

Title:

Mr

Forename:

Paul

Surname:

Hide

Representing:

Organisation

Organisation (if applicable):

techUK

What additional details do you want to keep confidential?:

No

If you want part of your response kept confidential, which parts?:**Ofcom may publish a response summary:**

Yes

I confirm that I have read the declaration:

Yes

Additional comments:

Introduction

techUK represents the companies and technologies that are defining today the world that we will live in tomorrow. More than 900 companies are members of techUK. Collectively our members employ more than 700,000 people, which represents nearly half of all ICT sector jobs in the UK. These companies range from leading FTSE 100 companies to new innovative start-ups. The majority of techUK's members are small and medium sized businesses.

This response is made on behalf of techUK members who have provided input into this call for input. Primarily this response is representing the views of digital device manufacturers. We do not seek to fully represent the views of other members but where those views have been expressed they have been included.

Summary

techUK welcomes this review and, in addition to providing you with our recommendations and comments, welcome the opportunity of joint discussions as part of the overall review and recommendation process.

We have only focussed on considering the impacts on DTT viewers, drawing on input primarily from our Digital Device Manufacturers and our joint experiences of managing the analogue to digital TV switchover. We have not sought to consider the impact on PMSE stakeholders and Wireless Microphone users.

techUK strongly argue in favour for Government to provide public funding to support viewers and owners whose equipment will be rendered obsolete by these changes. The change of use of the 700Mhz spectrum will enforce a need for change by some DTT viewers who will receive no direct benefit from the changes but will be forced to incur expenditure to continue to receive the services that they receive today. We believe that Government has an obligation to provide funding for a support programme similar to that put in place for DSO. In contrast to DSO, where additional services became available as a result of the changes, there is no direct benefit to DTT viewers from the clearance of 700 MHz spectrum.

Question 1: Do you agree with our assessment of the number of viewers that will need to retune?:

We agree that the majority of households will need to retune their DTT reception devices as a minimum. We believe that the figures provided in Table 1 are in-line with industry forecasts and provide a reasonable assumption of numbers affected.

Question 2: Do you any comments on how viewers will find the retuning process and whether there are particular groups of viewers which will require greater consideration/assistance with the process? What help might they need?:

UK Households have gone through and are still adapting to network changes, resulting in the need to retune from time to time. The MHEG driven 'advanced service change message' information raises visibility to the public that re-tuning will be needed as changes occur region by region. This type of messaging receives positive user feedback and we recommend that it should continue.

A review of the incoming questions, issues and solutions incurred during current and previous helplines relating to Digital Switchover and Retunes will be able to help highlight what assistance is likely to be required.

At a device manufacturer level most changes in the network will be taken into account by ASU (Auto Service Update) functionality that will retune the TV automatically when the TV is put into standby, adjusting and correcting the tuned channel database accordingly.

To support the process for users whose reception devices are not equipped with ASU, who require support for aerial changes or who are not familiar with how to complete a re-tune we recommend that a central Helpline resource is set-up prior to and during the clearance period.

The Helpline should provide a publicised access point for viewer enquiries and deliver verbal and email support as well as being able to direct viewers to device manufacturers, retail/etail providers of equipment and local aerial installers should a simple retune not be successful. Given that multiple helplines are available for DTT viewers today - Freeview advice line, BBC radio and television interference service and at800 for LTE800/TV co-existence, and the numbers of viewers impacted by clearance, a single initial Helpline providing greater clarity and simplicity to viewers is preferable.

We recommend that a set of FAQs be developed in collaboration with device manufacturers, retailers/etailers and broadcasters to ensure that messaging is consistent and uses clear and common language.

Viewers with a visual impairment may have difficulties in retuning due to the difficulties that they may face reading on-screen menus and/ or remote control menu buttons. Consideration needs to be given as to how to help user groups that may need assistance to complete the retuning process so that they are not left with a loss of service after the retune has taken place. As with the Digital Switchover Help Scheme, in-home re-tuning support should be considered for older viewers, those eligible for disability benefits and those living in care homes where these users can be shown to require support and/ or incur cost in order to continue to receive the services that they receive today.

Section 3.9 reports that 81% of people thought re-tuning was straightforward. Whilst a clear majority this suggests that there could be between 2.8m and 4.0m households that will not find the retune process straightforward and this considerable number of households does, in our view, re-inforce the need for a re-tuning help scheme.

Question 3: Do you have any information to suggest that our estimate for the number of households that will need to replace their aerials should be different?:

We do not have any information that conflicts with the Ofcom estimate on the number of households that may require an aerial re-pointing or replacement.

Question 4: Do you have any information relevant to our assessment of the average cost of an aerial replacement?:

We urge caution on stating an average cost for a replacement as many viewers who require an aerial adjustment are likely to pay either more or less than the average. Our recommendation would be to provide a cost range rather than an average cost. Information from the Confederation of Aerial Installers (CAI) suggests that the cost range for a replacement is likely to be between £80 and £200 depending on the type of installation required and the region in which the installation is carried out. In a very small number of cases, costs can increase significantly beyond this level where roof access is problematic.

Providing a cost range rather than an average cost avoids any viewer complaints should the final cost be greater than the average quoted cost. It also avoids the risk of viewers putting off the work required due to unaffordability when it may be that their cost is lower than the average price. We suggest that more exact pricing should be left to the local contractor once a site visit or investigation is carried out. In addition, the cost estimate provided seems to account only for individual homes. The cost for communal property, where landlords, housing associations or management companies may seek to recoup the cost of adjustments to communal aerial systems, has not been accounted for.

