

OJEU Supplier Briefing Q&A's (13th February 2007)

Procurement Process

Q1. If a consortium is formed to deliver this project does DCMS wish to select the parties and pull them together or is this the responsibility of the bidding organisation?

A. The OJEU notice encourages suppliers to form consortium. Should a specialist supplier score well at the PQQ stage, they may wish to consider joining with organisations or consortia which have been invited to tender for the management of the scheme. Subject to their consent, we can facilitate this by passing on their details where appropriate.

Q2. Will the contract for Whitehaven and the one or two contracts for the Main Scheme be awarded at the same time?

A. Unlikely. Whitehaven timescales are challenging and a contract must be in place by June 2007. Therefore, unless a bidder can successfully demonstrate to the Contracting Authority, prior to Whitehaven award, they are capable of delivering the Main Scheme it is unlikely that we will be in a position to award both contracts at the same time.

Q3. Is Lot 1 (Whitehaven) for the provision of services to the DSHS audience only?

A. Yes.

Q4. Are Lots 2 and 3 for DSHS audiences only or for all potential switchers?

A. DSHS only

Q5. How much weighting, consideration or scoring will be attributed to suppliers who tender for lots 2&3 vs. those who only tender for lot 2 or lot 3 separately?

A. Whilst our preference is for an end-to-end, managed service, there is a need to establish market capability against this preference. Should responses to the PQQ confirm that a managed service is a feasible solution; the next stages of the procurement process will work to achieve this. In the case of specialist suppliers who fare well at PQQ stage, we may (if appropriate, and with their consent) facilitate their participation in consortia by passing on their details, especially where a consortium seems to need strengthening in a particular area. The final decision as to which supplier to use will remain a matter for the consortium concerned.

If a managed service is not feasible, then those who can provide part of the proposition, and have been shortlisted, will be invited to participate in the competitive dialogue stage.

Q6. What is the value of Lot 2 and Lot 3?

A. The estimated value of Lot 2 is between £120m-£135m. The estimated value of Lot 3 is between £460m-£510m

Q7. Is there an allocated budget for Communications within Lots 2 and 3?

A. The expected costs of communications which will be carried out by the contractor are included in the contract value for lots 2 and 3.

Q8. Do you anticipate awarding Lots 2 & 3 at the same time as Lot 1? If this is not the case, how do you plan to continue to run a fully competitive process after the award of Lot 1?

A. Unless a bidder can successfully demonstrate to the Contracting Authority, prior to Whitehaven award, that they are capable of delivering the Main Scheme, it is unlikely that the contracts will be awarded at the same time. In this case, the dialogue phase for the Main Scheme will continue with short listed bidders after the award of Whitehaven.

Q9. What provision (if any) will be made for SME's to bid for any of the lots – especially UK SME's?

A. SMEs will be treated in the same way as any other potential bidder.

Q10. Are there defined timescales for both the procurement and the deployment?

A. The successful contractor will need to be ready to deploy at contract commencement date, which is expected to be June 2007 for Whitehaven and December 2007 for the main scheme. For Whitehaven, this will include the Procurement of equipment within these timescales.

Q11. Have you developed the outline of a potential contract payment mechanism?

A. This will be developed in conjunction with bidders during the Competitive Dialogue phase of the Procurement process.

Q12. How does the work currently being undertaken by Digital UK in defining and sourcing the required digital equipment marry with the responsibilities of the supplier of Lot 3? In other words where do Digital UK's responsibilities end and those of the Lot 3 supplier begin?

A. DUK does not have a role in defining and sourcing the required digital equipment. The core receiver requirements developed by the BBC and DCMS will set out the characteristics for digital terrestrial set top boxes provided by the scheme. The link to the core receiver requirements is included in the OJEU notice.

Q13. Will the minutes and procurement process document be distributed either via email or put on DTG members' area of the website?

A. Information from the bidders' open forum will be put on the digital TV website along with details of the OJEU notice and the PQQ. A range of other background material on digital switchover and the help scheme is available from www.digitaltelevision.gov.uk

Q14. Will the award be to one contractor or will there be multiple awards?

