



Supporting the most vulnerable consumers through digital switchover

A report by the Ofcom Consumer Panel

November 2004

Ofcom Consumer Panel

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Contents

Summary and recommendations	6
Chapter 1: Introduction	8
Chapter 2: Consumer vulnerability at digital switchover	11
Chapter 3: What help measures and delivery mechanisms should be put in place?	23
Chapter 4: Estimate of costs	33
Chapter 5: Conclusions and recommendations	38
Annexes (published separately at www.ofcomconsumerpanel.org.uk)	
Annex 1: Vulnerable consumers in switchover – Who are they and where do they live? – i2 media research ltd, 2004	
Annex 2: Vulnerable consumers in switchover – Lessons from parallel experiences – Andrew Stirling, Ofcom, 2004	
Annex 3: Stakeholders interviewed	
Annex 4: Accessibility	

Acknowledgements

In preparing this report, the Consumer Panel has had many helpful discussions with the organisations and people listed at Annex 3.

It has also been advised by Jonathan Freeman of i2 media research ltd, Andrew Stirling of Ofcom, and Matt Ashworth and Simon Terrington of Human Capital. The Panel is very grateful to all of these people for their help: responsibility for the views expressed in this report remains ours alone.

Abbreviations and acronyms

We have tried hard to avoid using technical jargon in this report: where it has been inevitable, we have tried to make it clear what we mean. Some use of initials and acronyms has also been inevitable. The ones most used in this report and which might not be immediately obvious are:

- ADSL – Asymmetric Digital Subscriber Line, a method of delivering data quickly through telephone lines
- Audio description – an additional soundtrack which describes changes taking place on screen during gaps in dialogue
- BSL – British Sign Language
- CEG – Consumer Expert Group, a group appointed by the Broadcasting Minister to advise government on consumer issues relating to digital switchover
- DLA – Disability Living Allowance, a benefit for people who become disabled before the age of 65 and who need assistance with personal care or mobility
- DSat – Digital satellite
- DSO – Digital switchover
- DTT – Digital terrestrial television
- DTV – Digital television
- DWP – Department for Work and Pensions
- EPG – Electronic Programme Guide, a facility that allows programme information to be called up on-screen and channel selections made
- FreeSat from Sky – The free-to-air (see below) digital satellite TV service operated by BSkyB
- Freeview – The free-to-air digital terrestrial TV service operated by the BBC, Crown Castle International and BSkyB
- Free-to-air – services that can be received without paying a subscription
- MDU – Multiple-dwelling unit
- PVR – Personal video recorder, a device that records programmes to a hard drive
- SCART – A type of connection and cabling used to carry video signals
- STB – Set-top box
- SwitchCo – the term used to describe the body that will lead digital switchover and be responsible for its implementation

Summary and recommendations

1. In July 2004, the Secretary of State for Culture, Media and Sport asked the Ofcom Consumer Panel to consider what measures might be necessary to protect the interests of “the most vulnerable” consumers during digital switchover.
2. The Consumer Panel starts from a position of support for the principle of digital switchover. It takes the view that there are potentially significant benefits to people at large in the UK from a switchover to digital television. But the full value of these benefits will only be realised if the route to switchover is managed in such a way as to minimise the risk of detriment to vulnerable people.
3. In preparing this report we have concentrated on two key principles. First, our belief that what people need is practical, on the ground help. Second, that conversion of a single television set to digital in a household ensures continued access to television. Our estimates of costs are therefore based on single-set conversion.
4. This report does not seek to replicate the comprehensive amount of research and investigation that has already been completed in this area. Instead it focuses on the very practical aspects of switchover – taking a step-by-step look at the process of digital television adoption, determining what the barriers are at each stage and for whom.
5. Our key finding from this analysis of the digital adoption process is that those who are likely to be most vulnerable are people who need help in effecting the practical changes that digital television adoption requires and who have no-one to whom they can turn for support. That is, that digital switchover presents the biggest challenges for those who are socially isolated – people who will have difficulty in finding out about switchover, in understanding what it means and hence who are unable to take effective steps to deal with it. People without an adequate network of support from friends, family, neighbours or carers will therefore be particularly vulnerable.
6. We recognise that this concept of social isolation does not map easily onto more traditional concepts of vulnerability – ones that can be captured by reference to the benefits system for example. It will be related to age, to various kinds of disability and to low English literacy. We believe that it will therefore require a new and innovative delivery structure to address it effectively.
7. We make the following recommendations:
 - a. SwitchCo, the body charged with implementing the switchover, should develop a process – working closely with the voluntary sector and local government – to identify people in need of help through switchover and provide a scheme offering practical support. We estimate that a national scheme along these lines could cost in the region of £110m.
 - b. Financial assistance should be offered to people currently eligible for TV licence fee exemptions or concessions (people over 75 or registered blind) in order to meet the costs of one-off purchases of equipment and any necessary aerial upgrade work needed to make the transition to digital. We

estimate that the costs of such assistance could lie between £134m and £270m.

- c. The total cost of what we are recommending could therefore in broad terms lie between £250m and £400m.
- d. Significant and rapid attention must be paid to the particular requirements of people with disabilities, especially those with vision or hearing impairments, in order to ensure that suitable equipment at reasonable cost will be readily available.
- e. The widest possible roll-out of DTT should take place in order to ensure that the largest number of households across the UK have a choice of digital television platforms and access to a low cost option for digital television.
- f. Manufacturers and retailers should be urged to make sure that all equipment on sale is clearly labelled with its digital capabilities in order to prevent people making expensive mistakes in their purchases between now and switchover.
- g. Manufacturers should continue to develop easy-to-use set-top boxes and remote controls for those people who do not want complicated functionality.
- h. But most urgently, we urge those leading the switchover process to implement at the earliest opportunity a public information campaign for digital switchover. This will be integral to ensuring that the widest possible number of people understand the “What?”, the “How?” and the “How much?” of digital switchover.

Chapter 1

Introduction

What is the question?

8. In July of this year, the Consumer Panel was asked by the Secretary of State for Culture Media and Sport to prepare a report on what measures might be needed to ensure that the interests of the most vulnerable consumers are protected at switchover: In a statement to Parliament on 22 July 2004, she said:

*“We continue to believe that an ordered process leading to the earliest practicable switchover remains desirable given the advantages to consumers, the broadcasting industry and future growth of innovative new services. We believe that switchover should be broadcaster-led but that the final decision on timetable should balance these benefits against the need to ensure that the interests of the most vulnerable consumers are protected. **I have therefore asked Ofcom’s independent consumer panel to consider what measures might be necessary to ensure this protection and to report to me later this year with their advice.** We will also take advice from leading charities. The Government’s final endorsement of a timetable will be subject to being satisfied that adequate measures are in place to meet this objective.”¹*

9. In thinking about how to respond in a practical way to this question, we were very conscious that a great deal of research has already been done on the technical aspects of switchover², on how it might affect particular people³, and on how people feel at the moment about the possibility of an enforced switchover to digital⁴. We have in this report tried not to tread again over this ground, and to stay focussed on the question we have been asked by thinking in strictly practical terms about how the switchover to digital television might actually work in practice: How do people find out about it? How do they decide what to do about it? And, in light of this, who might have particular difficulties in making the switch – and how might they be supported?

Starting point

10. The following chart illustrates the position in relation to take-up of digital television across the population as a whole and also in specific types of household at the end of December 2003⁵.