Question 5: Do you have any evidence as to what proportion of viewers may struggle to bear the cost of an aerial replacement?:

We do not have any figures on the number of households that may struggle to bear the cost of an aerial replacement. In contrast to DSO, where additional services became available, there is no benefit to DTT viewers from the clearance of 700 MHz spectrum so cost to any household is an unnecessary burden. We expect that for any low income households the cost would be a considerably greater burden. We believe that Government has an obligation to put in place a help scheme that can support/ meet the cost of upgrades for all households to continue to receive services they receive today.

Question 6: Do you have any information to suggest that our estimate of the number of viewers that may need to repoint their aerials should be different?:

We do not have any information that contradicts the Ofcom estimation.

Question 7: Do you have any information relevant to our estimate of the cost of aerial repoints or platform changes?:

We urge caution on stating an average cost as many viewers who require an aerial adjustment are likely to pay either more or less than the average. Our recommendation would be to provide a cost range rather than an average cost.

Information from the CAI suggests that the cost range for a call out/ re-point is likely to be between £40 and £80 depending on the type of installation and the region in which the installation is carried out. However, operational experience from the at800 programme indicates that there is no material difference between the cost of repointing an aerial and replacing one. The primary cost incurred is the time of engineers visiting a property and gaining roof access. The trade cost of a new aerial is immaterial. The cost of a platform change at £200 is in line with industry assessments.

Average/ estimated costs will vary by region and a cost range for the work can be used nationally. In our experience re-points for externally mounted aerials are rarely straightforward. Mounting brackets exposed to the elements degrade and seize over time and many households that theoretically only require a re-point may have to have a new aerial installation as the current equipment is not able to be moved/ adjusted without damaging the current installation. The CAI supports this view.

Question 8: Do you have any evidence as to what proportion of viewers may struggle to bear the cost of an aerial repoint or platform change? :

We do not have any figures on the number of households that may struggle to bear the cost of aerial repointing or platform change. In contrast to DSO, where additional services became available, there is no benefit to DTT viewers from the clearance of 700 MHz spectrum so costs to any household is an unnecessary burden. We expect that for any low income households the cost would be a considerably greater burden.. We believe that Government has an obligation to put in place a help scheme that can support/ meet the cost of re-points for all households to continue to receive the services they receive today.

Question 9: Are there any other matters the viewer support scheme should cover?:

The viewer support scheme should be able to provide re-tuning information for the range of legacy products in the market place that may require a re-tune. This information should be prepared in collaboration with the device manufacturers of TVs, PVRs and STBs. The viewer support scheme should also be able to identify and direct viewers back to their original provider of the equipment and to local installation and retuning support resources if required. The viewer support scheme should also be able to provide information on alternative content delivery routes where households are unable to receive programming via DTT following 700MHz clearance. Given the significant likely overlap between the start of 700 MHz clearance and the ongoing LTE800/TV co-existence programme of support provided by at800, any viewer support scheme should seek to harmonise the work of both programmes so that viewers are provided with simple, clear routes to available support from both programmes.

Question 10: Are there any other elements a viewer information campaign would need to include? Do you have any comments on or further evidence to inform the above estimates of the cost of providing information and advice to viewers? Please provide supporting evidence for any adjustments that you think may be relevant.:

No comment on this question.

Question 11: Do you have any comments on information which is relevant to our assessment of the potential costs of administering a help scheme?:

We do not have any information to contradict Ofcom's cost estimates. We would urge Ofcom to review in detail the support scheme set up to support DSO from analogue to digital television. The DSO Help Scheme set up to support switchover proved very effective in giving clear and advance notice of changes and actions required by viewers. The quality of helpline and assistance was both comprehensive and impactful leading to a smooth transition with minimal viewer complaints. We believe that a similar scheme run to a similar level of detail will greatly aid a smooth re-tune process and minimise viewer problems and dissatisfaction. However, we would highlight the fact that DSO took place over a longer period of time and the benefits to many viewers of moving to digital were clear. DSO benefited from a voluntary change, over more than a decade, of viewers independently switching to DTT prior to analogue services closing down to enjoy additional channels and widescreen services. No such benefit or path to voluntary switching is available with 700 MHz clearance.

We would recommend that a working group is set up across the full range of stakeholders prior to spectrum clearance. Past experiences show that early dialogue and input from all stakeholders will help to ensure that the most effective support scheme is put in place and that all sectors of the supply chain support and engage with the programme.

Question 12: Do you have any evidence to further inform our assessment of the likelihood of viewers that suffer from un-related pre-existing reception problems erroneously making claims against a 700 MHz help scheme?:

This question can best be answered when the level and operation of any support scheme is known. However, the at800 scheme has shown that, approximately 60% of home visits are made, and costs incurred, are to households not experiencing interference from LTE800. This

figure is indicative of the fact that many viewers with pre-existing issues will contact any widely communicated DTT support service, and that it is difficult to remotely triage the issues such viewers face.

Question 13: Do you have any additional information to further inform our cost estimates and assumptions of the effectiveness for the different triage methods? Are there any other triage methods which should be considered? Please provide supporting evidence for any adjustments you think may be relevant to our current estimates. :

We have no comment on this question

Question 14: Have there been any developments since 2014 which would affect our estimate of the amount of equipment that PMSE users will need to replace as a result of 700 MHz clearance?:

Question 15: Are you aware of any developments since the 2014 Statement that would affect our cost estimates?:

Question 16: Do you have any information or evidence of the likely unit cost of new equipment which operates in the 960-1164 MHz band?:

Question 17: Have we correctly identified the main categories of PMSE user that 700 MHz clearance will affect? If not, please provide examples of stakeholders which do not fit broadly into any of the groups mentioned.:

Question 18: Do you have any comments on our assessment of the proportion of equipment the different users types account for?:

Question 19: In addition to any information provided in response to the survey, do you have any other evidence as to how clearance may financially affect each of the different categories of PMSE equipment owner identified above?: