

Response to Ofcom consultation:

<u>Updates to the Code of Practice on Changes to Existing Transmission and Reception Arrangements</u>

8 October 2015

This response is submitted by Digital UK on behalf of its Members – the BBC, ITV, Arqiva and Channel 4 - the holders of the terrestrial Broadcasting Act and Wireless Telegraphy Act licences.

1. Introduction

About Digital Terrestrial Television (DTT)

Digital Terrestrial Television (DTT) is the UK's most popular TV platform. At the heart of DTT in the UK is Freeview – a universally available service offering a range of more than a hundred free-to-air TV, radio and text-based services. It is watched in more than 19 million homes, three-quarters of the total. Freeview is the sole television platform in more than 10 million homes (40%)

Prior to digital switchover (DSO), more than four million UK households could not access Freeview and elsewhere signal strength was variable. Thanks to industry investment in excess of a billion pounds, switchover made Freeview available to 98.5% of homes.

Viewers are overwhelmingly satisfied with the Freeview service, and post-switchover research demonstrated viewers enjoyed the selection of channels, picture quality and functionality.

About Digital UK

Digital UK supports the UK's terrestrial TV service and its viewers.

The company is responsible for day-to-day operational management, including the Freeview electronic programme guide, and leads on developing platform strategy, working with its broadcast partners and industry. It also provides viewers with information and advice about terrestrial TV channels, services and reception.

Digital UK is owned by the BBC, ITV, Channel 4 and Argiva

2. Response

Digital UK welcomes the opportunity to respond to Ofcom's consultation on the proposed updates to the Code of Practice on Changes to Existing Transmission and Reception Arrangements.

Digital UK supports Ofcom's desire to continue to provide protection and advice to terrestrial television viewers affected by changes to the frequency plan on a transitional basis, using the clear and collaborative approach set out in the Code of Practice. This approach, which has been followed through successive changes to the frequency plan since the launch of low power DTT services in 1998, has proved itself to be flexible, robust and fit-for-purpose. It is therefore right that Ofcom should seek to adopt a minimum-change approach by amending this process to meet the specific needs of the 700MHz clearance programme and to remove reference to past changes that are now complete. We note that, since this Code covers transitional changes only, any permanent changes to coverage arising from the new frequency plan, including shifts between transmitters, will need to be managed by a separate process.

It has always been the case that the Broadcasters and Multiplex Operators have directly managed the communications with their customers and we believe that it is important that this critical relationship continues into the 700MHz clearance programme, particularly given the direct link between the technical plan and consumer messaging. At first sight it may seem that the message to be conveyed is more straightforward than was the case for switchover, but in fact the reception changes arising from clearance and the necessary consumer action are potentially more complex than was the case in previous change programmes. This in turn means that the consumer message could be more complex and tailored than before. It is also worth noting that unlike switchover which delivered increased channel choice, there is no direct benefit to television consumers and an increased risk of consumer dissatisfaction and platform churn should the viewer experience be a poor one.

All the reception changes contemplated by the Code are a direct consequence of the decision to clear the 700MHz spectrum for other uses. We therefore believe that it would be entirely appropriate for all the communications and support activity relating to these changes to be fully funded by the 700MHz clearance programme.

We agree that the revised Code should be extended to include the new categories of multiplex that have come into operation since 2010 – the GI multiplexes, the Northern Ireland multiplex and the Local TV multiplexes.

We additionally believe that the two 600MHz Interim multiplexes should similarly be afforded transitional protection for at least the initial guaranteed licence period, i.e. until 31 December 2018 at the earliest. Digital UK wishes to emphasise the significant commitment represented by the Interim Multiplexes that has been made on the basis of the minimum licence period and, through these multiplexes, the expansion of DVB-T2 on the platform, a process that has been actively supported by Digital UK's shareholders and Ofcom. With discussions ongoing to consider options to maintain the Interim Multiplexes alongside the Clearance Programme and hence sustain the consumer benefit of these multiplexes, we encourage Ofcom to acknowledge the Interim Multiplexes within section 4 and any other relevant parts of the revised Code.

We have one comment to make on the categories of change identified in the Code of Practice where we believe there to be a potential conflict with another Ofcom decision. Specifically, we note that under the current TV White Space guidance, only one DTT transmitter is protected per pixel. This being the case, viewer Category 2 would not arise unless the equivalent coverage available from an alternative transmitter is specifically included for protection in the TV White Space database. If this is not the case, the alternative service referred to in the draft Code cannot be relied upon to be available for use by a household.

We welcome the fact that Ofcom is seeking to streamline the approach using modern electronic tools. It is important for all those with obligations under the process that vulnerable households are identified and remedial action planned in a comprehensive but efficient way, while minimising the burden of achieving this. We look forward to working with Ofcom to develop an appropriate, proportionate, efficient and cost-effective approach.