

ST LEGER HOMES OF DONCASTER LTD
Company limited by guarantee registered in England
Company Number 05564649

Joint Area Board Meeting

REPORT

Date: 10th September 2007

Item: 6 – Digital Consultation

Subject: Provision of access to the Digital Television Signal for Communal Properties prior to and beyond the switch off of the Analogue Signal in 2011.

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Procurement Manager

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Purpose: To update the Joint Area Board in regard to planned provision for Digital Television in DMBC Communal properties.

Recommendation: That the Joint Area Board members are asked to note the proposed actions to be taken to ensure continuity of service to Tenants in line with DMBC's Landlord responsibilities.

St Leger Homes of Doncaster

1. Report Title

Provision for Digital Television to DMBC Communal Properties prior to and beyond the Analogue signal switch off in 2011.

2. Purpose

The purpose of this report is to consult Joint Area Board Members in regard to SLHD's plans and intentions for upgrading the existing Television aerial infrastructure to ensure continuity of service to all Tenants in Communal properties.

3. Recommendation

That the Joint Area Board members are asked to note the proposed actions to be taken to ensure continuity of service to Tenants in line with DMBC's Landlord responsibilities

4. Background

It is planned to switch off the current analogue Television signal across the UK in a phased manner between 2008 and 2012. Specifically in the case of Doncaster this switch off will take place in 2011. Prior to this point in time DMBC has a responsibility to ensure that all Tenants in Communal Properties are able to receive the Digital Television signal thus ensuring continuity of service. This is specifically for Communal Properties where Tenants have limited rights in regard to self provision through their own Ariel / Mast / Dish.

4.1 Market options for upgraded provision

There are two feasible options available in regard to upgrading the existing infrastructure to meet DMBC's obligations as a Landlord.

Digital Terrestrial Television (DTT)

DTT or Mast Ariel Television (MATV) provides Tenants with a service equivalent to the current provision but enhanced in so far as the Free to Air Digital signal delivers a much wider range of channels. The Tenant would require either a Set Top Box or a Digitally Enabled Television in order to convert the signal provided, by this means access would be given to all Freeview channels with no subscription required. Prior to the Digital Switch Off Tenants will be able to access the current Analogue Signal in the same way and with the same equipment as they do now, but via the new infrastructure.

In order to deliver this service SLHD would need to replace the current infrastructure in its entirety. This would include the Ariel, Head End distribution appropriate to the number of dwellings being serviced, the Coaxial

Cables and the Distribution Point (face plate) in each individual dwelling. The use of existing cables has been explored and it has been concluded that these are now at the end of their useful life and non replacement would be a false economy, which could result in early failure or delivery of an under strength signal.

The number of individual dwelling identified as requiring provision is 4538, this covers all communal dwellings and is an increase on the current provision of around 40% (3222 currently covered). The average cost per dwelling for DTT provision is £85 per point, giving an overall cost of £385,730. This cost is for a single socket provision in the main living room of the dwelling.

Integrated Reception System (IRS)

This system offers the same as DTT but with the additional infrastructure required to give access to Subscription Satellite Broadcasting such as Sky.

Likewise in order to deliver this service SLHD would need to replace the current infrastructure in its entirety. This installation would however include the addition of a Satellite Dish, modified Head End distribution and an additional Coaxial Cable to carry the Satellite Signal to a suitable dual point face plate in each dwelling.

The average cost per dwelling for this provision is £170 per point giving an over all cost of £771,460. Again this cost is for a single socket provision in the main living room of the dwelling.

4.2 Funding

There has been no Central Government funding provision for this initiative. Budget provision has been made in the Housing Capital Programme for £700,000, based on estimates made in 2006. This funding is provided over a two year period with £350,000 provision in both 2007/08 and 2008/09.

4.3 Other considerations

Provision of Digital Television is an emerging market and new options to access subscription services are being developed. It is already possible to obtain Subscription Television down the Telephone line, all be it limited content at present. It is anticipated that by the time of Digital Switch Off this and may be other options will be available to those who wish to use these services. This does therefore question the value of any investment in an infrastructure to support Satellite Television.

Within the social housing sector the uptake of subscription services has been limited, hence Sky's decision to withdraw from offering financial support for system upgrades. A figure of 7% uptake in High Rise blocks has been quoted. This raises the question of justifying the additional expenditure of £385,730 to offer a service to a minority of users.

IRS would allow in the future the development of Landlord TV a medium through which issues of importance regarding Services, Rents, up and coming events could be communicated to Tenants. However as this is not a total stock wide service provision again it would only benefit those with access.

4.4 Procurement options

SLHD have access to two established national Framework agreements for the provision of contractors to deliver these works. Northern Housing Consortium (NHC) and Fusion 21 have both let EU compliant framework contracts in regard to this matter. Through its existing membership of NHC St Leger Homes have access to their contract at no cost where in the case of Fusion 21 a management charge would be leaved equal to 4% of contract value or £5.00 per point which ever is the lower. As both contracts offer access to the same providers SLHD would elect to run with the NHC. Costs have been obtained against a range of sample Archetypes and are quoted in this report. Contractors have been interviewed and their approach to delivery vetted by SLHD officers.

4.5 Conclusion

Working within the budgetary constraints, available funding options and other considerations SLHD are proposing to move forward with the installation of the DTT option. This is viewed as the most affordable and equitable option available in order to fulfil Landlord responsibilities in a timely manner thus ensuring continuity of service for Tenants.

5. Consultation

Report to be place before the Joint Area Board and Standing Joint Committee prior to commissioning contractors for delivery of works.

6. Legal Implications

These actions would ensure DMBC was compliant with its responsibilities as a Landlord in time and prior to the Analogue signal switch off.

Procurement though established Framework arrangements would ensure compliance with Contract Rules and EU Procurement Regulations.

7. Financial Implications/Risk/Diversity

7.1 Financial Implications

Delivery of the DTT option can be met in full from the current resources. However, further capital provision of £70,000 will have to be sought from DMBC if the IRS system is to be delivered.

7.2 Risks and Assumptions

Risks associated with this contract would be covered by a Bond to the value of £70,000 to be issued to SLHD on appointment of Contractors. This is deemed advisable in what is an emerging market with all contractors in the process of developing their capacity to meet a substantial national demand.

7.3 Equality and Diversity

Matters appertaining to this area have been addressed through the tendering process and SLHD will be monitoring contractors' performance in this regard over the contract period.

8. Report Author

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