



## **Background Briefing Digital Switchover March 2009**

### **Purpose**

1. David Scott, Chief Executive of Digital UK and Simon Crine, Director of Corporate Affairs, attended the 14 January Panel meeting to brief the Panel on progress with Digital Switchover (DSO) and in particular on how the recent switchover for the Selkirk transmitter in the Scottish Borders went. The purpose of this paper was to inform the discussion with Digital UK by providing some background on DSO and the Panel's involvement so far with the process.
2. The paper covers the following:
  - Background on the DSO process and Ofcom's Digital Dividend Review (DDR)
  - Responsibility for managing DSO
  - Panel involvement in DSO
  - Evaluation of switchover in Whitehaven
  - Update on Selkirk Scottish Border switchover
  - Consumer Focus' findings on the Border switch
  - Preparations for the first major switchover (the Granada region)
  - Future Panel work on DSO
  - Further research publications on DSO

### **Background on the DSO process and the Digital Dividend Review**

3. In September 2005, the Government confirmed that the UK would switch from analogue to digital television between 2008 and 2012, and that practical support would be provided for those groups of people who were expected to have the most difficulty in making the switch. At the time of the announcement, 66% of UK households had at least one television set capable of watching digital television - by the end of September 2008, that figure had reached 88.2%. Approximately 3 million households have yet to switch.
4. Switchover has already occurred in Copeland, Cumbria - completed in November 2007 (approximately 25, 000 households) and the Selkirk transmitter Scottish Border region - completed on 20 November 2008 (approximately 52, 000 households). Later in the paper is a highlight of the evaluation report for the Whitehaven/ Copeland switch and some preliminary findings on the Scottish border switch.

5. The switchover releases a large amount of spectrum (due to better spectrum management) and will be auctioned in the coming years by Ofcom. It is estimated the released spectrum is worth £5-10bn to the UK economy. Ofcom consulted on its plans in its Digital Dividend Review (DDR) consultation in 2006/07. The Panel engaged with the policy from the outset. The Panel's responses to the consultation can be found at: <http://www.communicationsconsumerpanel.org.uk/smartweb/digital-dividend-review/digital-dividend-review>

### **Responsibility for managing DSO**

#### **a) Government** ([www.berr.gov.uk](http://www.berr.gov.uk) [www.culture.gov.uk](http://www.culture.gov.uk))

6. Political responsibility for switchover lies with the Department for Business, Enterprise & Regulatory Reform (BERR) and the Department for Culture, Media and Sport (DCMS).

#### **b) Ofcom** (<http://www.ofcom.org.uk>)

7. Ofcom acts in an advisory and research capacity on DSO. Ofcom recently successfully helped to ensure high definition television will be broadcast on Freeview's multiplexes.

#### **c) Digital UK** ([www.digitaluk.co.uk](http://www.digitaluk.co.uk))

8. Digital UK is an independent, not-for-profit organisation. The company, launched in September 2005, is jointly owned and funded by the public-service broadcasters (BBC, ITV, Channel 4, Five, S4C and Teletext), and digital multiplex operators SDN and Arqiva. Digital UK is running a £200m, seven-year national and regional information campaign and provides information to the public via a helpline and its website.

#### **d) Digital Switchover Help Scheme** (<http://www.helpscheme.co.uk/en/home/index.php>)

9. The Digital Switchover Help Scheme (DSHS) is overseen by the BBC, and the chief executive is a BBC employee, Peter White. Eaga are the consortium which won the tender to run the Help Scheme for the first four regions to switch (Capita Ras ran it for Whitehaven).
10. There are approximately seven million households eligible for help under the DSHS. A person is eligible for the scheme if they:
  - are aged 75 years or over; or
  - have lived in a care home for six months or more; or
  - get (or could get) certain disability benefits, or
  - are registered blind or partially sighted
11. Eligible households will be offered the following:
  - equipment to convert one television set
  - installation and demonstration of equipment

- follow-up support

12. There will be a fee of £40 for the help. For eligible claimants who also receive income support, job seeker's allowance or pension credit, the help will be provided free.