A. Either is possible.

Communications

Q15. Communications – what elements will the contractor be responsible for?

A. The contractor will be responsible for targeted communications, for example letters to those eligible for help, contact centres etc. He will need to work closely with DUK and to agree with them a protocol for working together.

Q16. The generic communications talks about help for others. Is that expected of the scheme operator?

A. DUK will provide a pack of material that will explain DSO in a simple way for people such as carers to explain to others. This will go to libraries, voluntary organisations etc. DUK's wider communications budget will cover this. DUK will also be holding face-to-face events and these tend to attract those more likely to need help.

Whitehaven

Q17. Whitehaven will be awarded in June, for switchover in December?

A. It is envisaged that help will begin to be given close to the first switchover (BBC2) in October, during the 4 subsequent weeks before final switchover, and for 4 weeks thereafter.

Q18. What will be the length of the Whitehaven contract?

A. The contract is expected to commence in June 2007 and is expected to end in December 2007.

Q19. An eight month qualifying period will mean that the HS should start in Whitehaven next month

A. There will need to be a slightly special arrangement for Whitehaven. No-one has DTT at present and help will have to be delivered close to switch over and after.

Q20. Are you concerned that feedback on Whitehaven will not be received until October/November?

A. The competitive dialogue for the main scheme will be well underway when bidders make their best and final offer for Whitehaven. When it gets to the submission stage, most of the work on Whitehaven will be completed. The tender document for the Main Scheme, developed with bidders in the dialogue phase and informed by the Whitehaven Competitive Dialogue, will be both clear and comprehensive providing bidders with a detailed specification. Additional data can be dropped in and there will be guidance and advice throughout the process.

Q21. Can Cumbria County Council be a partner?

A. The Procurement must be a fair and transparent process ensuring that resource and information that should be available to all /may provide an unfair advantage is not restricted. Bidders wishing to partner with local authorities should detail their proposal in their submission. The Contracting Authority will then decide the best way forward.

Q22. Is Whitehaven cabled?

A. No.

Budget

Q23. What is the expected level of demand for Set top boxes?

A. Estimates showing the indicative volume per year were set out in the Scheme Summary Document published by DCMS on 13 December 2006. The annual volumes are set out in the following table.

Range	2007/8	2008/9	2009/10	2010/11	2011/12	2012/13	Total
High Case	6,600	100,000	1,200,000	1,600,000	1,300,000	1,000,000	5,200,000
Low Case	5,400	80,000	1,000,000	1,300,000	1,100,000	800,000	4,200,000

Note

1. The volumes shown are based on estimates prepared by DCMS with the assistance of the BBC. The volumes are based on forecasts of scheme take up between 2007/8 and 2012/13 which show an average scheme take up of 85% for the free scheme for the life time of the scheme and an average scheme take up of 50% for the free scheme for the life time of the scheme.
2. The assumptions assume equipment is supplied in the financial year that switchover in the region is completed – therefore the between-year breakdowns need to be treated with cautions at this stage.
3. The assumptions do not make any assumption about those who opt for a non-DTT platform or who may choose through the scheme to trade up to an iDTV.

Q24 Will the 4.7m scheme take-up figure inflate as more groups lobby to be included in the scheme?

A The 4.7 million take up figure, as set out in the Scheme Summary Document, is the current central estimate of demand for help from the scheme. Estimates of scheme take-up will be affected by a range of different factors including future digital TV take-up amongst targeted groups and demand for assistance from customers, particularly those who are liable for the charge. There is no expectation that the categories of those who will be eligible for help from the scheme will be extended. The budget for the Help Scheme is based on the categories and groups already announced.

Q25. What level of contribution is in the budget for other platform operators?

A. We are still working this through. There is a unit cost for each help and a proportion of that is available to other platform operators. This will not affect the scheme's overall budget.

Q26. How was the £40 charge arrived at?

A. The level of the charge was set following independent research into people's willingness to pay for the service.

Q27. Is the expectation that the bidder will manage billing and payments?

