



Consumer Focus Scotland's submission to the House of Lords Select Committee on Communications – Inquiry into Digital Switchover of Television and Radio

February 2010

About Consumer Focus Scotland

Consumer Focus Scotland started work on 1 October 2008. Consumer Focus Scotland was formed through the merger of three organisations – the Scottish Consumer Council, energywatch Scotland, and Postwatch Scotland.

Consumer Focus Scotland works to secure a fair deal for consumers in both private markets and public services, by promoting fairer markets, greater value for money, and improved customer service. While producers of goods and services are usually well-organised and articulate when protecting their own interests, individual consumers very often are not. The people whose interests we represent are consumers of all kinds: they may be patients, tenants, parents, solicitors' clients, public transport users, or shoppers in a supermarket.

We have a commitment to work on behalf of vulnerable consumers, particularly in the energy and post sectors, and a duty to work on issues of sustainable development.

Introduction

1. Consumer Focus Scotland welcomes the inquiry by the House of Lords Select Committee on Communications into the digital switchover of television and radio.
2. Digital TV and radio can bring many potential benefits for consumers, such as an increased choice of channels, a better and more reliable reception, and more flexibility in programme format and content. However, the process of switching from analogue to digital services can present potential problems for some consumers. The enforced nature of the change inevitably brings some short-term expense and disruption, and there is potential for certain aspects of a switchover process to be particularly challenging and confusing for consumers who are disadvantaged or vulnerable in some way. This is significant as it is often those who are the most isolated or vulnerable who rely on TV and radio as an essential lifeline to the outside world.
3. Our work in relation to digital switchover has, to date, primarily focused on the digital television switchover and therefore our submission to the Committee is largely based on the issues faced by consumers taking part in this switchover process. However we believe that many of the lessons from the switchover to digital television can be applied to the forthcoming switchover to digital radio, where the issues facing consumers are likely to be broadly similar. We note that Ofcom's 2009 Communications Market report for Scotland found that only 26% of consumers in Scotland own a DAB radio, compared to 41% of people across the UK as a whole. Consumer Focus has submitted a separate response to the Committee, focusing on issues around digital radio, and we support the points raised in that submission.
4. The Scottish Borders was one of the first areas in the UK to make the switch from analogue to digital television. Recognising that this was an issue of significant interest, and possible detriment, to consumers in this region the Scottish Consumer Council (SCC), one of our predecessor organisations, established and ran the Digital Diaries Project in the Borders. The aim of this project, which was taken on and completed by Consumer Focus Scotland (CFS), was to gather qualitative information directly from consumers about the digital TV switchover. The project began in summer 2007, nearly 18 months before switchover in the Borders. More than 100 individual consumers signed up to take part, and they provided the SCC/CFS with regular, structured feedback about their day-to-day experiences and observations as they prepared for the switchover. A part-time member of staff was employed and based in the Borders, to recruit the diarists and to support them throughout their participation in the project. The information provided by project participants was collated to produce a number of research reports, which were then used to inform Digital UK of some of the issues and difficulties being experienced by consumers in the Borders.
5. The findings from the Digital Diaries Project form the basis of the evidence set out in this submission. It should be noted that the project was a qualitative study which highlighted the experiences of individual consumers. It was not designed to be statistically representative of the overall population. However, older and disabled people, who may experience particular difficulties or challenges with the switchover process, constituted a relatively large proportion of the respondents.

6. Our evidence is set out below under the following headings:

- Consumers' understanding of switchover
- Support for vulnerable consumers
- Outreach support
- The role of retailers
- Two levels of service
- Switchover in the devolved context

7. As highlighted above, it is likely that similar issues will be relevant in the switchover to digital radio.

Consumers' understanding of switchover

8. Our research in the Borders found that while the project participants in the Borders had a high level of *awareness* that digital switchover was taking place, this did not always translate into a high level of *understanding* of all the different elements involved. Digital Diarists reported that they would have liked to have had better information about issues such as the cost involved in buying digital equipment, the choices they would have in selecting digital TV options, how and when they should re-tune their TV equipment, what to do about TV recording equipment, and how they could check if their aerial was appropriate for digital TV.

9. During the switchover in the Borders in-depth information on these questions, and many others, was provided on the Digital UK website, by the Switchover Help Scheme, and by the Digital Outreach project. However some of our research participants felt that the other marketing and advertising materials that were used to inform people about the switchover (e.g. leaflets, posters, TV adverts) did not always provide enough detail to answer their various queries about the process.