**d) Digital Outreach** [www.digitaloutreach.org.uk/](http://www.digitaloutreach.org.uk/)

13. In February 2008, Digital UK announced the launch of Digital Outreach, a £2.9m scheme that it is funding. Digital Outreach is a partnership with leading charitable organisations (Age Concern England, Help the Aged, Community Service Volunteers) to support potentially vulnerable viewers who fall outside the reach of the Digital Switchover Help Scheme, including older people, those with sensory, mobility or dexterity impairments, and those that are socially isolated. Services offered will include training, information provision, meetings, events, home visits and help centres.

14. This scheme went some way towards tackling the longstanding Panel concerns that there will be isolated people, often not eligible for the Help Scheme, who need support through the switchover process.

**Panel Involvement**

**a) Panel position**

15. The Panel has supported the principle of DSO, but with the caveat that it must be handled in a way that does not leave anyone isolated and without support. DSO was a key issue for the Panel in its first three years but we largely stepped back on this issue in 2007 as switchover entered its implementation phase. At the end of 2007, however, the Panel published a further research report, which is discussed below.

16. The Panel has observer status on the DSO Consumer Expert Group (CEG). CEG is made up of representatives of consumer and disability organisations, and meets four times a year to advise the Government and Digital UK on DSO. The CEG chair is Panel member Leen Petre.

**b) Panel's role in supporting the most vulnerable consumers through digital Switchover**

17. In July 2004, the then Secretary of State for Culture, Media and Sport Tessa Jowell asked the Panel to consider what measures might be necessary to protect the interests of the most vulnerable consumers during digital switchover.

18. In November 2004 the Panel published "Supporting the most Vulnerable Consumers through Digital Switchover". The report can be found here:

<http://www.communicationsconsumerpanel.org.uk/smartweb/digital-switchover/supporting-the-most-vulnerable>

19. The key finding of the research was that DSO presents the biggest challenges for those who are socially isolated. People without an adequate network of support from friends, family, neighbours or carers would be particularly vulnerable and could have

difficulty in finding out about switchover, understanding what it means and take effective steps to deal with it.

20. This finding does not map easily onto more traditional concepts of vulnerability – for example, ones that can be captured by reference to the benefits system. It will be related to age, to various kinds of disability and to low English literacy. It should be noted that there is anecdotal evidence of vulnerable people being found in the borders switchover region by health visitors who were unable to make the switch and were left without television.
21. In December 2007 we published a further report, 'Going Digital'. The report was qualitative research that explored consumers' experiences of digital switchover to identify problem areas that can be improved prior to switchover. The research highlighted the difficulty of information reaching those most in need. The research can be found here:  
<http://www.communicationsconsumerpanel.org.uk/smartweb/digital-switchover/going-digital>

### **Evaluation of Switchover in Whitehaven**

22. In a two-stage switchover during October and November 2007, four analogue television channels were replaced with approximately 20 Freeview channels. 25,000 households in Copeland, Cumbria, including the town of Whitehaven, were involved in the switchover test.
23. In January 2008, Ruth Evans, then Panel Vice Chair, participated in a high-level Whitehaven evaluation meeting facilitated by Ernst & Young. DUK published a resulting report on Whitehaven, on April 24.
24. The report stated:
- Viewers were well prepared. Everyone was aware of the switch, and 95% understood what to do in order to be ready. Virtually all households had converted their television by the completion of switchover on November 14.
  - Most found it straightforward. 81% had no problems with their digital television equipment and 50% found installing equipment easier than they thought.
  - Some needed extra help. Approximately 10% of households took up the Switchover Help Scheme. Digital UK estimates 5% rang its help line or visited one of its locally run help centres. A further 5% of households sought help or advice from retail outlets.
  - Some aerials needed replacing. Digital UK estimates that up to 5% of homes needed a new roof-top aerial and that up to 30% of set-top aerials needed changing.
25. The report also highlighted areas that will be reviewed by Digital UK for future switchovers.