¹ http://www.digitaltelevision.gov.uk/press/2004/dig_switchover_progress.html

² Ofcom, Driving Digital Switchover, 2004

http://www.ofcom.org.uk/research/dso_report/?a=87101

³ Consumer Expert Group, Persuasion or Compulsion? Consumer and analogue switch-off, 2004 http://www.digitaltelevision.gov.uk/publications/pub_consumer_expert.html

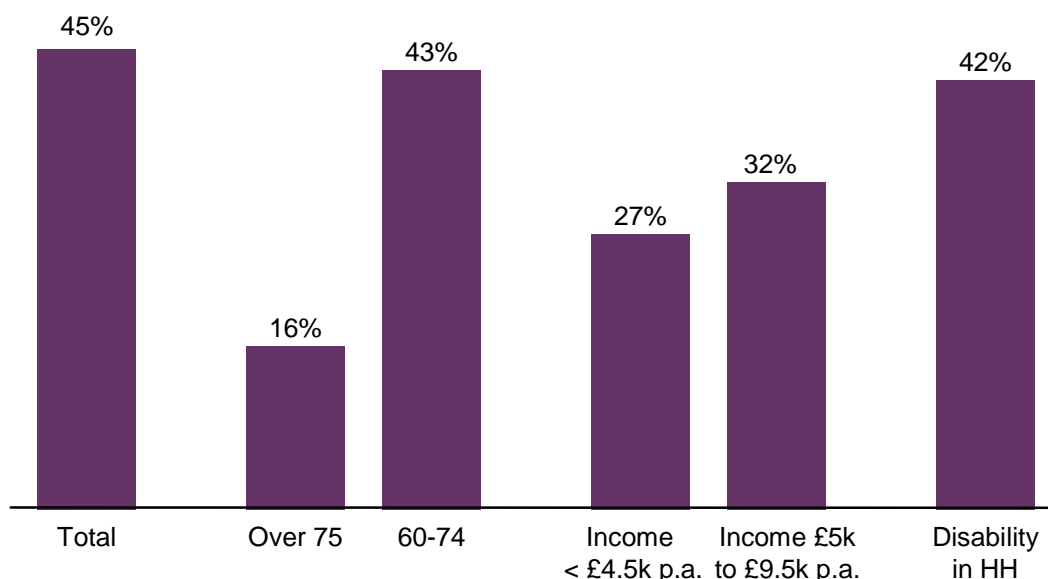
⁴ Scientific Generics, Attitudes to Digital Television, 2004

http://www.digitaltelevision.gov.uk/publications/pub_attitudes_to_dtv.html

⁵ This data has been extracted from research undertaken by Scientific Generics for their 2004 report (see reference 4), made available to the Panel

Figure 1.1: Take-up of DTV by household type (2003)

Source: Scientific Generics



11. Three interesting points are suggested by this data, and which are relevant in the context of this report. First, the close correlation between the rate of digital TV take-up in households containing an adult with a disability to the national average. Second, and in contrast, the significantly lower rate of digital TV take-up in households containing a person over 75. Third, the rate of take-up of digital in households on low incomes.
12. It should be noted that the age, income and disability segments of this graphic are not independent – the same households might, for example, be reflected in the age and low income segments.
13. The figures above relate to 2003 but the overall position is changing rapidly. Ofcom's latest Communications Market Report Quarterly Update⁶ (October 2004) states that "by the end of June 2004, digital TV penetration was estimated to have reached over 55% of households – up from 53% at the end of March." This increased take-up may well include some increased take-up amongst the groups identified in the chart at figure 1.1 – but we do not have data broken down in the same way to test this.
14. The recent report by the Consumer Expert Group⁷ (CEG) has made a large number of important points about the impact and practicalities of DSO. Those to which we would draw particular attention, and which have influenced our own views, include the need for a public information campaign about switchover and the availability of practical support for consumers.

⁶ http://www.ofcom.org.uk/research/industry_market_research/m_i_index/cm/qu_10_2004/?a=87101

⁷ See reference 3

The Panel's approach to the project

15. The Consumer Panel has taken the view that there are potentially significant benefits to people at large in the UK from digital TV. These include both better reception and a wider choice of content – including interactive services and special services for disabled people. (For example, audio description, whereby an additional soundtrack describes what is happening on screen during gaps in dialogue.) But the full value of these benefits will only be realised if switchover can be handled in a way that does not leave vulnerable people without access to TV – which is what the rest of this report is about.
16. In preparing this report we have built on three strands of work:
 - A review of the existing body of literature and research relating to vulnerable consumers at DSO. This forms Annex 1 to the report
 - A review of other experiences (including digital switchover in Berlin) which offer potentially useful lessons for us here in the UK. This forms Annex 2 to the report
 - A programme of interviews with key stakeholders. These include individuals and organisations representing consumers, organisations representing potential solutions and other individuals with expert opinion. The list of stakeholders we have been in contact with is included as Annex 3.

Chapter 2

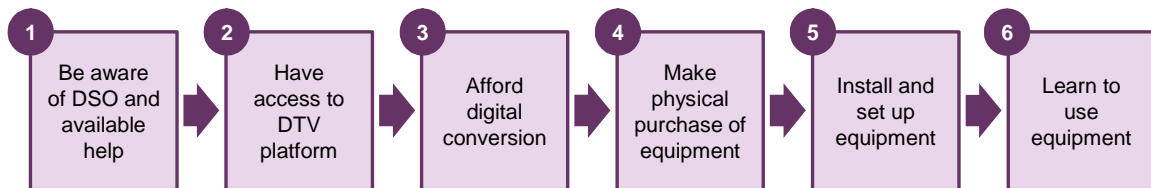
Consumer vulnerability at digital switchover

17. In this chapter we describe the process that every household which currently receives an analogue television signal will have to go through to convert to digital television; and describe the types of barrier that people may encounter at each stage of the process. We explore who is most likely to encounter problems in the switchover process; at what points in the process they might be vulnerable; and why. The next chapter will then describe in outline one of the possible ways in which people who are most at risk of encountering a problem can be both identified and supported.

Six steps to digital television

18. The process of converting to digital television can be described in six stages – each of which will need to be worked through by households which currently receive analogue television and who want to continue to receive television services post-switchover – which is, of course, most if not all of us. Figure 2.1 summarises the process:

Figure 2.1: The digital conversion process



Stage One – Information and awareness

19. Most obviously, people have to be aware that digital switchover is happening and what the implications are for them in practical terms. They need to know:
- what ‘digital switchover’ means;
 - when it will happen in their region;
 - what they will need to do.
20. Finally, there must be good information to alert people to any help to which they may be entitled and details of how to get access to it.

Stage Two – Access

21. To continue to receive television services after digital switchover, households who currently receive television through a ‘free-to-air’ (i.e. non-subscription) analogue television signal will need to have access to a digital television signal. This will be a choice between accessing the free-to-air digital terrestrial (DTT) platform Freeview, and a free-to-air digital satellite (DSat) platform, such as FreeSat from Sky, (which has been recently launched by BSkyB). Some viewers might also opt to pay for subscription-based digital television services such as Top Up TV on digital terrestrial, ntl or Telewest on digital cable and

BSkyB on digital satellite; or to receive television services via alternative technologies such as ADSL.

Stage Three – Affordability

22. There are costs associated with adopting digital television. Households which choose to adopt Freeview will need to buy:
 - a set-top box (STB), which plugs in between the aerial and the television, to decode the digital signal; and possibly
 - a SCART lead to connect the STB to the television (although many STBs include a SCART lead).
23. STBs are currently on the market at £34.99 and it is probable that by 2008 prices will have fallen further. Throughout this report we assume that the total cost of these two items in 2008 will be between £25-£50.
24. Households which choose to adopt the FreeSat from Sky option will need to purchase a Sky set-top box and a satellite dish. The current cost of this is £150, which includes Sky's standard installation.
25. Additionally, some households across the country which opt for Freeview may need to upgrade their existing aerials to receive a reliable DTT signal. Before switchover this number is estimated at 23% of UK households (73.1% of UK households can currently receive DTT). Assuming enough transmitters are converted to digital transmission and signal power levels are increased, it will be possible once switchover has taken place, for the DTT signal approximately to match analogue coverage (98.5% of UK households). This will significantly reduce the number who will need aerial work to around 5% - 10% of households⁸.
26. An upgrade might mean an adjustment to an existing aerial, a replacement rooftop aerial, an upgrade to the down-lead, a rooftop aerial in place of a set-top aerial or some combination of the above. Costs associated with such aerial work are expected to be between £80-£300⁹.
27. All of these are one-off purchases, with no on-going charges (although there remains uncertainty about the long-term position of the FreeSat from Sky offering¹⁰).

