

Communications Consumer Panel and ACOD response to Ofcom's call for input into managing the effects of 700 MHz clearance on PMSE and DTT viewers

The Communications Consumer Panel (the Panel) and the Advisory Committee on Older and Disabled People (ACOD) welcome the opportunity to respond to this call for input into managing the effects of 700 MHz clearance on PMSE and DTT viewers.

The Panel works to protect and promote people's interests in the communications sector, including the postal sector. We are an independent statutory body set up under the Communications Act 2003. The Panel carries out research, provides advice and encourages Ofcom, governments, the EU, industry and others to look at issues through the eyes of consumers, citizens and microbusinesses.

The Panel pays particular attention to the needs of older people and people with disabilities, the needs of people in rural areas and people on low incomes, and the needs of micro businesses, which have many of the same problems as individual consumers.

Four members of the Panel also represent the interests of consumers in England, Northern Ireland, Scotland and Wales respectively. They liaise with the key stakeholders in the Nations to understand the perspectives of consumers in all parts of the UK and input these perspectives to the Panel's consideration of issues. Following the alignment of ACOD with the Panel, the Panel is more alert than ever to the interests of older and disabled consumers and citizens.

Response

The global harmonisation of 700 MHz for mobile broadband has the potential to bring about benefits for UK consumers. However, as the CFI notes, there are also risks for viewers associated with this harmonisation of the band - in terms of their access to digital terrestrial television (DTT), additional costs (as a result of the need for new aerials, filters, repointing or platform changes) and confusion. Although it is important that consumers and citizens can enjoy the mobile data services they want and need, there are also sections of society who will not benefit to such an extent from improvements to mobile services. It is important that a balance is struck between the potentially competing needs of these groups.

The DTT platform has an important role in providing low-cost, near-universal access to the public service TV channels, contributing to inter-platform competition and in sustaining viewer choice. It is vital that the DTT platform can remain viable, innovative and competitive so that the interests of consumers and citizens who are not on a pay-tv platform are protected. Programme Making and Special Events (PMSE) applications also

deliver significant cultural benefits to the UK and it is important that the efficacy of these applications is not diminished.

The underlying principle of intervention should be that viewers who currently receive a DTT service will continue to do so or be enabled to access an equivalent service following 700MHz clearance. It is important that those people affected by interference to their DTT signal are not made to bear the cost of rectifying the issue.

Ultimately, the Panel believes that the costs associated with any change in spectrum allocation should be borne by businesses that benefit and/or Government rather than consumers. Although, as Ofcom predicts, there are likely to be some benefits to consumers, the primary benefit, in terms of profit and technological opportunities, will be to the phone manufacturers and network operators - they, and/or Government should therefore, in our view, bear the cost of any change. We would also encourage Ofcom to work with operators to ensure that they are using their allocated spectrum to best and most efficient effect as part of any process to make the reallocated 700 MHz band available.

We appreciate and understand the benefits that the allocation of the 700 MHz band to mobile services could bring, but continue to urge that careful consideration is given to the impact that the change could have on DTT consumers - especially people who are in more vulnerable positions. Given the CFI's reference to some viewers needing to begin retuning from 2018, we are extremely conscious that funding and arrangements for consumer support need to be agreed in the very near future.