- *The two-stage switchover and 'transition period'*. Analogue BBC Two was turned off first on October 17 and remaining analogue channels removed on November 14, following a four-week transition period. There were mixed views on the merits of the two-stage process and transition period during which viewers had to toggle between analogue and digital to access all the channels available. Digital UK is reviewing the role and duration of transition periods.
- *Explanation of the channel line-up*. Some viewers were disappointed that the Copeland area received around 20 Freeview channels after switchover. Most UK households will receive closer to 40 channels. Digital UK will ensure its future communications materials make clear the variation in channel line-up. It is also discussing with Freeview and manufacturers further steps to ensure consumers are aware of variations in the digital terrestrial channel line-up.
- *Consultation between landlords and tenants*. One housing association applied a service charge increase of £24 per annum for a new communal television system. Some residents felt they had not been sufficiently consulted. Digital UK is developing a model for consultation for use by landlords.
- *Explaining the value of the Help Scheme*. Those eligible for the Switchover Help Scheme are required to pay £40 towards the cost of the equipment and assistance provided, unless the recipient is on income-related benefits in which case it is free. There was some initial misunderstanding of who had to pay and of the value of this help. The Help Scheme and Digital UK will ensure the terms of the scheme and what it provides are made as clear as possible in future communications.

26. In February 2008, the National Audit Office (NAO) published a report on the Help Scheme in Whitehaven ([www.nao.org.uk/publications/nao\\_reports/07-08/0708306.pdf](http://www.nao.org.uk/publications/nao_reports/07-08/0708306.pdf)). The report highlighted the underspend on the low take-up of the Help Scheme in Whitehaven. Despite Whitehaven not being a representative example in many ways, the NAO report made a calculation that, if the same proportion took up the Help Scheme nationwide there would be a £250m underspend on the £600 Help Scheme budget.

### **Update on Selkirk Scottish Border switchover**

27. The borders switchover covered approximately 52, 000 homes and was felt, overall, to be a success. There were technical issues with a small number of set-top-boxes (STB) that were unable to work with the new signal after switchover. A firmware upgrade was made available for the STBs to work again. There are likely to be 'some technical' issues that arise across the UK as switchover occurs, and Digital UK's equipment testing programme will be vital.

### **Consumer Focus' findings on the Border switch**

28. Consumer Focus Scotland published a short paper a week prior to the Borders switchover based on diary research titled, '7 days to Switchover'. A final report on the Diarist's experiences of the actual switchover itself will be published in January

/February 2009.[Has this been published now?] The following are the key points of '7 days to Switchover', as stated by Consumer focus:

- The Borders is a hive of promotional activity by Digital UK and partners as switchover approaches. The latest information booklet from Digital UK is going down well. One diarist reports:

*"I felt the most recent leaflet was excellent. It was easy to use to explain to friends and family who are elderly or vulnerable in my area."*

- More information is needed on how many homes will be unable to get a good Freeview service after switchover (digital signals are less forgiving of hills). As relay areas can't get Freeview until switchover, many people have chosen to delay buying equipment until the last minute.
- The Help Scheme needs to begin the process of identifying everyone eligible at the earliest stage so they can be given information and offered support much earlier than has been the case for many in the Borders. The addition of people in care homes to those eligible just a month before switchover was welcome but many will have already made arrangements and sought help independently.
- Diarists report mixed experiences on affordability of switching.

*"In the past 3 months less affordable but I think digital people have misjudged how many people had to buy all new equipment, as indeed I did – because previous tv couldn't be converted because of age."*

- People have reported difficulty in connecting equipment. Some set top boxes were still giving problems (picture freezing and sound out of sync).
- Some equipment will require re-tuning by the householder, and this will have to be carried out twice over the actual switchover period. Consumer Focus Scotland is concerned that, for vulnerable consumers, this could present a significant problem and potential unnecessary costs.
- Good awareness of Help Scheme compared to a few months ago. The standard of the engineering support to install equipment under the Help Scheme varied – how is this being monitored?
- Older and vulnerable consumers have voiced concerns about on-going support and advice beyond switchover.

*"For those of us of advanced years it is sometimes very difficult to follow advice whilst children seem to understand instantly. I still have difficulty with my existing dvd player. What will happen after the change over for those of us who need that extra bit of advice?"*

- Many consumers are still concerned that rural areas served by relay transmitters will receive less Freeview channels.

*“It is wrong that the complete border area will not receive all the freeview channels (it is a second class service).”*

- Living on the border between Scotland and England presents some additional problems in which television channels are received.

*“Although we live in Scotland we have an English post code and the dish is automatically tuned into BBC England and Tyne/Tees as the designated channel for 101 and 103 on Sky, and despite several times of asking we are told there is no way that this can be changed to BBC Scotland and Border. Customers should be given a choice of which way the dish faces.”*

29. The following is a brief update from Consumer Focus Scotland that Panel Member Fiona Ballantyne received as to how they thought switchover had gone in the Border region:

- Switchover went fairly smoothly from a technical point of view at the transmitters, but many people with Freeview had difficulties with re-tuning their STBs, which required a full re-scan, and some older digital equipment stopped working.
- One new and approved digital recorder had problems distinguishing between main/relay transmitters. There were difficulties for people in understanding how to get an existing VCR to record properly when linked to a STB.
- Anecdotally, retailers were run off their feet as people left it to the last minute to purchase the equipment.
- There was a 70% response to the DSHS. However, only 3000 out of a possible 19,000 people had actually accepted help by the final switchover date. Consumer Focus knows of two instances where STBs that were owned by DSHS eligible people did not work after switchover and contacted the help scheme for support. In one case, the 80+ couple wanted a digital recorder option (with 2 tuners); in the other, it is was likely that the 88 year old gentleman would take up the Sky standard offer as he most probably can't receive a clear signal without satellite due to where he lives.

### **Preparations for the first major switchover - Granada region**

30. The first major switchover date, due to the size of the region in question, is the Granada region, which is scheduled for switchover on 4 November 2009. The Winter Hill transmitter serves 3 million households across the region, covering Liverpool, Manchester, Lancashire, Cheshire and north Staffordshire. BBC Two will be the first analogue signal to go followed by all the remaining terrestrial channels on December 2 2009. The concern people have is whether the DSHS and the regional information campaign will scale-up from a switchover of 50, 000 households to one that is approximately 3 million. The latest tracker research on switchover awareness and take-up can be found annexed to this paper.

31. The Digital UK regional switchover information leaflet is also annexed to the paper. It can be found online here:

[http://www.digitaluk.co.uk/data/assets/pdf\\_file/0013/21208/Granada\\_regional\\_leaflet.pdf](http://www.digitaluk.co.uk/data/assets/pdf_file/0013/21208/Granada_regional_leaflet.pdf)

32. A strong concern that all have in planning the success of switchover is private landlord behaviour. In particular, those who rent multiple dwelling units (MDU's) or houses to those in receipt of benefits. It is felt these groups of consumers will have little negotiation power with a landlord who, for example, refuses to upgrade a communal aerial, or charges an excessive amount for the work to be undertaken.

### **Future Panel work on DSO**

33. The Panel will continue to watch the progress of DSO carefully to ensure that issues affecting consumers are recognised and acted on swiftly, and that the benefits of DSO are experienced by all consumers.

### **Further research publications on DSO**

You can see a timetable for which regions switchover when at:

[http://www.digitaluk.co.uk/when\\_do\\_i\\_switch](http://www.digitaluk.co.uk/when_do_i_switch)

You can understand the estimated cost of converting a television set to receive the digital signal at: [http://www.digitaluk.co.uk/cost\\_and\\_options](http://www.digitaluk.co.uk/cost_and_options)

You can view tracker research reports that reveal switchover readiness in each region at: [http://www.digitaluk.co.uk/press\\_office/reports](http://www.digitaluk.co.uk/press_office/reports)

And you can review research reports by Ofcom on switchover at:

<http://www.ofcom.org.uk/research/tv/reports/dsoind/>