Stage Four – Buying equipment

28. Once the need to convert to digital reception is recognised and a decision has been made about the platform to adopt, people will need to make decisions about the most appropriate equipment to buy. This may well mean seeking advice particularly where people have particular requirements. We note that some agencies in the voluntary sector are already gearing up to advise people on suitable equipment.

⁸ Greg Bensberg, Chairman, Spectrum Planning Group

⁹ See reference 2

¹⁰ BSkyB have advised that FreeSat from Sky boxes will have an enabled card for five years. Source - DCMS

29. This stage will be much easier for consumers to work through if there is widely available, basic, user-friendly equipment which provides 'easy-to-use' options for people who do not want – and in fact are somewhat deterred – by complex functionality. Availability of such equipment, and clear 'digital friendly' labelling for products on the market **now**, will contribute to an easier purchasing decision for consumers who are considering the merits of an early switch to digital television. The Panel strongly recommends that equipment manufacturers and retailers take on board right now the need for user-friendly equipment and clear labelling.

Stage Five – Installation

30. Once the equipment has been bought, it will need to be correctly installed and set-up at home. For Freeview this will involve:
- connecting the STB to the television and any other existing equipment e.g. video recorder;
 - setting-up the box e.g. scanning for channels ('tuning the box');
 - in addition, as mentioned in at paragraph 25, aerial work may be needed.

Stage Six – Use

31. And once all of the above has been satisfactorily completed people will still need to learn to use the equipment, at least to a level where they can replicate what they used to do with analogue television – switch it on, change channels, adjust the volume and, possibly, use text services and subtitles. To do this they may have to use a second remote control and on-screen menus. People will also have to spend time getting used to the new system and the new controls in order to take advantage of the more advanced capabilities of digital television – for example, interactive services.

Potential barriers

32. There is potential at each stage of the adoption process described above for barriers to arise to an individual's successful take-up of digital television. The Consumer Expert Group¹¹ described in detail a wide range of potential barriers in its report and we have drawn extensively on their analysis in what follows.

Stage One – Information and awareness

33. We take as a starting assumption that the body charged with managing switchover, SwitchCo, will devote substantial resources to a timely, high-impact, effective and well-targeted public information campaign. But even with this in place some consumers:
- may not become aware of DSO;
 - may not sufficiently understand the particular implications for their household;
 - may not become aware of help schemes to which they may be entitled.

¹¹ See reference 3

Stage Two – Access

34. Currently 73.1% of the population has access to all DTT channels and services. Assuming full roll-out of DTT across the country, it is predicted that the 98.5% of the population who currently have access to the four main analogue television services will have access to the digital public service multiplexes once switchover takes place¹². The Panel regards full roll-out of DTT to be an important factor in the take-up of digital television, ensuring as it does a maximum number of households with both a choice of digital television platforms and a low cost option.
35. It is essential, in the Panel's view that no household which can currently receive an analogue television signal should be without any television signal post-switchover. This means that if a household which currently receives an analogue signal is unable to access a DTT signal they must be able to access a digital satellite signal.

Stage Three – Affordability

36. The costs associated with digital switchover for the large majority of people are, as discussed in paragraph 23, likely to be in the range of £25-£50 (the price of a digital terrestrial STB and SCART lead). This is not large when compared to the cost of the television licence fee (currently £116), which all but a very limited group of households are required to pay in full every year. (The groups that currently receive assistance with the costs of access to television include those over 75, who receive a free television licence, and those under 75 and registered blind, who receive a 50% concession. However these groups are not currently given any financial assistance with the purchase of equipment.)
37. The argument that the cost of converting to digital television through DTT will be low is based on single set conversion. We know that many households have multiple televisions, VCRs, etc but in the spirit of the question we were asked to report on, this report is focussed solely on ensuring that people have continued access to television after digital switchover, rather than the wider financial implications of converting all current equipment.

Box 2.1: Portable aerials

The Panel draws attention to a potential problem for those who use portable aerials.

Currently it is estimated that 4% of households use a portable aerial for their main TV set. (And an additional 30% use them for other TV sets.)

A proportion of these households may need to install a rooftop aerial at switchover because, for technical reasons, the existing portable aerial may not be able to pick up a sufficiently strong signal.

As yet the scale of this problem is not known. Ofcom is conducting research into this area.

¹² See reference 2

Stage 4 – Buying the equipment

38. For some people the physical task of getting to an equipment supplier and subsequently transporting the necessary goods home may present problems. Obvious examples include those who are house-bound through reason of disability, or people living in isolated rural communities without transport. Problems may also arise when at a retail outlet, where people who are not comfortable with the technology associated with digital television may find it hard to identify the equipment which fits their specific needs or even understand the advice they are offered – assuming retail staff are equipped to offer specialist advice in the first place.

Box 2.2: Multiple-dwelling units

Around 3m households live in local authority or housing association multiple-dwelling unit (MDU) accommodation.

Such MDUs tend to use communal aerial systems, rather than their own rooftop aerials. Typically the tenant is responsible for his or her own TV and recording equipment, whilst the landlord is responsible for the aerial and wiring into each accommodation unit.

The cost of any digital conversion work could be expensive (estimated to cost up to £180 per unit) and would likely be reflected in tenant rents. However, if paid over an extended period of time this cost could be much reduced as a proportion of weekly income.

More broadly, it is estimated that a further 2m households live in private MDUs. These households would face a similar set of financial issues. As noted by the CEG, all MDUs will also face a practical problem of orchestrating conversion in such a way that all households “move together”.

The Panel notes that some early steps have been taken by Government to address these issues. It will be an important issue for SwitchCo to engage with at an early stage.

Stage Five – Installation

39. Many of us struggle with the practical business of installing and setting up new technology in our homes, where problems are often compounded by poorly written instructions and complicated diagrams. Installing and setting up equipment to receive Freeview will be no different and for many, the range of tasks necessary for a successful installation:

- connecting the STB to the television;
- connecting the STB to existing additional equipment e.g. a VCR; and then
- working through potentially unfamiliar on-screen menus to scan for channels and set up the STB

will present a formidable technical challenge. These ‘indoor’ tasks may also lead to essential ‘outdoor’ tasks of ensuring that any necessary aerial work is carried out¹³.

¹³ Note that there may be fewer practical difficulties installing FreeSat from Sky (compared to Freeview), since the £150 cost includes a standard installation service

Stage Six – Use

40. For many people used to using a traditional analogue television set, using a digital television service will be significantly different. Rather than making a selection from just four or five channels on a single remote control, digital television may require the use of two remote controls alongside one another, the use of an electronic programme guide (EPG) to find a channel and an understanding of how to use on-screen menus. This is unlikely to be an intuitive system for many of us.

41. Other usability issues are likely to unfold over time. For example, analogue signals will be turned off and replaced by digital signals in phases. At each switchover phase, new digital channels will go live and others will be relocated. As a result, people will intermittently be required to perform a channel re-scan. Unless the STB performs this task automatically, this means that users will be required to follow on-screen instructions to tune in to the new frequencies. Finally, usability issues may increase as digital TV gets more advanced and potentially more complicated.

Box 2.3: Analogue VCRs after switchover

One further issue concerns the operation of analogue VCRs. These contain an analogue tuner independent of the TV, which allows them to record one programme whilst another is watched.

After switchover this functionality will cease unless households purchase new recording equipment incorporating a digital TV tuner – a digital VCR, a twin tuner STB to connect to the VCR or a twin tuner with built-in hard disc recording.

Research carried out by Scientific Generics suggests that almost half of households use their VCR in this way. Moreover, almost two thirds of households say they would be upset to lose this functionality.

The Consumer Panel recognises that for some people this is an important (and costly) barrier to be overcome, but takes the view that it is not core to the main objective of maintaining access to TV services.

42. In summary, there are five types of potential barrier :
- Information – “I can’t understand it”
 - Practical – “I can’t do this by myself”
 - Financial – “I can’t afford it”
 - Usability – “I can’t use this equipment”
 - Coverage – “I can’t receive a DTT signal”

What does this mean for people?

