has been decided that, other than information provision, support will generally not be offered in instances where a set-top aerial is used to receive the DTT service. In London alone, over 10% of households use set-top aerials. The Panel is concerned that there may be a small number of people with dexterity issues who rely on set-top aerials and who will not be supported through this process. We would urge further exploration of this issue.

9. Restricting the provision of filters - and support for vulnerable consumers - to only those who use DTT on their primary set is unacceptable. Aside from the thorny issue of how a 'primary set' is defined, there is also the question of those households who utilise DTT in addition to a cable/satellite service. Such households will not be entitled to a filter under the proposals and, again, will be forced to seek their own mitigation remedy. Not only may some have to purchase a filter, but others may be forced to extend their cab/sat provision to a multi-room service, potentially incurring significant costs. It should be noted that some of these affected consumers may be vulnerable consumers.

10. As a general point, and as per our previous submission, the Panel does not believe that any consumer (and especially vulnerable consumers) should bear the cost of rectifying the detriment caused by interference (in itself caused by development of a different and separate technology – 4G). We believe this principle should extend beyond the primary set, however this is defined.

11. The Panel notes that the consultation refers to the proactive provision of filters to the 'majority' of consumers who are predicted to be affected by interference and households 'most likely' to experience interference. Whilst of course the exact pattern of the actual interference is almost impossible to predict, the Panel trusts that this reference to the majority does not imply that some households that are identified as being likely to experience interference are omitted from the initial provision of filters. We would seek reassurance on this point.

12. The adopted policy states that only one filter will be supplied per household. However UK households have an average of two sets. Only 40% of UK TV homes are single set households[1]. Although the Government has asked for a clear and straightforward way for people to be able to obtain extra filters, the consultation does not address the likely cost to the consumer of purchasing additional filters nor state where they might be purchased from. The Panel would welcome information on the cost of providing free of charge extra filters on demand.

13. The Panel would appreciate further information on the breakdown of the estimated costs of 65m to 88m to provide filters proactively and reactively. It is not sufficient to hope that un-required filters will be recycled within the community. If filters are provided at no cost to consumers, there would be little or no gain to ineligible consumers 'gaming' the process as suggested by the consultation. While the Panel notes that filters should also address interference caused by mobile handsets, it is worth stressing that moving a handset out of 2.5m-3m range of the receiver or (particularly set-top) aerial will not be feasible in some rooms.

14. The Panel would support the proactive provision of information to builders and manufacturers in relation to incorporating filters in new dwellings/equipment. Could such specifications also address the question of the possible impact of changes in the 700MHz spectrum band?

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[1] BARB's 2011 Establishment survey (July 2010 – June 2011)

15. The Panel notes that Ofcom no longer intends to require licensees to provide mitigation at network level. Instead the consultation notes that licensees may be incentivised to provide network based mitigation, if it is cost-effective and appropriate, in the hope of reduced costs to MitCo. However, as recognised in paragraph 6.25, although there are a number of base stations where relatively limited network based mitigation could potentially deliver substantial cost savings to MitCo, it would be for the operators to choose whether to take action based on their consideration of whether this was cost-effective. But should they choose not to, the related consumer costs are not confined to MitCo and there is also the potential for greater costs and inconvenience for consumers themselves.

16. The Panel is concerned about the possibility of a hard limit being set on the number of platform changes available. It is surely for MitCo to assess whether such a platform change really is necessary and act accordingly. As noted in footnote 59, MitCo have a strong incentive to verify any platform change claims.

17. The consultation refers to funds of up to £10K being available to assist households who are not able to receive television services as a result of filters, platform change or other mitigation action. The Panel would welcome further information of what additional options might be available to such households and the likely cost. Is £10K sufficient to cover such expenditure? Is it necessary to apply a threshold at all and could the predicted very small number of affected consumers be assessed on a case-by-case basis?

The role and governance of MITCO

18. The Panel welcomes the proposed inclusion on the MitCo Supervisory Board of a Consumer Interest Advisor and notes that this appointment will be made jointly by Government and Ofcom. We would be interested to know how this appointment will be made and if there will be an open selection process.

19. The Panel would urge Government and Ofcom to ensure that there are robust mechanisms in place to ensure that the voice of the consumer representative on the MitCo Supervisory Board is heard. We are concerned that this may not be the case given the proposed composition of the Board – which appears to be weighted towards licensees and technical representation. We wonder whether two, rather than one, consumer representatives may provide a better balance, and help ensure that consumer led outcomes do not risk being overlooked. This would also provide contingency and continuity during the life of Mitco in the event of one consumer representative being unavailable.

20. MitCo will have an important role in supporting those households who cannot have their service restored by means of a filter or platform change and we would suggest that paragraph 7.10 needs to include reference to this.

