

Regulatory Impact Assessment – Digital Switchover (Disclosure of Information) Bill

Title of Proposal

1. Digital Switchover (Disclosure of Information) Bill.

Purpose and intended effect

2. “Digital switchover” is the process by which analogue television broadcasting signals will be phased out in favour of digital signals. The process will take place by ITV region starting in 2007 in Whitehaven, the rest of the Borders region starting in 2008 and ending in Northern Ireland in 2012 and the Channel Islands in 2013. The Government confirmed the timetable for digital switchover in September 2005 and the wider impacts of switchover were set out in “*Regulatory and Environmental Impact Assessment: the Timing of Digital Switchover*”¹

3. A key part of the Government’s switchover policy is to ensure that adequate advice and assistance is available to those who need it to convert. In September 2005, the Government announced that a Digital Switchover Help Scheme would be established and funded by the television licence fee. The detailed governance structure for the Help Scheme will be agreed in the context of the Licence Fee settlement.

4. Under the Scheme, a household will be entitled to be provided with suitable equipment to convert one TV set, help with setting it up and any work necessary to improve their TV aerial, if that household includes a person aged 75 or over or a person with a severe disability (those with an award of disability living allowance or attendance allowance, an equivalent under the war pensions or industrial injuries disablement benefit legislation) or is registered blind or registered partially sighted. Help will be available free of charge for those who are eligible and in receipt of pension credit, income support or income-based jobseeker’s allowance; others will pay a modest charge.

¹ DCMS/ DTI September 2005 - Available from www.digitaltelevision.gov.uk.

5. The Digital Switchover (Disclosure of Information) Bill:

- permits (but does not require) the Department for Work and Pensions (DWP) and the Department for Social Development in Northern Ireland (DSDNI) to share social security information (and similar powers for MOD to share war pensions information) with the organisation administering the scheme at the top level (which may be the BBC, a BBC wholly-owned subsidiary, or a Joint Venture company involving the BBC and a third party, which may be the Government) and with others engaged by the top-level administrator to carry on a function in connection with the Help Scheme, such as the operator or operators appointed by the top-level administrator to run the Help Scheme;
- creates a power to make an order defining the sort of information that DWP, DSDNI and MOD are permitted to share;
- makes it a criminal offence for those receiving social security data under these provisions to disclose this information without lawful authority (reflecting similar provisions in Social Security legislation).

6. The Bill allows the Scheme's administrator to target those eligible for assistance under the Digital Switchover Help Scheme, greatly simplifying the process for administering the scheme, reducing the burdens on those who wish to claim and reducing the scheme's administration costs.

Consultation

7. DCMS has consulted with the Digital Switchover Consumer Experts Group about the need for the provisions set out in the Bill. The Consumer Experts Group includes representatives from the Royal National Institute of the Blind (RNIB), Help the Aged, the National Consumer Council, Action with Communities in Rural England (ACRE), Hearing Concern, Royal National Institute for the Deaf, Age Concern, Sense, Citizens Advice Bureau, Wireless for the Bedridden, the Rural Community Council Network and the Voice of the Listener and Viewer.

8. The Consumer Experts Group supports the measure. In its report of April 2006² on the Digital Switchover Help Scheme, the Consumer Experts Group recommended that:

“There should be a clear duty on the Government to get in touch with people who are eligible for the targeted assistance scheme for vulnerable groups. The Government has to give the targeted assistance scheme for vulnerable groups the possibility of using central databases that help identify people who would be eligible for targeted help. Data protection issues should not stand in the way of doing this”.

Options

9. Two options have been considered:

Do not legislate (the do nothing option)

10. Eligibility to assistance under the Help Scheme is linked to eligibility to social security benefits. DWP, DSDNI and the Veterans Agency (MoD) are constrained from providing this data without an express statutory gateway. Without legislation, those who are eligible for help would need to claim and give consent to the scheme administrator so their eligibility could be confirmed with DWP or provide documentary evidence.

11. The digital television help scheme trial carried out in Bolton in 2005³ tested this approach. The evidence from the trial and subsequent consultations with charities and representative groups indicates strongly that replicating this approach on a nationwide scheme would reduce the scheme's effectiveness whilst adding considerably to the costs of administration.