43. The key point that we want to make is this: we believe that the most intractable problems that will arise for people in the switchover process arise from points a, b and d above - can’t understand what it’s all about, can’t set it up by myself, can’t use the equipment.

It is therefore our belief that the key to providing support through switchover is being able to identify those people who, because they may not have friends, family, carers or neighbours to help them, may not be able to manage the switchover by themselves for one or all of these reasons.

The remainder of this report is mainly focussed on ways of identifying these groups and supporting them.

44. Point c, the financial barrier, is one that we regard as of secondary importance. As we have noted above, the likely cost of a set-top box for one television and a possible aerial upgrade is not large in relation to the annual licence fee, a cost which most people in what might be traditionally regarded as vulnerable groups are already required to pay. We therefore do not regard the provision of financial support, with the exceptions noted in the next paragraph, as the key to solving the problems that the most vulnerable people will have with switchover.
45. As already noted in paragraph 36, licence fee concessions are available to some households. We propose that such households should also be eligible for financial support for the cost of converting to digital, i.e. for the purchase of the STB and, if needed, support for an aerial upgrade (the detailed financial consequences of this are set out at paragraphs 117 and 118). The Panel believes that applying these existing principles of financial assistance to the costs associated with switchover will ensure that those people who are currently supported financially to view TV continue to be helped.
46. We recognise that this is a view that some people will find difficult. It has been forcefully represented to us in discussion while preparing this report that this is not a 'fair' approach in the sense that is often taken to be fundamental to consumer protection, that is, of trying to ensure that, amongst others, people on low incomes, are provided with support of various kinds. We have been influenced in our thinking on this by two considerations:
 - The cost of moving to digital reception is a relatively small one-off cost in relation to the existing licence fee, which low income households are already expected to pay.
 - A decision of principle about financial support for access to TV has already been taken by Parliament, i.e. that people over 75 are eligible to receive a free TV licence; and people under 75 who are registered blind are eligible to receive a 50% reduction. In terms of 'fairness', this decision is itself debatable: it obviously has the potential to give financial benefits to people who do not actually need them, as well as those who do; and it may well NOT deliver financial benefit to those who have more need of it. However, we do not believe that the likely per-household costs of digital switchover are of a sufficiently large scale to make a case for extending this already-established principle about access to television viewing.
47. From this position, there are a number of possible practical ways forward. One way, which hinges on mobilising practical support in communities, is discussed further in the next chapter. Before we develop that idea, however, we summarise in the next few paragraphs ideas about how different kinds of vulnerability, other than financial, may affect people's ability to grapple with the

switchover. This helps to answer the question “who might be in need of support and why?”.

Who are vulnerable people likely to be?

48. In this section we have drawn extensively on the report prepared for us by Jonathan Freeman of i2 media research limited which can be found in full at Annex 1¹⁴. This provides information on groups of people that are often regarded as vulnerable. These groups may have particular problems to overcome in adopting digital television and risk losing television services altogether if they lack an adequate support network to help them through the practical process of adoption. We explore below the problems associated with:

- A. Disability
- B. Age
- C. Reduced English literacy

A. Disability

49. There are three main types of disability that may affect a person’s ability to take up digital television: sensory disability (visual and hearing impairments); cognitive or learning disability; physical disability.

- a. Sensory disability – visual impairment: the spectrum of visual impairment runs from uncorrected but potentially correctable vision through to complete blindness. The RNIB estimates that there are approximately 1m visually impaired or blind individuals in the UK (1.8% of the population), of whom 157,000 are registered as blind by the Department of Health. 36,000 households receive a half price concessionary TV Licence by virtue of the fact that at least one person in the household is registered as blind¹⁵.
- b. Sensory disability – hearing impairment: hearing impairments range from hearing aid correctable problems to complete congenital deafness. The RNID estimates that approximately 700,000 people are severely or profoundly deaf, about 9m people have some form of hearing loss and about 1.4m people use a hearing aid on a regular basis. In England, fewer than 200,000 people are registered as deaf or hard of hearing by the Department of Health. The RNID also estimates that approximately 50,000 people use British Sign Language (BSL) as their first language.
- c. Cognitive or learning disability: a reduced ability to concentrate, understand, reason, learn or remember can result from ageing, dementia, brain injury, substance abuse or congenital learning problems. Scientific Generics estimates that approximately 2.6m adults have some form of impairment in their cognitive abilities¹⁶.
- d. Physical disability: Scientific Generics estimates that almost 7 million adults experience some form of ‘motion’ impairment, including both dexterity and

¹⁴ i2 media research Ltd, Vulnerable consumers in switchover – Who are they and where do they live?, 2004

¹⁵ BBC TV Licensing

¹⁶ Scientific Generics, Digital Television for All – A report on usability and accessible design, 2003, http://www.digitaltelevision.gov.uk/publications/pub_dtv_for_all.html

mobility problems¹⁷. RNID estimates that around 50,000 UK adults have severely restricted use of their fingers, and a similar figure cannot use at least one arm. 650,000 have reduced co-ordination and 1.3m have reduced strength.

B. Age

50. It is important to recognise that not all older consumers are vulnerable – many are financially secure, in good health and perfectly ready and willing to use new technology. But there is a proportion of the UK's ageing population who will be limited by one or more of the barriers so far described in this report. The challenges for older people are often compounded by the co-occurrence of different kinds of vulnerability which, when taken together, may also lead to social isolation.
51. A quick look at the headline statistics for older people shows us that:
- 48% of the disabled population is 65 or over and 29% is 75 or over;
 - 75% of registered blind people are over 65, and 65% are over 75;
 - 50% of visually impaired people over 75 have some form of hearing impairment;
 - 55% of adults over 60 are deaf or hearing impaired;
 - 77% of severely or profoundly deaf people over 60 have multiple disabilities;
 - 47% of people over 75 have a dexterity impairment, compared with about 5% of adults aged 16-49;
 - 15% of adults over 75 have a cognitive impairment, compared with about 3% of adults aged 16-49.
52. The barriers that all of these multiple impairments present for older people in adopting the new technology of digital television are made all the more difficult to overcome when we consider that social isolation also increases with age. For instance, the Economic and Social Research Council (ESRC) Growing Older Programme found that 17% of people over 65 are in contact with friends, family or neighbours less than once a week and that 11% have contact less than once a month¹⁸. Other sources show us that in 2001, 49% of people 75 or over lived alone, compared to 12% for people aged 25-44¹⁹. People over 65 are also less likely to have access to a car than the general population – 58% compared to 72%, with access decreasing to 28% for elderly people living alone²⁰.

¹⁷ *ibid*

¹⁸ Christina Victor, Ann Bowling, John Bond and Sasha Scambler, Economic and Social Research Council, *Loneliness, social isolation and living alone in later life*, 2003

¹⁹ General Household Survey 2001

²⁰ *Living in Britain 2001*

C. Reduced English Literacy

53. There are two types of person within this group:
- People who have low literacy development
 - People for whom English is not their first language
54. DfES estimates that approximately 16% of the adult population have literacy skills below those expected of an 11 year old (approximately 5.2m people)²¹. In addition, about half a million people whose first language is not English “*have little command of the English language*”²².

Barriers to digital television adoption

55. Figure 2.2 below summarises a number of the key barriers to digital television adoption for the groups described above.