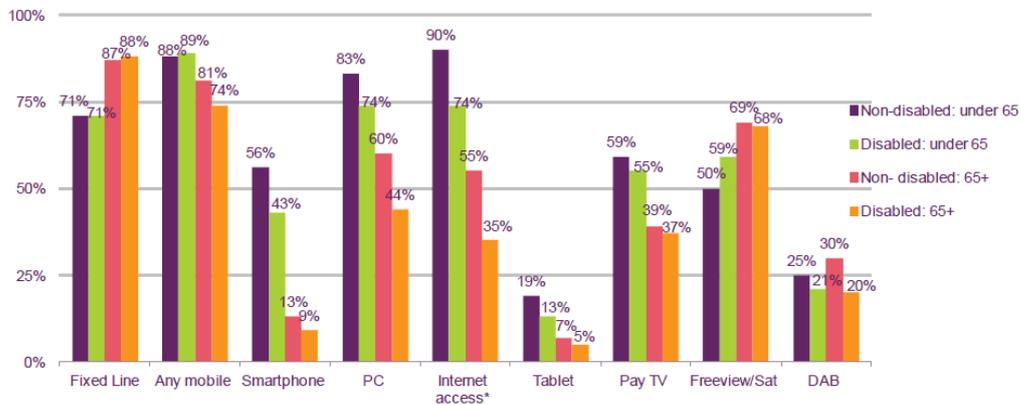
DTT viewers

Ofcom's 'Viewers' experience of television reception' report¹, published 5 April 2016, after publication of this call for input, notes that 42% of the general population use DTT services on their main set. This rises to 53% of 65-74 year olds, 66% of people aged 75+, 52% of people in lower income households and 50% of disabled people. As stated in Disabled consumers' ownership of communications services² and as illustrated in the figure below, there is a lower ownership of pay TV among people with a disability, regardless of socio-economic group. Disabled people are less likely to have pay TV (46% compared to 55%), whether satellite or cable.

¹ <http://stakeholders.ofcom.org.uk/market-data-research/other/tv-research/viewers-experience-of-television-reception/>

² <http://stakeholders.ofcom.org.uk/market-data-research/other/telecoms-research/tce-disabled-13/>

Figure 1.8 Household device/service ownership: over-65s compared to under-65s



Source: British Population Survey, 2012: July - September 2012

Base: non-disabled under 65: 14,396, disabled under 65: 2,101, non-disabled 65+: 3,016, disabled 65+: 1,994

*Internet access is based on personal access anywhere – other services and devices are based on presence in home rather than individual ownership.

Source: Disabled consumers' ownership of communications services

Last year's *Communications Market Report*³ also notes that individuals in DTT-only homes watched the most television (231 minutes/day), probably due to the older demographic skew in DTT-only homes.

Age and disability do not necessarily confer vulnerability but we believe that, in the context of the proposed change, the position of more vulnerable consumers must be a very high priority. They should not be at any disadvantage because of a change that may have no direct benefit to them.

Impact

The Panel welcomes the CFI's acknowledgment that reallocation of 700 MHz would have an impact on consumers, either in terms of:

- retuning for the majority;
- the installation of wideband aerials for fewer people;
- the fitting of a filter for a small number of people (as a result of mobile interference);
- repointing of existing aerials; or
- a change of platform for a very small proportion of viewers to avoid interference.

³ http://stakeholders.ofcom.org.uk/binaries/research/cmr/cmr15/UK_2.pdf



The frequency re-plan of 700 MHz to enable its use for mobile broadband may require some DTT households - estimated at 100,000 - 160,000 - to replace their aerials at an estimated cost of £150 each, in order to receive public service broadcasting (PSB) and commercial multiplex channels. The need to re-point aerials will affect an estimated 40,000 - 110,000 households at a cost of £50 per unit. A very small number of households may need to change platform at an average estimated cost of £220 for a Freesat installation. Those who are affected deserve a high level of assistance, information and support. We would, in due course, welcome more detail on how the affected households might be identified and targeted for support.

Associated with this, we would welcome the explicit inclusion in the assessment of impacts of a quantification of the non-cash implications of the likely interference issues and the measures needed to rectify them - the consumer time to identify and understand the issue, and the time and inconvenience associated with mitigation measures, e.g. in arranging re-pointing or a new aerial or arranging platform change. If the likelihood of interference is not established prior to the rollout of new services, there is also the question of the detriment that would be experienced from the loss of channels while the problem is being rectified - potentially over a sustained period. These are of particular concern in the case of older and disabled consumers. These challenges should not be underestimated.

