



**The BBC's response to Digital UK's
consultation on revised rules around the
allocation of LCNs to public service channels**

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The BBC welcomes the opportunity to respond to Digital UK's consultation on the revised rules governing the allocation of LCNs to public service channels on the DTT EPG LCN Listing.

Despite today's rapidly evolving environment of multi-platform media consumption, making sure audiences can easily find PSB channels on the EPG remains critical. We know that EPG positioning matters when audiences are looking for something to watch. Indeed, there is a wealth of statistical evidence to show that better EPG positions result in improved channel performance and demotions have a negative impact.¹

To sustain a healthy PSB ecosystem – and all the benefits that brings for the cultural industries and the UK - people must be given as many opportunities as possible to watch content that delivers the purposes and characteristics of public service broadcasting – content which has been explicitly made for them, and which, in the case of the BBC, they have already paid for through the licence fee.

To date, the current EPG Code, through its principle of 'appropriate prominence' for linear PSB channels, has afforded a broad degree of flexibility to EPG providers in terms of where to position designated PSB channels on EPGs. However, as Ofcom notes "this flexibility has, over time, led to some significant variations across EPG providers and to some designated channels being less easy to find depending on the platform and television device used²."

This is why we welcomed Ofcom's updates to the EPG Code last summer which indicated a move away from the "appropriate prominence" model which has resulted in less than optimal outcomes for public service channels in some cases.

As a 25% shareholder in Digital UK, the company that operates the United Kingdom's DTT platform and EPG, the BBC recognises the prominence that is already afforded to public service channels in the DTT EPG LCN Policy (the "**Policy**") and the subsequent channel listing. Notwithstanding the existing levels of prominence for PSB channels on the Freeview EPG, as is set out in DUK's consultation Ofcom's revision of the EPG Code will require (among other things) BBC Four to be listed within the first 24 slots. Our responses below relate to DUK's proposals for the future position of BBC Four in DUK's LCN.

¹ EPG moves between 2010 and 2016 point to a 1-2% change in viewing per EPG slot. (Source: Expert Media Partners for the BBC). Cf. [FEH Media Insight](#) for Ofcom, 2013.

² Section 1.13 - 'Consultation on proposed changes to the linear EPG Code and future of the regime', Ofcom,, publ. 27 June 2018

Consultation question: Do you agree with Digital UK's proposed method and implementation plans for creating a slot for BBC Four in the first 24 LCNs?

The BBC fully agrees with Digital UK's proposed method of creating a slot in the EPG for BBC Four in Scotland. We also agree that this should be done across the whole of the UK.

However, whilst we agree with Digital UK's proposed methodology for 'opening up' a slot in the first 24 LCNs, we do not agree with Digital UK's proposal to consult only on creating a vacant slot at LCN 24. And we do not agree that this will deliver optimal public service outcomes.

We believe that DUK could and should have given respondents a range of options compliant with the EPG Code, including the alternative of a stronger PSB prominence option..

Indeed, Ofcom's own post-consultation statement on this matter and the supporting documentation considered at least one alternative LCN 10 (i.e. the first slot after all other PSB channels on the Freeview EPG) as a viable alternative. The regulator describes such a scenario as one whereby the "EPG (is) under more than minimum compliance with our decisions."³ Ofcom itself therefore contemplated options other than LCN 24 for BBC Four Scotland as possibilities in the impact assessment on the Freeview EPG.

But despite other credible options apart from LCN 24, these are not discussed or offered in the consultation paper and unfortunately, respondents were not invited to make their own suggestions as to what an appropriate level of prominence for BBC Four in Scotland might be. We believe a range of options could have been offered, ranked by various criteria (e.g. level of public service prominence delivered, audience benefit delivered, assessment of impacts on both channel providers and viewers, etc.) to inform channel providers and respondents around the choices available. Digital UK in proposed clause 5.1 does acknowledge that a number lower than the Ofcom 'floor' can be assigned to a public service channel *"If there is one or more vacant LCN within their relevant genre at a lower position than that specified by Ofcom, then the lowest vacant LCN will be assigned."*

As we expand upon below, our view is that LCN 10 would be the most appropriate channel number that serves the two purposes outlined above, i.e improving PSB prominence and delivering audience benefit.

³ See Annex 3 (Ofcom's assessment of the evidence base) to 'A Review of prominence for public service broadcasting, Statement on changes to the EPG Code', [Ofcom](#), publ 4 July 2019,

In summary, we are disappointed that Digital UK and its shareholders did not recognise the opportunity to go much further in its consultation, particularly at such a critical time for the prominence of and access to public service content on all platforms.

The case for LCN 10

As previously noted, Ofcom had itself evaluated the impact of having BBC Four in Scotland listed at LCN 10 in its own analysis. This would have maximised delivery of public service outcomes on a platform intended to do just that - this would have been the BBC's preferred option.

BBC Four provides viewers with a unique mix of culture, arts, music (including live performance), history and science originations with editorial depth, expertise and originality is unlike that of any commercial channel – PSB or otherwise. Similarly, BBC Four is the current home of a broad mix of international programming ranging across factual, drama and film. As with all the BBC's Public Service channels – the channel's prominence on the EPG and therefore discoverability with all audiences helps maximise the BBC's ability to deliver its public service remit.

Allocating LCN 10 to BBC Four Scotland would have preserved the existing mainly public-service channel ordering in slots 1-9 and would have not afforded BBC Four in Scotland more prominence than some of the other PSB services such as BBC Four (in the rest of the UK), BBC ALBA, BBC Scotland, S4C and the more regionalised local DTPS channels found in slots 7-9. Whilst this would have required a small number of additional channels to move one LCN, this would have been proportionate to the aim of maximising public service benefit and would not have altered the relative prominence of the other channels. From the perspective of any potential revenue impact, we would note that, as the BBC does not carry commercial advertising, then there should be zero effect on the share of commercial impacts of those channels that would move down to accommodate BBC Four in Scotland at LCN 10.

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