²¹ DfES Skills for life survey, A national needs and impact survey of literacy, numeracy and ICT skills, 2003, <http://www.dfes.gov.uk/research/data/uploadfiles/RR490.pdf>

²² Moser Group for DfES, Improving literacy and numeracy, A fresh start, 1999, <http://www.lifelonglearning.co.uk/mosergroup/index.htm>

Figure 2.2: Potential barriers to adoption of digital television

		1	4	5	6
		Awareness	Purchase	Installation	Usability
People with a disability	Visual Impairment	<ul style="list-style-type: none"> Publicity campaigns in the press, by mail-out or on TV will have reduced impact 	<ul style="list-style-type: none"> Possible difficulty travelling to/from a retail outlet, obtaining advice and learning about specialist equipment 	<ul style="list-style-type: none"> Reading instructions, connecting leads, following on-screen instructions could be almost impossible 	<ul style="list-style-type: none"> Possible problems using EPGs, a new remote control, or responding to on-screen calls to action
	Hearing Impairment	<ul style="list-style-type: none"> Publicity campaigns on TV or radio will have a reduced impact 	<ul style="list-style-type: none"> Possible difficulty obtaining specialist advice in the retail environment 	<ul style="list-style-type: none"> Some British Sign Language users may have reduced English literacy and so find it harder to read instructions 	<ul style="list-style-type: none"> Accessing subtitles will be different to analogue and may be difficult if not one-touch on a remote control
	Cognitive Impairment	<ul style="list-style-type: none"> May be less likely to be aware of the existence of DTV and the implications of switchover 	<ul style="list-style-type: none"> Possible difficulty in selecting appropriate, easy-to-use equipment 	<ul style="list-style-type: none"> Possible difficulty in following instructions and physically connecting the equipment 	<ul style="list-style-type: none"> Possible difficulty in operating two remote controls and using an EPG
	Physical Impairment		<ul style="list-style-type: none"> Travelling to and from a retail environment may be difficult 	<ul style="list-style-type: none"> Unpacking equipment, moving the TV, connecting leads – these activities may present difficulties 	<ul style="list-style-type: none"> Dexterity-impaired people, may face difficulties using a new remote control with lots of small buttons
Older People		<ul style="list-style-type: none"> Difficulties may be encountered understanding the implications of a publicity campaign or information 	<ul style="list-style-type: none"> A variety of potential difficulties – eg. travel to the retail outlet, understanding advice 	<ul style="list-style-type: none"> Potential difficulties include following instructions, unpacking equipment, connecting leads 	<ul style="list-style-type: none"> Potential difficulties include using an EPG and a new remote control, or responding to on-screen instructions
People with reduced English literacy		<ul style="list-style-type: none"> Publicity and information materials may not be understood 	<ul style="list-style-type: none"> Understanding advice from retailers and selecting appropriate equipment may be difficult 	<ul style="list-style-type: none"> Following instructions and on-screen directions may present problems 	<ul style="list-style-type: none"> Again, following instructions could be difficult

56. All of these barriers will increase in significance if a person is living alone and without easy access to a support network of neighbours, friends or family.

These few paragraphs have briefly summarised a large amount of information derived from published research and meetings we have held with interested groups. We believe that the practical issues surrounding access and, in particular, usability for disabled people need further careful consideration at a detailed level at the next stage of this work on DSO, and we would expect this to be a high priority for SwitchCo.

Where is support most required?

57. The above discussion of the most significant barriers to digital television take-up does not reveal any new or different groups of people at risk of detriment; indeed almost every point has had clear articulation in the Consumer Expert Group report. But for us it crystallises our view, expressed at paragraph 43, that what is essential for an inclusive and effective route to switchover is a safety-net of support for people who have no-one to turn to and who need help through the process. One way of achieving this is described in the next chapter.

Chapter 3

What help measures and delivery mechanisms should be put in place?

58. If the analysis suggesting that, potentially, the most vulnerable people in switchover are those who are socially isolated and who need help to overcome practical barriers is accepted, then a range of assistance options opens up ranging from:
- an “objective” approach where a programme of assistance is delivered to everyone in receipt of certain benefits, requiring a decision only on which benefits assistance should be linked to; to
 - a more “subjective” approach where a programme of assistance is delivered based on need and requiring substantial ‘local’ grass-roots engagement to identify people in need of support.
59. Clearly the first of these two options is appealing in terms of administrative simplicity but we believe that such an approach would entirely miss the point about *need* in the context of a complex technological change. Aside from the ‘deadweight’ that a benefit-linked system would inevitably incur (i.e. the significant numbers of people with disabilities who have already adopted digital television), it would be unlikely to deliver the kind of targeted support that problems associated with social isolation really require if they are to be overcome.
60. We believe it will be a critical task for the body leading switchover to ensure that a localised network of support is in place, mobilised and available to guide those who need help, and who do not have it, along the path to digital television adoption.
61. This will not be easy to achieve. We know that our concept of social isolation does not map easily to more traditional views of vulnerability. We are not proposing, for instance, to link identification and support for vulnerable groups to the benefits system, where people falling into certain groups receiving certain benefits could be reached relatively simply. Our proposal – which is a bottom-up approach, grounded in people’s actual circumstances – is one which we believe has a better chance of ensuring that those who are truly the most vulnerable to the potential risks associated with switchover are adequately supported.
62. In the first part of this chapter we describe one possible model for providing targeted support to socially isolated people who, without help, might be unable to take the necessary steps to adopt digital television. It takes the form of a possible regional ‘template’ which could be used to roll out practical support schemes across all regions of the country, with each regional roll-out taking on board any lessons learnt from the region before. There is an implicit recognition in this approach that whichever region goes first will inevitably have to deal with some problems for the first time. In the second part of this chapter we discuss a mechanism to deliver the limited financial proposals.

63. The following should be read with one proviso. We take as a given that any targeted support scheme will be a 'bolt-on' safety-net to accompany a major nationwide information campaign to alert, inform and guide the whole country through DSO, and expect any campaign to take on board the recommendations of the CEG report in relation to information accessibility. This includes ensuring that all information and communication material (including helpline facilities) are made available in a variety of formats, to address the needs of people with a disability, and languages for people whose first language is not English.
64. The scheme we outline below is one which we believe could help many people though the challenges that are inherent in a change of the scale and impact of digital switchover. But we must state that many of the practical barriers associated with installation and use could be significantly reduced by the development and implementation of 'best practice' guidelines for the design and manufacture of user-friendly equipment, as discussed in paragraph 29. Some of the design problems are listed in Annex 4 and we note that these have been explored in considerable depth in the CEG report.

A. Model practical support scheme

65. The goal of a practical support scheme will be to ensure that people who need help to effect digital conversion do not get left behind because they have no-one from whom they can get the support they need. The way to deliver this support, we suggest, is to mobilise and motivate existing trusted community-based support networks to guide people who need assistance through the six steps to switchover. As can already be seen from the DTT trial in Wales, such community-based support is invaluable, and often arises naturally²³.

Who has a key role to play?

66. We envisage four key types of partner each playing an essential and significant role:
- SwitchCo
 - Local community networks
 - Local government institutions
 - Local retailers / aerial installers

SwitchCo

67. We believe that SwitchCo, the organisation charged with implementing the overall switchover plan, must take central responsibility for co-ordinating and overseeing the support of vulnerable people, region by region, as DSO is rolled out across the country.
68. They will need to undertake four critical tasks:
- Engage partners to help with the delivery of the support scheme on the ground – from national partnerships, which can be maintained across different regions, down to partnerships sometimes at a very local level;

²³ http://www.digitaltelevision.gov.uk/technical_trials/tech_trial_home.html

- Manage a central database of those potentially in need of assistance;
- Establish a call centre resource capable of fielding enquiries from people needing help; and,
- Take a lead in designing appropriate information materials and training programmes.

These tasks are explained further below.

Local community networks

69. These are defined as non-governmental organisations that work in the community, have the capacity to operate at a local level and have channels to access 'hard-to-reach' people. They include charities like Age Concern or RNIB or Women's Royal Voluntary Service; volunteer organisations such as The Experience Corps or Millennium Volunteers; and other local organisations such as faith community centres.
70. SwitchCo will need to ensure that within each region a single community network is identified and resourced to take the lead role in delivering the support scheme. This organisation will need to work very closely with SwitchCo, and should also partner with other community network groups to ensure the widest possible coverage and access to the many different groups of vulnerable people in any region. Ideally the organisation should have national reach so that it can roll out the support scheme across a number of regions, as the switchover process unfolds, learning from its experiences each time.

Local government institutions

71. Local authorities, as a result of their role in providing e.g. social services, have pre-existing, trusted relationships with large numbers of the people we suggest as being potentially in need of support through switchover. If local and regional authorities can be encouraged to engage closely with the switchover process they could play a vital role – sign-posting people in need of help to sources of support. We believe discussions with these bodies will be an essential next step in the switchover process.