A. Yes.

Q28. What do the DCMS envisage as their commercial model, is it a proposed price per end user, or an overall fixed price contract?

A. One of the objectives of the Competitive Dialogue is to determine the optimum commercial model that delivers and maintains value for money throughout the contract. Therefore, the DCMS has no initial preference and will utilise the dialogue phase to inform their decision.

Equipment

Q29. Is there a target decision date for defining which DVRs will be supported by the scheme (hybrid DVB-T & DVD-R boxes and/or hard disk drive PVRs)?

A. We expect that this will be a decision for the scheme operator but we do expect that the scheme operator for Whitehaven will have to be ready to supply equipment at the contract commencement date (June 2007) and the operator for the main scheme will have to be ready to do so by April 2008.

Q30. Will an accessible Freeview receiver which costs more than the Help Scheme allowance be considered and by which criteria will it be considered?

A. It will be a commercial decision for the contractor to decide whether or not purchasing or providing equipment that exceeds the Core Receiver Requirements delivers value for money for the Help scheme. There will be an opportunity to provide a variant proposal to include such examples at the Invitation to Tender stage of the Procurement process.

Q31. In the PQQ there is the caveat “as far as practicable”. What is the thinking behind this?

The contract notice, under Lot 1 (Short Description, para.(5)), states that the successful supplier for Whitehaven will need to be ready for distribution of the supply of equipment that meets *as far as is practicable* the Core Receiver Requirements. This reflects the Contracting Authority’s recognition that lead times on newly-specified equipment may mean that such equipment is not ready in time for Whitehaven. In that case, the successful supplier will be expected to supply the equipment available on the market at the relevant time that best meets the Core Receiver Requirements.

Q32. Under what circumstances will the scheme provide assistance with aerial and cabling costs and to what value?

A. Where the aerial is the responsibility of the claimant and where a satisfactory signal cannot be received using the existing aerial or a set top aerial. There will be no specific upper limit per household but bidders will be asked to price this work competitively, during the competitive dialogue phase. The contracting authority want to see that the bid demonstrate overall that VFM and platform neutrality.

Q33. Where can a contractor go to find out more information about disabilities and what non-standard equipment is needed?

A. The Contractor will need to understand the issues facing those with disabilities and identify the gaps and risks. Initial questions should be directed

to DCMS. Bidders are also advised to look at the Bolton Digital Television report and other research materials available on the digital television website.

A copy of the Bolton report is available at
www.digitaltelevision.gov.uk/publications/pub_boltondigtv.html

For guidance on equipment, bidders should look at the Core Receiver Requirements document available at
www.digitaltelevision.gov.uk/publications/pub_dig_help_scheme.html

Q34. Will there be any consumer choice as to brand of equipment?

A. That will be up to the contractor to decide. For equipment such as PVRs and idTV's the contractor might want to give a choice so that people can choose what suits their needs. On the other hand, too much choice could cause confusion and concern.

Q 35. Will there be a default box which the scheme operator recommends if the person cannot decide?

A. No. It will be up to the person (or a proxy acting on their behalf) to make the choice although the scheme operator will have to provide impartial advice to help inform choices. The scheme is platform neutral so it is important that each householder has access to impartial information to enable them to make an informed choice between platforms. Contractors will be expected to select equipment on a basis that meets EU State aids rules. (See also previous question and answer.)

Q36. At what point will people be aware they have a choice and will they have a chance to make an assessment?

A. DUK's generic communications will make it clear where there is a choice and what the benefits are: for example that a PVR is easier to use than a VCR. However, this will not give full details. The "eligibility letter" (generated from DWP data) will have a pack setting out the detailed options and there will be call centre support. In Whitehaven, DUK will raise awareness and send out the initial letter, collect the data, manage the calls, create a draft of the "options pack" for the contractor to use, and then hand over to the contractor.

Q37. Will one of the options be Freesat

A. Yes.

Q38. The basic installation is for one TV - will the end user assume that the box will work other TVs elsewhere in the home. Has any consideration been given to that?