21. In the event of DTT interference, consumers will need a rapid response from MitCo and it would be logical for MitCo to undertake the proactive provision of information if a number of contacts from an area highlight interference.

22. The KPI suggested for platform changes refers to eight working days after the Contact Centre has agreed the platform change requirement. Similarly, the KPI in relation to support for vulnerable consumers specifies eight days after the visit requirement confirmation by the Contact Centre. However no information is provided about what is involved in the process to agree a platform change/visit requirement confirmation and how long this element takes to complete. It is therefore difficult to judge how long a consumer might be subject to interference or loss of service before mitigation activity commences. The Panel would encourage the consideration of a shorter KPI for the support of those vulnerable consumers who are experiencing interference/lost service in comparison to those whose needs are being proactively addressed pre-switch on.

23. The Panel believes that KPI 6 (complaints) is too narrow a measure of consumer satisfaction. Whilst we appreciate that the KPI is top level in nature, complaints or a lack thereof do not necessarily mean consumers are receiving a good service. Elements such as Call Centre performance and speed of enquiry resolution should, we feel, play a part even if they sit below the high-level complaints metric.

24. The Panel welcomes the attention given to a robust complaints procedure (7.164) but given the scale of the issues we believe that consumers should have access to an independent review if they remain dissatisfied with MitCo's service. It may be possible that this could be provided by one of the existing Alternative Dispute Resolution schemes at low cost. This would also perhaps further incentivise MitCo and licensees to resolve consumer issues quickly and effectively.

25. We are concerned that the reporting requirements under KPI6 (page 93) are silent on resolution and satisfaction performance. As well as counting complaints received, consideration should be given to a measure of complaints resolved within a given timescale; and whether the action taken resolved the problem for the customer. This could be done by analysing "repeat" complaints.

26. The consultation suggests 'operational conditions' to be imposed if MitCo misses its KPIs in certain areas. However in the case of several KPIs, eg support for vulnerable consumers, the relevant KPI is to delay switching on further base stations. Whilst this is obviously a commercial incentive for the operators to learn from the incident, it does not acknowledge or seek to resolve the situation of those consumers who may still be suffering harm as a result of interference/lost service. The KPIs need to address the quality of service provided eg 90% of interference issues rectified in x days, 99.5% in x days.

27. Finally, with reference to potential interference post-MitCo's closure, the Panel notes that the consultation states that the licensees will bear no further liability and that Government will decide who should bear cost of further mitigation activity. It would seem rather premature to decide that licensees would have no further liability when it has not yet been decided who will bear the cost. After MitCo has ceased, some new base stations and re-tunings are likely to take place all the time. It would be wrong for affected consumers to have to bear the cost of mitigating action.

Summary

28. In summary, the Panel:
   - believes that new 4G services will be of benefit to mobile users;
   - notes that DTT is a popular platform via which valued TV services are received;
   - advocates that viewers who currently receive a DTT service should continue to do so or be enabled to access an equivalent service following the rollout of new 4G services;
   - would support the establishment of MitCo prior to the auction;
   - encourages the consideration of UK-wide awareness raising of the issues that are likely to occur – and the solutions – well in advance of any network roll-out. Those informed should not be limited to those households most likely to be affected;
   - does not believe that any consumer (and especially vulnerable consumers) should bear the cost of rectifying the detriment caused by interference;
   - believes that restricting the provision of filters, and support for vulnerable consumers, to only those who use DTT on their primary set – and then via a rooftop/loft aerial - is unacceptable;
   - would appreciate clarification of whether, if a proven need arose, there is a mechanism for increasing the amount allocated for the support of vulnerable consumers;
   - would welcome information on the cost of providing free of charge extra filters on demand;
   - would support the proactive provision of information to builders and manufacturers in relation to incorporating filters in new dwellings/equipment;
   - cautions that if operators choose not to provide network level mitigation, the related consumer costs will not be confined to MitCo and there is also the potential for greater costs and inconvenience for consumers themselves;
   - is concerned about the possibility of a hard limit being set on the number of platform changes available;
   - would urge Government and Ofcom to ensure that there are robust mechanisms in place to ensure that the voice of the consumer representative on the MitCo Supervisory Board is heard;
   - believes that elements such as Call Centre performance, speed of enquiry resolution and satisfaction with resolution should play a part in KPIs even if they sit below the high-level complaints metric;
   - believes that consumers should have access to an independent review if they remain dissatisfied with MitCo's service; and
   - notes that, after MitCo has ceased, some new base stations and re-tunings are likely to take place all the time. It would be wrong for affected consumers to have to bear the cost of mitigating action.