Local retailers and aerial installers

72. These include the wide variety of retail channels and aerial installers that serve local areas.
73. In addition to these 'active partners', there will be a large number of additional partners whose involvement will need to be sought. These organisations will not be proactive in delivering direct support but would be an invaluable resource for signposting people to appropriate sources of help and support. Obvious examples include Citizens Advice Bureaux, Post Offices, pharmacies and GP surgeries.

Process

74. Figure 3.1 summarises the roles that could be played by each partner in delivering a practical support scheme. From the perspective of a person

needing support the scheme will be able to offer assistance through the four key stages of the digital conversion process i.e. those where practical help is most likely to be required (as set out in Chapter 2). Figure 3.1 also illustrates the need for the delivery infrastructure to first be able to complete the preliminary task of identifying potentially vulnerable people.

Figure 3.1: Summary of the practical support scheme

		The Partners			
		SwitchCo	Local Community Networks	Local Government Institutions	Retailer / Aerial Installer
The Process	Overall	<ul style="list-style-type: none"> Central co-ordination Establish call centre & website Mobilise local partners Develop training programme 	<ul style="list-style-type: none"> Take lead role in providing on-the-ground practical support 	<ul style="list-style-type: none"> Partner local community groups in providing practical help 	<ul style="list-style-type: none"> Supply STB equipment and installation service Supply aerial upgrade service Meet standards for the digital logo
	1 Identifying vulnerable people	<ul style="list-style-type: none"> Build database of potentially vulnerable people – TV Licensing, DWP, supplemented by info from local groups 	<ul style="list-style-type: none"> Identify vulnerable people, based on local knowledge and existing communication channels Identify a key support person 	<ul style="list-style-type: none"> Identify vulnerable people, based on existing relationships 	
	2 Raising Awareness	<ul style="list-style-type: none"> Design information materials (Direct mail) (Local press and radio coverage) 	<ul style="list-style-type: none"> Make home visit Distribute literature Identify household needs 	<ul style="list-style-type: none"> Piggyback existing home visits to make sure people know who to contact for help (and how) 	<ul style="list-style-type: none"> Provide information and advice – in-store, via websites, etc Use the digital TV logo
	3 Physically purchasing equipment	<ul style="list-style-type: none"> (Distribute STB vouchers to qualifying households) 	<ul style="list-style-type: none"> Plan equipment purchase Assist physically with purchase process Help people to call their retailer 	<ul style="list-style-type: none"> Piggyback existing home visits to check all well Signpost to key support person 	<ul style="list-style-type: none"> Offer people telephone ordering and a home delivery service
	4 Installing at home	<ul style="list-style-type: none"> (Implement financial support scheme for aerial upgrades) 	<ul style="list-style-type: none"> Home visit to help people install and set up equipment Be present during any home visit of specialist fitter 	<ul style="list-style-type: none"> Piggyback existing home visits to check all well Signpost to key support person 	<ul style="list-style-type: none"> Offer a STB fitting service, if required Offer an aerial upgrade service
	5 Learning to use (aftercare)	<ul style="list-style-type: none"> On-going call centre resource (to run for at least six months after last switch-off) On-going “step-by-step” website resource 	<ul style="list-style-type: none"> Check next week that all is well Check at re-scan that all is well Provide frontline help or direct to further resources 	<ul style="list-style-type: none"> Signpost to key support person or further resources 	<ul style="list-style-type: none"> Offer after-sale support

1. Identifying vulnerable people

75. Within SwitchCo a central database of people requiring switchover assistance will need to be maintained. There are several sources which could be used as the national backbone for such a database e.g. TV Licensing (which holds information on all households that receive a free or concessionary TV licence) or DWP data on people in receipt of disability benefits. Locally, the database will need to be supplemented by information from local community networks and from local government institutions.
76. Transfer and use of this data is however likely to be limited by data protection legislation and as such significant attention will need to be paid at a very early stage in the planning process to the most appropriate method of sharing and holding data about people at risk. The constraint of data protection must not, however, of itself be held up as an insurmountable barrier to supporting people in need of help.
77. Whatever data is collected from existing sources will also need to be supplemented by 'self-selection' – those people who actively seek assistance. Depending on the limitations of data protection requirements this latter route may in any event come even further to the fore and local groups would then need to be very proactive in seeking out and encouraging people who may need help to identify themselves.
78. Once households in need of support are identified the lead community network should ensure that there is a person available to support the household through key phases of the digital conversion process and ensure 'continuity of support'. It may be possible to encourage support from existing relationships with in-built trust i.e. encouraging assistance to be sought from a willing and able friend, neighbour or family member. Otherwise the lead community network should assign a Key Support Person (KSP) – a worker from the community network and agreed with the household – to effectively 'take the place' of a friend or family member. Success will depend on the KSP being trusted and perceived to be 'on the same side'.

2. Raising awareness

79. SwitchCo will have to take central responsibility for the design and production of a range of information and publicity materials to accompany the support scheme. As with any general information campaign, these materials should be made available in accessible forms to meet the needs of different groups. Reference to the support available must also be made clear in all information targeted at the general population – including the way in which a request for support can be made.
80. The lead local community network should distribute this literature directly to vulnerable households where necessary and make home visits to the most vulnerable. Likewise, local social services should also leverage their home visits to publicise DSO.
81. The Berlin switchover experience and DWP's introduction of Pension Credit demonstrate the positive impact that, for example, a programme of direct mail to every affected household can have. These are activities that SwitchCo will

be best placed to implement, and should dovetail with call centre and website resources to field enquiries.

82. As many different channels and platforms as possible should be used to maximise the probability that people at risk of social isolation, or those who come into contact with them, will be reached. For example, charity newsletters, local events, GP surgeries, Post Offices, faith community centres, Citizens Advice Bureaux should all be employed to spread the word.
83. Alongside this activity, the KSP's first task will be to help vulnerable households to identify their particular requirements (for example, equipment with audio description for people with visual impairments).
84. SwitchCo should also be proactive in encouraging retailers (and aerial installers) to train their staff to be able to deal with both the information and equipment needs of vulnerable people to supplement any printed information available in-store and/or on websites. The visible and widespread use of the digital switchover logo should also be employed to endorse equipment, retailers and aerial installers who meet any required standard thresholds.

3. Physically purchasing equipment

85. The KSP should help people to plan the purchase of equipment. This assistance could take different forms, for example:
 - helping someone to call his or her local retailer to obtain advice;
 - helping to get someone to a retail outlet;
 - helping someone to arrange with his or her retailer the home delivery of equipment purchased over the telephone;
 - ensuring that any financial assistance to which a person might be entitled (see paragraph 45) is obtained.
86. Other partner institutions, such as local government channels might also be encouraged to keep an eye on those people they know are potentially vulnerable and to signpost them to their KSP, another appropriate community 'expert' or to the SwitchCo helpline.
87. On a practical level, retailers should be encouraged to offer a telephone ordering and home delivery service for those consumers who cannot easily travel to their premises.

4. Installing at home

88. The community KSP will play a vital role at this stage of the conversion process and it will therefore be essential that community teams undergo a well-developed training programme.
89. Once equipment has been obtained, a visit from the KSP should be arranged for the installation of equipment. Support at this stage will vary, for example:
 - assisting the householder in setting-up the equipment i.e. an enabling role;
 - setting-up the equipment on the householder's behalf e.g. connecting the set-top box to the television and other equipment and following set-up instructions to scan for channels etc;
 - helping to ascertain whether there is a need for an aerial upgrade (as described in paragraph 25) and ensuring that any financial assistance to which a person might be entitled (see paragraph 45) is obtained;
 - providing some basic tuition to help the householder to learn to use the equipment.
90. As with other stages of the process, local government services could play a useful role in checking that all is well and signposting to resources.