10. The Borders was the first area in the UK to make the switch to digital TV, and we recognise that since then Digital UK has increased the level of information it provides to consumers in printed format, through more specific and in-depth information leaflets. This is welcome and should lead to an improved switchover process for consumers in other parts of Scotland and the UK. But this is also an important lesson to take forward to the switchover to digital radio – that clear and detailed information must be provided at an early stage, that there should not be an over-reliance on web-based materials, and that information is needed in a wide range of different formats to meet the needs of different groups.

11. Digital UK currently collects a wealth of useful data to measure levels of awareness and understanding in all regions preparing for switchover. However Digital UK's four key objectives, against which the success of the switchover programme is ultimately measured, make no mention of consumers' 'understanding' and state only that there should be 'universal awareness of the switchover' among consumers. In order to further embed the good work being done by Digital UK to improve and measure understanding of the switchover process amongst viewers, we believe it would be beneficial for this objective to be expanded, so that it assesses whether both 'universal awareness *and understanding* of the switchover' has been achieved in each region.

Support for vulnerable consumers

12. The Switchover Help Scheme gives support to people who are aged 75 or over, live in a care home, are disabled, or who are registered blind or partially sighted. It provides those who are eligible with suitable digital equipment, helps them to install it in their home, shows them how the equipment works, and provides ongoing support for up to a year after switchover.
13. Our work in the Borders found that the Help Scheme provided vital financial and practical support for vulnerable consumers. Those who had used it spoke positively of the benefits that it offered. However we are concerned that:
 - Take-up of the scheme in the Borders was relatively low – only 17% of all eligible consumers used the scheme – and this is a figure we would like to see increased both as the digital TV switchover is rolled out, and if a similar scheme is set up for the digital radio switchover.
 - The criteria for accessing the Help Scheme is narrow, and many vulnerable or isolated people are likely to be missing out on support – a particularly important issue given the significant economic challenges that many consumers are currently facing. We would like the criteria be reconsidered, both for ongoing roll out of digital TV switchover, and for any future help scheme that is set up to support consumers with the digital radio switchover.
 - Some consumers in the Borders who would have been eligible for the Help Scheme had already taken steps to convert to digital TV before the scheme was advertised in their area. This was partly because general advertising about switchover began in the Borders *before* the advertising started for the Help Scheme. It is vital that in future the marketing of the Help Scheme is dovetailed with local marketing campaigns about the switchover more generally, to ensure that as many eligible people as possible know about and take up the support they are entitled to. Again, this is a lesson that can be learned for the switchover to digital radio.
 - There have been references in a number of recent policy documents to an anticipated underspend from funds set aside for the Help Scheme. With large parts of the UK still to convert to digital TV we are concerned that Help Scheme monies are already being lined up for other purposes. We would not wish for this to become a self-fulfilling prophecy, and it is essential that the Help Scheme is promoted as widely as possible during the remainder of the digital TV switchover process, and that as many eligible individuals as possible are encouraged to use the scheme. To that end, we are pleased that the BBC has appointed a National Manager for Scotland to oversee the delivery of the Help Scheme as switchover goes forward in STV North and STV Central.

Outreach support

14. Of course, not all those who are disadvantaged or vulnerable are eligible for help through the Switchover Help Scheme. Other vulnerable groups in the switchover to digital TV and radio might include older people aged under 75, people who are socially isolated, individuals with mental health issues, people who have problems with substance misuse, and those for whom English is not their first language.

15. Help and support is available to these individuals through Digital Outreach Ltd, which engages local charities to provide local help and advice during the switchover process. Digital UK and the Switchover Help Scheme also work closely with local voluntary and community organisations. However our evidence from the Scottish Borders suggests that outreach activity in the region was initiated at too late a stage to allow the local voluntary sector time to reach a large number of consumers. In addition, not enough time and resources were set aside to build capacity amongst voluntary organisations to enable them to provide widespread support to consumers.
16. We know that Digital Outreach Ltd is contracted to provide Digital UK with an outreach plan ten months before switchover in a region, and to begin work six months before switchover in that region. However, we are concerned that these timescales may not give local voluntary organisations the time and resources that they need to develop their own capacity in relation to switchover, and to then reach out and help vulnerable consumers before they experience any unnecessary anxieties, difficulties or expense. We suggest that it may be beneficial for outreach programmes to actually begin work at least a year before the first switchover date in each region.
17. In order to provide additional support to intermediary organisations which are helping service users to make the switch to digital TV Consumer Focus Scotland is planning to develop a simple resource, based on our work in the Borders, directing these organisations to the key sources of help and guidance, and providing basic information about some of the questions and issues that they may wish to consider. We are working with Digital UK, Switchover Help Scheme, and Digital Outreach on the development of this resource.