A. The objective is that the Help Scheme will be a safety net and the core service will be to ensure the person has one set converted. It will be important that scheme communications make it clear what the scheme will

deliver so as not to raise false expectations. We are also prepared to consider as part of the competitive dialogue process whether there may be scope for the supplier to convert secondary sets for an additional charge.

Q39. Where do equipment responsibilities lie?

A. The Core Receiver Requirement (CRR) is a DTI/BBC compiled specification. We expect the contractor to procure the equipment.

A copy of the CRR is available at
www.digitaltelevision.gov.uk/publications/pub_dig_help_scheme.html

Q40. But DUK has a workstream for equipment

A. The DUK workstream is to ensure the wider market for digital TV equipment functions smoothly through switchover. This is separate from the help scheme.

Q41. For equipment specialists, how does the element of competitive dialogue work, do you have to be part of a consortium?

A Lot 1 (Whitehaven) is for a complete managed service and Lot 3 (Main Scheme – Equipment Supply & Installation) is for equipment supply AND installation. Therefore, we are requiring single suppliers or consortia who can offer that range of services for each Lot. However, a bid covering equipment only submit will be considered along with all other bids. We may be able to facilitate linkages further down the line, if appropriate (see Q1).

Multi Dwelling Units (MDU'S)

Q42. What is the policy on MDUs?

A. This is described in the summary document. It depends in part on where the responsibility for upgrading communal systems lies. It may lie with the landlord. The scheme only covers equipment in respect of a qualifying person.

The increase in power will greatly increase digital reception via set-top aerials.

Q43. Does this mean that care homes will have to do upgrades themselves.

A. Yes.

Q. 44. If the scheme is willing to allow trade up - is it right that cannot offset the cost against cost of upgrading aerial?

A trade up carries an additional cost for the resident in acquiring equipment with additional functions. This does not change the need to upgrade an aerial

to ensure the equipment (updated or not) can continue to work through switchover.

Q45. What are the options if communal aerial in sheltered housing is not upgraded? Is it against the Disability Rights Act?

A. The upgrade of equipment is a matter for the sheltered housing provider. DCMS has carried out research on the readiness of the social housing sector for digital switchover – this includes the housing with care sector. DUK leads workstream on housing and property which is tasked with communicating with the sector giving practical guidance to social and private sector landlords.

Handling Data/Eligibility

Q46. What access will we have to government data for Whitehaven and the main scheme to target qualifying households?

The Digital Switchover (Disclosure of Information) Bill has completed its Commons Stages and was introduced into the House of Lords on 30 January 2006. The Bill would permit Department for Work & Pensions and certain other public bodies to disclose information about those eligible for help to the operator.

The Bill and Explanatory Notes are available on Parliament's website:
www.publications.parliament.uk/pa/pabills/200607/digital_switchover.htm

Without the Bill, DWP and others will not be able to disclose information on those eligible. The progress of any Bill is a matter for Parliament. Bidders should not assume that those powers will be available for Whitehaven. However, while (for the same reason) this cannot be guaranteed, we believe the powers should be available for the main scheme.

Q47. Is a draft copy of the Disclosure of Information Bill available to potential bidder?

A. The Bill and other supporting papers are available at:

www.publications.parliament.uk/pa/pabills/200607/digital_switchover.htm

Q48. What data do you consider relevant for eligibility checks and how will the successful supplier access this if for instance it is confidential DWP data?

A. The data needed has not been finalised and will to some extent be a matter for discussion with the contractor. So far as concerns data in the hands of public authorities, the Digital Switchover (Disclosure of Information) Bill would give powers to Department for Work & Pensions, the Ministry of Defence and certain public bodies in Northern Ireland to disclose information about those

eligible for help. The Bill and Explanatory Notes are available on Parliament's website (www.Parliament.uk). These give further details, including our provisional views on the data that will be available under these powers.