5. Learning to use (after care)

91. Many usability problems will only emerge over time either as a result of upgrades to software in set-top boxes, through the need to re-scan for additional channels or as people become more at ease with the technology and begin to experiment. Because of this, SwitchCo will need to ensure that helplines are operational for at least six months after switchover in the final region. It should also ensure that a permanent support website is put in place, a measure implemented during the switchover in Berlin.
92. On a local level, the KSP should ensure that every household helped through the switchover process has a rapid follow-up check (within at least a week), whether by phone or in person, to make sure that the equipment is still functioning and the householder is able to use it in the way that he or she wishes, offering additional assistance where this is not the case. Further contact with these households may also be necessary after the first channel re-scan.
93. In addition to these two contact points, local community networks and local government institutions should continue to play an aftercare role by signposting people to the residual helpline or the website. Retailers should also be encouraged to offer after-sale support.

Possible community network organisations

94. In preparing this report, we have held informal fact-finding discussions with community network organisations during which we explored whether our ideas were practical and attempted to gauge enthusiasm for participation. We felt that whoever was approached to take a lead role in providing a practical support scheme should be an experienced national organisation with the capacity to

establish partnerships at a local level and reach different groups of vulnerable consumers. Thus exploratory discussions have so far taken place with Women's Royal Voluntary Service and The Experience Corps. Both have indicated in principle willingness to participate (subject to further development of the plans). Clearly there will be other organisations, such as Age Concern, equally well-placed to fulfil the envisaged role.

Box 3.1: WRVS

WRVS is a charity whose mission is "to help people maintain their independence and dignity in their homes and communities, particularly in later life".

It is experienced in providing a range of services to people in need who might otherwise feel lonely and isolated. It works with other charities, local authorities and the NHS throughout England, Scotland and Wales.

Over 95,000 volunteers help people in their local communities. Each year they serve around 9 million Meals on Wheels to housebound and older people and, through 144 Home Library Service schemes, deliver books to about 40,000 people.

Box 3.2: The Experience Corps

The Experience Corps (TEC) is a national non-profit making company that exists to enable people over 50 to share their skills and experience with others in their local communities.

TEC acts as a "brokering agency", putting local volunteers in touch with local initiatives and volunteering opportunities. It maintains a database of around 500,000 voluntary work opportunities. Partners include organisations like WRVS, Help the Aged, Age Concern, as well as a host of other national, regional and local organisations.

To date, over 200,000 people have become TEC members, of which about 60,000 come from ethnic minority communities. (Links to Muslim, Hindu and Sikh faith communities, as well as to Afro-Caribbean communities, are particularly strong). 81% of TEC members have lived in the same location for 10 or more years.

TEC operates in all regions of England, including 88 of the country's "hardest-to-reach" (Neighbourhood Renewal) communities.

Box 3.3: Age Concern

Age Concern is a charitable federation that exists to help "make later life fulfilling, enjoyable and productive".

Sister organisations operate in the four nations of the UK. In England, Age Concern operates as a federal structure of about 400 independent charities working at a local level. (This means that participation would depend on local agreements.)

Amongst other activities (including campaigning on key issues affecting older people), Age Concern provides essential services such as day care, home visits and "handyperson" help to socially isolated people.

95. We include some outline costings for a scheme based on voluntary sector involvement in the following chapter.

B. Financial support scheme

96. Following on from the discussion of financial assistance in paragraphs 45 and 46, we suggest one possible mechanism for providing assistance to eligible groups.
97. **Set-top box subsidy:** From an administrative perspective, the simplest way to deliver this subsidy would be to distribute a 'voucher' redeemable against purchase, to all eligible households (e.g. those qualifying for a free or concessionary TV Licence). A voucher could either be included with the TV Licence itself (although the regional roll-out timetable may mean that posting of vouchers with TV licences is impractical i.e. if the two timetables do not coincide) or posted directly to households, but see discussion at paragraph 76 of data protection issues.
98. On receipt of the voucher, householders would then go to their local retailer and exchange it for a STB (or be helped to do so). Vouchers should be platform-neutral to enable people to either redeem against the full-cost of a basic user-friendly DTT box or to off-set part of the cost of a DSat installation (unless in an area of non-DTT coverage where arrangements will have to be made to fully compensate households eligible for financial assistance who need to take up DSat).
99. **Aerial upgrade subsidy:** Delivering financial support for aerial conversions will be more complex and will require a different mechanism. This is because only a small proportion of the groups eligible for financial assistance is expected to need it. Whilst it is estimated that across the country as a whole 5%-10% of households may require some form of aerial work, post-switchover, to access DTT²⁴ (see paragraph 25 for discussion) there is currently no data on how many of the households who would be eligible for financial assistance are within that 5%-10%. The system for distributing subsidies for aerial work will therefore have to balance, in a cost effective manner, the twin objectives of ensuring that support reaches those who need it, whilst minimising its susceptibility to abuse. What follows is a brief outline of a possible model for aerial subsidy distribution.
100. In process terms, eligible households would phone (or be helped by their KSP to phone as described at 89) a helpline or access a website, where staff could guide them through a step-by-step investigation of their aerial set-up.
101. If there is evidence that the existing aerial arrangement is inadequate for DTT reception, people should be advised to contact a local 'accredited' aerial installer to arrange for an assessment of their aerial arrangements and the carrying out of essential works. It is, however, possible that for some of these households it may actually be more cost-effective and, indeed, preferable to opt for a DSat installation rather than upgrade an aerial for DTT reception. Until we are clearer about the number of households who are likely to be in this position, we have based cost estimates solely on the basis of ensuring DTT reception.

²⁴ See reference 9

102. This accreditation may be in the form of:

- a national contracting arrangement i.e. negotiated by SwitchCo to cover necessary aerial work for households eligible for financial assistance; or
- trade association accreditation ensuring work is delivered to a minimum standard.

103. The experience of the Scottish Executive's Central Heating Programme²⁵ – where, amongst other benefits, an efficient and modern central heating system can be provided to eligible households - demonstrates that it is possible to deliver a scheme offering home improvements to vulnerable people. It appears to us that this scheme could offer valuable insights about engagement of contractors and benefit administration.

²⁵ <http://www.scotland.gov.uk/library4/DD/DDSEC/00016444.aspx>

Chapter 4

Estimate of costs

104. Working to the model described in the preceding chapter, we have prepared an indicative estimate of the costs associated with delivering one possible model of a practical assistance scheme. We have also considered the cost of providing limited financial assistance to those who currently receive television licence fee concessions.
105. For the reasons described in paragraphs 58 to 61, we emphasis that we do not know with precision the number of people who will need to access any practical support scheme. We have therefore used a proxy population, described below, to base cost estimates on. Costs must therefore be treated as purely indicative at this stage.
106. It should also be recognised that costs may not be equally distributed across the period leading up to switchover. It is not unreasonable to assume that the level of assistance needed in early switchover regions may not be replicated in those regions switching four years later. There is therefore a high probability that costs will be 'front-loaded'.
107. Finally, we have not attempted to quantify the broader costs associated with ensuring that all in society have full awareness and understanding of the digital switchover process - for instance national and regional public information campaigns, marketing costs and call centre provision. All of these we assume to be an integral part of the broader digital switchover project.

A. Practical help scheme costs

108. In preparing the following cost estimate the Panel has used:
 - number of people over 75, thus eligible for a free television licence;
 - number of people under 75 registered blind, thus eligible for a concessionary licence; and
 - number of people under 75 in receipt of Disability Living Allowance (excluding those in receipt of DLA due to blindness)

as a proxy for the number of households which might be at risk of social isolation and in need of some practical support. The Panel has also used an average benefit unit to household ratio, calculated by DWP, to convert 'number of people' to 'number of households'²⁶.

109. In reality, as described in paragraph 11, there are already a significant number within these three groups who have either already adopted digital television, or who will have existing support networks, family, friends, neighbours or carers for instance, and who will not need additional support. Conversely there will be others outside of the proxy groups listed above who will need some practical support and assistance through the process of switchover and who will add to the total number of households needing to be covered by any such scheme. The following estimate of costs is therefore indicative at this stage.