² Consumer Expert Group – Supporting Vulnerable People – Published by DCMS April 2006 and available from www.digitaltelevision.gov.uk

³ Report of the Bolton Digital Television Trial – DCMS May 2006. Available from www.digitaltelevision.gov.uk

Legislate to give access to social security data

12. If the Help Scheme has access to social security data, it will be able target individuals directly notifying them of their eligibility and inviting them to claim assistance. This will enable the claims process to be streamlined, reducing the burden on potential customers and the costs of delivering assistance. The targeting of individuals entitled will contribute to higher scheme take up and make the scheme more effective.

13. The provisions in the Bill raise issues of privacy and protection of personal information but the Government believes the measures to be proportionate given the relatively low sensitivity of the information that DWP will be permitted to disclose to the Help Scheme and the benefits in terms of helping to simplify the claims process and promoting higher scheme take up amongst the targeted groups.

Costs and Benefits

14. The measures set out in the Bill directly affect the Department for Work and Pensions (DWP), Department for Social Development in Northern Ireland (DSDNI) and the Veteran's Agency (to a limited extent) and result in some additional administration costs for DWP, DSDNI and the Veterans Agency. These costs will be lower as a result of the legislation and as Scheme costs will be met from licence fee income attributed to the Help Scheme. All households which are eligible for assistance from the Help Scheme and which as a result will receive targeted mailings are also affected by the provisions. The Government estimates that around 7 million households will be eligible for assistance under the Scheme.

15. The Bill enables the scheme to target those eligible, thus helping to increase scheme take up and making the scheme more effective. Research carried out for Department of Social Security (as was) and the Central Office of Information (COI) in 2000 found that direct mail was the ideal means of targeting older people, particularly for those who were housebound. More recent research carried out by DWP into take-up of Pension Credit identifies a number of factors which dissuade

older people from claiming their entitlement⁴ including uncertainty about eligibility, a complicated claims process and concern with providing documentary. Other research carried out by DWP shows that benefit take-up is lower for members of ethnic minorities and of particular concern.

16. Targeting, which the Bill will permit, will be very effective in raising take-up amongst groups where take up of assistance is low and tackling barriers to claims, particularly where accompanied by tailored communications and engagement with voluntary and community groups.

17. The measures set out in the Bill do not result in any cost to business or to the voluntary or charitable sectors. Giving the scheme's administrator access to social security data enables the Help Scheme to be operated cost-effectively producing a significant saving in administrative costs. There are also benefits to eligible households who will not by and large need to complete extensive claims forms or have to prove entitlement.

18. The measure has no environmental impacts.

Small Firms Impact Test

19. The measure has no impact on small firms.

Competition assessment

20. The measure has no impact on competition

Enforcement, Sanctions and Monitoring

21. A key objective of the measures contained in the Bill is to reduce burdens on those eligible for assistance under the Digital Switchover Help Scheme. The effectiveness of the measures contained in the Bill will be monitored by DCMS and DWP.

⁴ Understanding the relationship between the barriers and triggers to claiming Pension Credit – DWP Research Report 336.

22. The Bill makes it an offence for those receiving social security data under these provisions to disclose this information without lawful authority. The penalties reflect those in Social Security legislation.

Post-Implementation Review

23. The measures in the Bill are related to the Digital Switchover Help Scheme that will operate between the start of switchover at the end of 2007 in Whitehaven and will wind down in 2013 after the final region has been switched off. Once the process of switchover is completed in 2012, the provisions allowing DWP to share data will cease to operate.

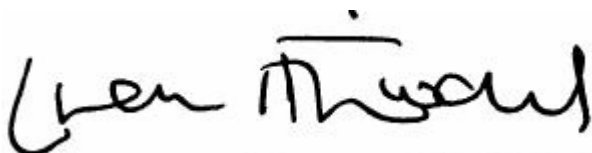
Summary and Recommendation

24. The measures contained in the Bill have no costs for business or for charitable and voluntary sector organisations.

25. The measures will ensure that those eligible can be targeted effectively and greatly simplifies the process for administering the scheme, reducing the burdens on those who wish to claim and reducing the scheme's administration costs.

Declaration

I have read the regulatory impact assessment and am satisfied that the benefits justify the costs.

A handwritten signature in black ink, appearing to read 'Shaun Woodward', written over a faint horizontal line.

Shaun Woodward

Minister for Creative Industries and Tourism

Department for Culture, Media and Sport

15 November 2006