The role of retailers

18. Retailers are a valuable source of information for consumers about digital switchover. Our Digital Diarists in the Borders reported that they preferred purchasing digital TV equipment from a trusted local provider, rather from a shop that is part of a large chain. Digital UK now employs Retail Support Executives to train, inform and advise retailers on different aspects of the switchover process. This is welcome, and we would particularly encourage these advisers to engage with the local providers that consumers know and trust but who may need additional advice and support in order to engage with the switchover process.
19. Trading Standards departments have a key role to play as part of their responsibilities under the Unfair Commercial Practices Directive¹. If retailers provide consumers with incorrect or incomplete advice about digital equipment then there is potential for action to be taken against them – but this must be done by Trading Standards officers rather than the consumer. We would urge Digital UK to continue its work with local Trading Standards departments to ensure they understand the critical role they have to play in relation to digital switchover. We would also encourage Digital UK to include more details about the role of Trading Standards in the information that is produced for consumers – to help raise awareness amongst consumers of the options open to them if they are not satisfied with the advice they receive.

¹ This Directive was implemented by The Consumer Protection from Unfair Trading Regulations 2008

Two levels of service

20. Many areas of Scotland receive their television signal through relay transmitters, which are not capable of carrying the full Freeview digital service. Viewers in these areas receive a reduced version of the service and have access to around 20 Freeview channels rather than the full package of 40. In the Borders, for example 47% of homes receive this reduced level of service. Unsurprisingly many of the participants in our Digital Diaries project who now receive Freeview through a relay transmitter service are deeply unhappy about the lower level of service that they receive, particularly given that it cost them the same amount of money to switch as those receiving twice as many channels.
21. Digital UK provides information in its marketing and advertising materials and on its website about which households will receive fewer Freeview channels. We also recognise that 20 Freeview channels still represents a significant increase from the five terrestrial channels that were previously available through analogue. However we believe there is a question of fairness here which must be addressed. It is estimated that 90% of the UK population will be able to receive 40 Freeview channels following the digital TV switchover. The Digital Britain report meanwhile has a target of delivering Next Generation Access to broadband to 90% of the UK population. It is likely that there will be a high level of correlation between those receiving the reduced Freeview service and those missing out on the NGA roll out – that is, those living in remote rural areas, a disproportionate number of whom are likely to be in Scotland. This is problematic, particularly when it is considered that it is consumers in these areas who would arguably benefit the most from new communications technologies and the opportunities that they offer to reduce isolation and provide better access to services and markets. Action is needed to help consumers in these areas, and to tackle rather than exacerbate the digital divide.
22. One way in which this might be done is by using the proceeds from the auction of the spectrum freed-up by the digital TV switchover. It is essential that the needs and interests of consumers in remote rural areas are prioritised when the UK Government is deciding how the monies from this auction should be spent. This might be, for example, by upgrading relay transmitters or by investing in improvements to other telecommunications technologies in these areas that would support access to digital TV.

Switchover in the devolved context

23. Digital inclusion is a key public and social policy issue in Scotland. It is linked to the Scottish Government's wider social inclusion agenda, and it is critical in supporting the regeneration and economic development of both rural and urban communities – an important devolved policy issue.
24. The digital switchover process, which represents a major change to the UK's communications landscape, is being managed at a UK level. However the devolved context and the central role of the digital inclusion agenda in Scotland means that there is a clear need for Scottish stakeholders to be meaningfully engaged and involved in switchover. This is vital in order to ensure that the specific needs of

consumers in Scotland are appropriately identified, responded to and addressed, and to help ensure that there is a consistent and coherent policy approach on this issue between the UK and Scottish Governments.

25. We welcome the work that Digital UK, a UK level organisation, has undertaken to recognise the importance of the devolved institutions, to establish a strong presence in Scotland, both at Scottish and local level, and to engage with stakeholders and consumers across Scotland. It is critical that similar arrangements are put in place at an early stage to support the switchover to digital radio. In doing so it is important to remember that devolution is not the same as regionalisation and there is a distinct Scottish political and stakeholder community that must be engaged with.

Consumer Focus Scotland's response to the House of Lords Select Committee on Communications – Inquiry into Digital Switchover of Television and Radio

Written by Trisha McAuley and Douglas White, Consumer Focus Scotland

Copyright: Consumer Focus

Published: January 2010

Consumer Focus Scotland
Royal Exchange House
100 Queen Street
Glasgow G1 3DN

Telephone 0141 226 5261

Facsimile 0141 221 9695

www.consumerfocus-scotland.org.uk

We can often make our publications available in Braille or large print, on audio tape or computer disk. Please contact us for details.