²⁶ Family Resources Survey 2002/03

110. A note of caution: use of this proxy group should not be seen as detracting from our primary message that key to providing support through switchover will be identifying those people who are vulnerable due to their risk of social isolation. These people will not fit neatly into the sort of groups we use as our proxy. But we believe the proxy gives a reasonable indication of ‘order of magnitude’.

Number of vulnerable households

111. Using the following figures as proxy for potentially socially isolated households we estimate approximately 4.4m may need support through switchover.

Figure 4.1: Practical support scheme

	Number of People	Number of Households ³⁰	Take-up (Dec 2003) ³¹	Households who may require support
Over 75s	4.5m ²⁷	3.8m	16%	3.2m
Registered Blind	62k ²⁸	52k	42%	30k
In receipt of DLA	2.4m ²⁹	2.0m	42%	1.2m
Total				4.4m

Cost per household

112. In order to consider whether or not delivery of the practical support scheme we envisaged would be viable, we asked The Experience Corps to think about how they would run such a scheme – though, as mentioned earlier, there are many groups well-placed to develop similar schemes. In doing so, TEC undertook to prepare a very basic estimate of the cost of delivering practical help to those in need in a small switchover region.

113. It is important to note that the organisation believes that the project could not be carried out on a purely voluntary basis. This is because TEC is unable to offer voluntary work to its members where there is a clear paid employment opportunity. We expect other voluntary sector groups to advance similar arguments.

114. The assumptions on which the costing exercise was based were:

- Based on running a scheme in a small switchover region;

²⁷ DWP, 2004

²⁸ DoH, Scottish Executive, National Assembly for Wales, 2003; estimate for Northern Ireland is based on 2002 data from the Northern Ireland Assembly; people registered blind and over 75 excluded

²⁹ DWP, 2004; excludes people over 75 and people in receipt of DLA due to blindness

³⁰ Based on an average benefit unit to household ratio of 1.2, from Family Resources Survey 2002/03

³¹ See reference 5; these take-up rates are used as proxies

- Two home visits per vulnerable household;
- 45 minutes per home visit;
- Wages calculated using National Minimum Wage rate, plus NIC;
- Travel and other expenses estimated at approximately £500 per worker over the 6 month delivery period, plus two months of training;
- Training estimated at approximately £4,000 per team;
- Management and administration estimated at approximately £370,000 over a 12 month period covering recruitment, training and delivery.

115. Using these assumptions, TEC estimates that it would cost approximately £25 to provide assistance to a household in need of support, with the proviso that this figure should be treated only as an 'order of magnitude', based as it is on some important assumptions. More detailed work on costing should form part of any next steps. Additionally, it is possible that scale economies would be realised from rolling out the scheme across multiple regions.

Box 4.1: The Experience Corps

TEC has helped to outline some of the issues that would need addressing:

Recruitment: TEC's regional and local representatives would raise awareness of the new programme and begin to mobilise local volunteer networks. Many individuals would be contacted directly via TEC's website, via email, and others through partner organisations.

Key recruitment criteria would include: the ability to demonstrate a "trusted" position in the community, empathy, the ability to understand the implications of digital television switchover, the capacity to be trained to be a frontline resource for vulnerable people, the motivation to help make it happen. Vetting of workers would be carried out.

A team structure would be set up to include a Team Director, supervising 8 Team Leaders, each with a team of 10 members. In a region such as Border, this process would take at least three months to achieve.

Training: Critical for success would be a training programme that ensured all volunteers were proficient to deliver the required assistance. This would involve achieving competency with such issues as entitlement criteria, help procedures, technical questions on digital TV, basic usability, etc.

The training programme would be developed in conjunction with SwitchCo or the appropriate central organisation. It would be delivered via the organisational structure, so that Team Leaders would be trained in order for them to train their team members.

In the Border region, this stage of the process would take at least 2 months, possibly longer.

Total cost for a national practical support scheme

116. Extrapolating from these figures to a national total, based on the proxy group of potentially vulnerable households identified in figure 4.1, would suggest a cost in the region of £110m for delivery of a practical support scheme operated through the voluntary sector. This figure does not include costs related to the SwitchCo activity described in paragraph 68.

B. Financial assistance scheme costs

117. The costs of a financial assistance scheme for digital switchover, based on provision being allocated to those eligible for free or concessionary television licences, will depend on both the cost of a STB and the number of households requiring aerial work. We have provided estimates based on the extreme ranges, i.e. STB costs of £25 and £50 and aerial upgrade take-up numbers of 5% and 10% of eligible population:

Figure 4.2: Set-top box financial assistance

	Number of People	Number of Households ³⁴	Cost	
			£25 voucher	£50 voucher
Over 75s	4.5m ³²	3.8m	£95m	£190m
Registered Blind	62k ³³	52k	£1m	£3m
Total			£96m	£193m

Figure 4.3: Aerial upgrade financial assistance

	Number of Households		Cost (Assuming avg £190 per upgrade ³⁵)	
	5%	10%	5%	10%
	Over 75s	0.2m	0.4m	£38m
Registered Blind	3k	5k	£0.5m	£1m
Total			£38m	£77m

³² See reference 27

³³ See reference 28

³⁴ See reference 30

³⁵ See reference 10

118. These indicative calculations suggest the following range of costs for providing financial assistance:

- Minimum – £134 million (£25 set-top box & 5% aerial upgrade rate)
- Maximum – £270 million (£50 set-top box & 10% aerial upgrade rate)

Combined costs for practical support and financial assistance

These conservative cost estimates, based on proxy group household numbers, suggest that the cost of delivering both a practical support scheme and limited financial assistance will be approximately between £244m and £380m

Chapter 5

Conclusions and recommendations

119. The Panel was asked to report on:

“...[how] the interests of the most vulnerable consumers are protected...[and] what measures might be necessary to ensure this protection...”

120. In doing so, we have looked at evidence on the current penetration of digital television; have reviewed research on how people understand and get to grips with this new technology; and have considered carefully what might flow from this in terms of an answer to the question: “who is likely to be most vulnerable?”.
121. We have looked at the process, step-by-step, of how people might implement this change for themselves, and have concluded that those likely to be the most vulnerable are those who are socially isolated, that is, those who will have difficulty in finding out about switchover and understanding what it means and hence taking effective steps to deal with it. People who do not have friends, family, neighbours or carers to help them will be particularly vulnerable.
122. ‘Social isolation’ does not map easily onto concepts of vulnerability that can be captured by, for example, the benefits system. It will be related to age, and possibly to various kinds of disability and to low English literacy.
123. Our main recommendation to deal with this is that the body charged with implementing the switchover, SwitchCo, should develop a process – working closely with the voluntary sector and local government – to help identify people who, for the reasons stated, will be vulnerable to the effects of switchover and support them through it. We estimate that the cost of such practical support, delivered with the involvement of the voluntary sector, could be in the region of £110m.
124. We also recommend that financial assistance should be offered to people currently eligible for TV licence fee exemptions or concessions (people over 75 or registered blind) in order to meet the costs of one-off purchases of equipment and any necessary aerial upgrade work. We estimate that the cost of such financial assistance will be approximately between £134m and £270m. In total, the cost of all we are recommending is therefore within a broad envelope of £250m - £400m.
125. We recommend that the particular requirements of people with disabilities, especially those with sight or hearing impairments, should be looked at quickly and in more depth in order to ensure that, in particular, suitable equipment at reasonable cost will be readily available for these groups.
126. We recommend that manufacturers and retailers should urgently be pressed to make sure that all equipment on sale is clearly labelled with its digital capabilities so as to prevent people making expensive mistakes in their purchases between now and the switchover date.

127. We also recommend that manufacturers be pressed to continue to develop easy-to-use sets and remote controls for those people who do not want complicated functionality.
128. Our final recommendation is on a subject on which we have not been specifically asked for advice: but on which we feel strongly. We believe that it is extremely important that an effective public information campaign about the “What?”, the “How?”, (including the “How much?”), of digital switchover should begin at the earliest opportunity. This will be integral to ensuring that the widest possible number of people understand and are able to deal with the full implications of digital switchover.

Ofcom Consumer Panel

November 2004