

DIGITAL TV UPDATE

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1. Purpose

To update Forum members with the latest developments on the introduction of digital TV in MK.

2. Background

Within MKC, the Digital TV 'project' for Milton Keynes as a whole lies with Head of IT. Clearly it involves many more MK residents than just MKC tenants as it includes all private dwellings served by the cable and also needs to take into account what is being done to ensure a suitable service is provided to the new development areas.

3. Options

As far as the present network is concerned, from MKC internal discussions, options in increasing order of cost appear to be;

- Minimum Solution: Change 'head-end' infrastructure that receives the signal so that it will convert digital signal to analogue and then continue to retransmit it along the cable as analogue. This will mean that only the current terrestrial channels will continue to be available.
- Minimum Solution 'Plus': Head-end changed to accept digital signal and retransmits as digital along the cable. Residents will need a normal set-top digi-box to view free-view channels. This will not permit take up of developments such as interactive TV that will be available to most viewers with the next couple of years.
- Invest in new cabling to permit better quality signals and allow for future developments. This will be expensive (costs not clear at this stage) and will need wide ranging agreement on how this investment is secured (see below).

If there were to be no further development of the cable or associated infrastructure then residents will need to be allowed to take up other offers that appear in the market, e.g. use of satellite dishes and/or whatever will replace traditional aerials in future. There was previously a restrictive covenant in place to prevent this but there is a view is that this is not enforceable. MKC will also continue to have a landlord

responsibility for Sheltered Schemes and blocks of flats and consideration will need to be given to the best solution to meet this.

4. Current situation

BT still owns the cable but it was leased to NTL as part of a wider strategy to put an end to BT's monopoly. NTL merged with TeleWest last year and with Virgin Media earlier this year. It is understood that the present lease runs out at around the same time as the switch-over takes effect in this area. This has led to a degree of uncertainty over whose responsibility it is to invest in the network. At present MKC is not privy to the details of the contractual arrangements

The Head of IT had his last meeting with NTL at the end of last year so we are not clear of the thinking within the present company structure. Another meeting has been requested with current management to try and get a way forward mapped out.