In the Panel's opinion, consumers who may require a platform change must be alerted well in advance of the roll-out of new services, and be given the ability to arrange priority installation of the new platform beforehand, so that they do not experience a loss of channels whilst waiting to be connected to the new platform post-interference issues. The provision of an alternative service, equivalent to that available on DTT, should be provided at no cost - initial or ongoing - to the consumer.

We would also welcome more information about the numbers of viewers potentially required to fit filters to prevent mobile interference - what the estimated financial implications of this would be and what support is envisaged for consumers.

We trust that support will be provided for consumers who are experiencing interference issues on any television set in their household and that support will not be restricted to the 'primary set', however that may be defined.

The CFI does not refer to the question of support for viewers who use portable aerials. Ofcom's '*Viewers' experience of television reception*' report⁴ states that 11% of the general population use portable aerials for their main set and 5% use a portable aerial for other TVs. We note that 12% of viewers aged 65-74 use a portable aerial for their main set, and 13% of viewers aged 75+. While the Panel recognises that DTT planning is based

⁴ <http://stakeholders.ofcom.org.uk/market-data-research/other/tv-research/viewers-experience-of-television-reception/>

on an assumption that all TV installations have a roof-top aerial, it is disproportionate to argue that households who do not have a 'standard quality' installation, and currently receive DTT services, should be responsible for fixing the problem of interference themselves. The Panel is concerned that there may be a small number of people - particularly those with additional needs including dexterity issues - who rely on set-top aerials and who may not be supported through this process. We would urge further exploration of this issue.

The Panel is also interested to know more about the support that will be offered to any households where the DTT service cannot be restored and where no alternative platform is available.

Information and support

The Panel considers that the digital switchover was well managed, especially for older and disabled people. We were also impressed with the work to mitigate potential interference at 800 MHz. We recognise that both of these projects were large scale but we hope that they will be used to inform how best to provide support to consumers following re-allocation of 700 MHz.

We welcome the acknowledgement that more vulnerable consumers will need particular consideration and information during any transition. Not all viewers will be able to undertake the required changes for themselves. In addition to working with Government, broadcasters and mobile operators, we would also stress the importance, as in digital switchover, of working with consumer support organisations - particularly in relation to support for more vulnerable consumers.

In its consideration of the Digital Switchover process, the Panel identified 'hard to reach' members of society as the group most at risk, as they are not only vulnerable but also more likely to be on the margins of society and less likely to have a network of friends and relatives to help them. These people are less likely to pick up on information about possible interference and even less likely to be able to use telephone or web-based helplines. As part of the Digital Switchover process, Digital UK developed partnerships with organisations, such as social services, in order to identify and contact the hard to reach. The Panel would encourage the emulation of this approach. We recognise that it is important that consumer support provisions are proportionate. It is vital that information and advice are provided to consumers and this is likely, at a minimum, to require the provision of a telephone help-line and a dedicated website. However, the Panel would warn against over-reliance on web provision and we stress the need for adequate telephone support.

The Panel would advocate 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 commence. If it is not possible to alert consumers to any specific interference issues beforehand, the Panel would stress the importance of consumer awareness of the issue more generally, so that people do not make hasty, ill-informed decisions and incur unnecessary costs in order to restore their service. As previously noted, this is of particular concern for older and disabled consumers.

The CFI notes that some consumers will need assistance in identifying why interference is occurring and the measures that need to be taken to resolve the issue. As noted above, we do not believe that any costs relating to the provision of advice, the re-pointing or upgrading of aerials, installing filters or platform change, should be borne by consumers - particularly given the demographic skew to older and lower income households in DTT ownership. As we note above, we believe that the costs associated with any change in spectrum allocation should be borne by businesses that benefit and/or Government rather than consumers.

Ofcom's '*Viewers' experience of television reception*' report⁵, shows that when they experienced interference issues, 54% of DTT viewers interviewed took no action and hoped the issue would resolve itself.

Looking at what viewers did when they experienced disruption, 27% of the general population contacted someone. However this fell to 22% of 65-74 year olds and 22% of people aged 75+, 24% of people in lower income households and 23% of disabled people.