The progress the Bill makes in Parliament is ultimately not within our control, so bidders should not assume that those powers will be available for Whitehaven. However, while (for the same reason) this cannot be guaranteed, they should be available for the main scheme. Other information may be requested from those applying for help. The use, to which it may be put, will depend on the circumstances, including the terms on which those applying for help supply the information.

Q49. How will the visually impaired be identified?

The Digital Switchover (Disclosure of Information) Bill provides for data to be released from local authority registers of blind and partially sighted people.

DUK are working with the RNIB and with most of the national charities on a framework for those within and out of the scheme. DUK will want to discuss this with the scheme operator.

Q50. Will the operator have to work out eligibility?

It is envisaged that the contractor will formally determine eligibility for help but in doing so will be able to rely on information from DWP (and other public bodies) to determine that someone is potentially eligible. The contractor will need to determine in a small proportion of cases where someone's details cannot be verified against details held by DWP and the eligible person produces satisfactory evidence of eligibility. This will include cases where DWP information necessary to determine eligibility (for example the date of birth held) is incorrect.

The contractor will also need to check and apply other eligibility criteria not related to age, benefit status or whether blind/partially sighted (e.g. whether a person has applied at the correct time for their region or whether someone is in an ITV region) to formally determine eligibility in each switchover area or region.

Q51. Is the data accurate?

The contractor will be entitled to rely on data from DWP and other public authorities in determining that someone is eligible for help (i.e. they will not need to check that someone getting disability living allowance should be getting disability living allowance). Where this information is shown to be wrong, help will need to be provided on the basis of the facts as proved by the applicant, not as held by those authorities.

There will be some people who will approach the scheme direct. In these cases, the scheme will need to validate applications against data held by the

relevant public authorities. Details of the arrangements with public authorities will be set out during the competitive dialogue.

We will examine the accuracy of the data provided by DWP and other public authorities and provide details during the competitive dialogue.

Q52. Will eligible people be able to approach Local authorities for help?

A. Local authorities will have information on digital switchover. The contractor will also provide a Help Scheme call centre.

Bidders can look at the Bolton Trial research for guidance. This is available at (www.digitaltelevision.gov.uk/publications/pub_archive2006.html)

Q53. How will the scheme be expected to deal with cases where people move and where there is an overlap?

A. People will only get support once and will miss out altogether if they move from an area that has not switched to one that has and where the eligibility period has ended.

Working with the Voluntary sector

Q54. Is a list of the key stakeholder groups (registered charities) available to potential bidders?

A. Age Concern, Help the Aged, RNIB, RNID and SENSE are the organisations most involved in the Digital Switchover programme and also CSV who have been working with DUK/Age Concern.

A list of charities which have been involved in the Consumer Expert Group (which advises on switchover matters) is available on the Digital TV website.

<http://www.digitaltelevision.gov.uk/global/links.html>

Q55. Will there be a time limit on post installation support?

A. This has not quite been resolved yet as we are still discussing interface with the voluntary sector. We may put a cap on the number of operator visits in a period.

Q.56 How many organisations will be down selected post the PQQ stage, and when will this decision be made?

A. There will be at least 3 bidders selected to go through to the next stage following PQQ evaluation. Unfortunately, we are unable to stipulate the maximum as it will largely depend on the market response. The closing date for PQQ submission is 28th February. Evaluation will take place after that

with an announcement of the long list expected w/b 12th March. This is subject to change.

Q. 57 When is the ITT expected to be issued?

A. An outline specification will be issued once the long list is announced and this will form the structure of the competitive dialogue. Once the dialogue phase is completed an Invitation to Tender will be issued to short listed bidders, sometime in Mid-April 2007?

Q. 58 Do you have any further information on the likely procurement method e.g. Catalist, OGC framework agreement?

The Procurement process will follow the competitive dialogue procedure which will determine the contract structure?

Q.59 What would you interpret as Competitive Dialogue

The competitive dialogue procedure is one of four procurement processes under the EU procurement regulations (as well as Open, Restricted and Negotiated).

For more information on the competitive dialogue procedure, please visit the OGC website - www.ogc.gov.uk/procurement.asp