Of those who had experienced disruption, approximately 62% said it was either not resolved or on-going/intermittent. Of those who had had an interference issue resolved, only 17% of DTT viewers answered that it had resolved itself. This indicates a gap in consumer expectations and a disinclination or inability by some of the consumers interviewed to take action independently to resolve interference issues.

While it could be assumed that taking no action suggests that the issues were of low impact, the report shows otherwise; the net impact of the disruption by interference issues was felt very strongly by DTT viewers, with 56% of those interviewed finding the disruption either moderately or extremely disruptive.

The CFI states that Ofcom does not believe that retuning will cause inconvenience to viewers, provided that they receive adequate information about the change. Yet the need for support for some viewers is highlighted by the March 2013 Mendip and Winter Hill transmission areas retune data research quoted in the CFI which, although it noted that 79% of viewers said they would feel confident about retuning equipment, suggests that just over a fifth of viewers *did not* say that they would be confident. Whilst Ofcom has

⁵ <http://stakeholders.ofcom.org.uk/market-data-research/other/tv-research/viewers-experience-of-television-reception/>

previously recognised that some viewers might find the retuning process challenging, the CFI does not give further specific detail on what solutions might be explored.

We also have some concerns about the potential complexity of test transmissions for some viewers who are less experienced or confident with adjusting devices.

Wider preparation

In our previous responses, the Panel has highlighted the need for the pre-emptive installation of wideband aerials rather than narrow band, where aerial replacement is occurring. We have therefore welcomed Ofcom's work with industry stakeholders, and in particular the Confederation of Aerial Industries (CAI) to ensure that the promotion of future-proofed antennae. However we were concerned in 2014 by the suggestion that in the order of 10% of newly installed antennae may not be future-proofed and note that the CFI appears to refer to the continuation of this problem, although the scale of this is unclear. We also welcome Ofcom's work with manufacturers to make TV sets easier to retune - as well as the steps taken by 3GPP to restrict interference from mobile handsets into the 700MHz band.

We would continue to encourage Ofcom to work with receiver manufacturers to inform them of the potential 700 MHz harmonisation issues, particularly as this would be a pan-European situation, so that new equipment can include appropriate filtering solutions. This is also a consumer expectation highlighted in the Kantar study that TV equipment sold from now on will be future proof. Respondents expected clear information about what technologies would last and which would require updates or potentially be rendered redundant by any changes to DTT.

Obligations

In view of our on-going concerns about network coverage, the Panel welcomes the possibility of improved indoor coverage. Given that the benefits case for the release of the 700 MHz band to mobile services is, to a significant degree, based on the improvements in performance that mobile users would experience, particularly for indoors and in rural areas, we would strongly urge Ofcom to impose very high, near universal coverage obligations for voice and data on the awards of 700 MHz spectrum, along with meaningful sanctions if they are not met.

Summary

- The DTT platform has an important role in providing low-cost, near-universal access to the public service TV channels;



- The underlying principle of intervention should be that viewers who currently receive a DTT service will continue to do so or be enabled to access an equivalent service following 700MHz clearance;
- The costs associated with resolving interference effects resulting from spectrum re-allocation should be borne by businesses that benefit and/or Government rather than consumers;
- We would stress the importance, as in digital switchover, of working with consumer support organisations - particularly in relation to support for more vulnerable consumers, who must be a very high priority;
- We welcome the pre-emptive measures that are being taken by Ofcom to limit and prevent disruption to DTT viewers;
- Support should not be restricted to the 'primary set', however that may be defined and should include households who use portable aerials;
- We advocate 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 commence;
- Consumer awareness of the issue is vital, so that people do not make hasty, ill-informed decisions and incur unnecessary costs in order to restore their service; and
- We would strongly urge Ofcom to impose very high, near universal coverage obligations for voice and data on the awards of 700 MHz spectrum, along with meaningful sanctions if they are not met.