

Consultation on
Logical Channel Number Policy for a
Next Generation Platform

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1. Executive Summary

- As the organisation that runs Freeview and Freesat, Everyone TV has begun thinking about the future of free TV over the next decade and beyond.
- Given the likely greater use of IP as a distribution technology for free TV services, we wish to establish a framework for a Next Generation Platform (NGP) that would be agnostic between distribution technologies. We would expect such an NGP to roll out initially on some smart TVs and set-top boxes with DTT and IP compatibility, and that DSat compatibility could follow at a later stage.
- This consultation relates solely to an NGP and our proposed Policy for 'Logical Channel Numbers' (LCNs) for this platform. It does not relate to the DTT LCN Policy (which covers platforms including Freeview and Freeview Play) or Freesat: for the avoidance of doubt, channel numbers on Freeview, Freeview Play and Freesat are not affected by this consultation.
- We believe that there will remain an important role for linear scheduled TV channels in an IP-delivered TV world, and we therefore need to think about how an Electronic Programme Guide (EPG) might look and the rules for allocating channel numbers on an NGP. This consultation invites views on our proposed LCN Policy for such a platform.
- Given the need to integrate IP-delivered channels in the EPG as part of a future-facing platform, our view is that we need to develop a new LCN Policy for an NGP.
- Our objectives in designing a proposed NGP LCN Policy are to make it as easy as possible for viewers to discover content, ensure the ongoing prominence of public service channels and protect consumers from potential harm, as well as to ensure that LCNs are allocated and managed fairly and efficiently.
- This motivates our key organising principles for a new platform:
 - Our proposed main TV genre categories are Entertainment, News, Children's, Music, Shopping, and Faith & International.
 - To ensure ongoing prominence of public service broadcasting (PSB) channels, we would allocate the first five LCNs to the five main PSB channels and LCNs 8-12 to the other Ofcom-designated public service channels in the Entertainment genre, including local TV and Nations-specific channels. We would allocate the first slots in the News and Children's sections to PSB channels in those genres.
 - Turning to the order of the other (non-PSB) channels in each category, our guiding principle is to put the most popular channels at the start of

the EPG, based on reach (average weekly 5-minute reach on Freeview measured over a full year).

- As we allocate channels to each LCN slot we would allow each channel to bring with it a second channel from its family (the one with the next highest reach) to create a pairing.
- The consultation document goes on to set out our proposals for the detailed rules needed to fully specify the LCN Policy and populate the EPG for an NGP:
 - We list, and set rules for, all the additional categories that need to be included on the EPG and propose LCN ranges for them on the EPG. This includes Time-shift channels, Radio and Adult channels, Hybrid Streamed channels, as well as promotional channels and other allocations needed for technical purposes.
 - We then go on to set out the full step-by-step process that would be used to allocate LCNs to each channel in each genre category.
- As and when an NGP has launched, we would also need to determine our approach regarding management of and changes to the platform's LCN listing over time, such as new channels joining or exiting the platform. We set out our proposed rules for:
 - Allocation of LCN slots to new Ofcom-designated PSB channels
 - Vacant slots and new non-PSB channel launches
 - Changes by channel providers to their line-ups and channel swapping.
- To cover the eventuality that DSat connections are added to an NGP after launch, we propose that DSat channels that are not available on other platforms are assigned LCNs at the next available slots at the back of the EPG in the relevant genre categories.
- Finally, we specify ongoing rules of participation on the platform, covering minimum broadcast hours, LCN trading and sharing of LCN slots. And we set out an indicative approach for periodic reviews of the LCN Policy.
- We encourage responses from all stakeholders in free TV platforms. Responses should reach Everyone TV by 17:00 on 25 August 2023.

2. Introduction

As the organisation that runs Freeview and Freesat (Section 2.1), Everyone TV has begun thinking about the future of free TV over the next decade and beyond. With the expectation of greater use of IP as a distribution technology for free TV services, we wish to establish a framework for a Next Generation Platform (NGP) that would be agnostic between distribution technologies (Section 2.2). We believe that there will remain an important role for linear scheduled TV channels in an IP-delivered TV world, and we therefore need to think about how an NGP's Electronic Programme Guide (EPG) would need to look and the rules for allocating channel numbers (Section 2.3). This consultation invites views on our proposed Policy for 'Logical Channel Numbers' for an NGP (Section 2.4).

2.1. About Everyone TV

Everyone TV (formerly Digital UK) is responsible for the day-to-day running of the UK's two main free TV platforms – Freeview and Freesat – as well as leading free TV's evolution for a digital age. We are owned and supported by the UK's leading public service broadcasters – the BBC, ITV, Channel 4 and Channel 5.

At the heart of everything we do is a belief that everyone should be able to access great quality TV, regardless of location or income. We are the champions of free TV, of what it delivers for viewers and the positive impact it has on wider society.

2.2. Background: motivation for a Next Generation Platform (NGP)

Everyone TV (or Digital UK, as we were previously known) has historically been the organisation responsible for running Freeview, the UK's largest TV platform. Freeview is used in 16 million homes (60% of TV households) and is the main platform in more than 10 million homes. Originating as a broadcast TV service delivered by aerial, it now also offers Freeview Play, a hybrid broadcast/on-demand TV service built into a significant proportion of TVs sold in the UK. In July 2021, Digital UK completed a merger with Freesat. Freesat provides free-to-air broadcast TV services by satellite in 1 million homes on Samsung, LG and Sony TVs and via set-top boxes (it is the main service in 900,000 of these homes).

Having brought the two main free TV platforms under the same organisation and relaunched as Everyone TV at the start of this year, we believe that this is the right time for us to think about the future of free TV platforms in a more holistic way, as part of our planning for the next decade and beyond.

Debates have begun in the industry about how TV will be delivered in the future in the UK and around the world. These debates are motivated by a number of factors, including:

- the growth of IP delivery – supported by the wider availability of fast broadband speeds – as a distribution technology capable of distributing high-quality video streams, including live TV;
- bigger TV screen sizes in people’s homes, which drive demand for HD and UHD/4K-quality channels, which are not easily delivered via DTT due to their bandwidth requirements and capacity constraints; and
- medium- to long-term pressures to release spectrum currently allocated to DTT so it can be used for telecoms or other uses – this is a key topic at the upcoming World Radiocommunication Conference 2023 (WRC-23).

While there is little clarity at this stage about how quickly such developments may occur, the direction of travel seems to be clear: a greater use of IP as a distribution technology for TV services in the future. In the pay TV space, this has motivated the development of services such as Sky Stream and Stream from Virgin Media. Similarly, the growth of IP suggests that, while Freeview is currently delivered over the air as a Digital Terrestrial Television (DTT) service and Freesat is delivered by satellite (DSat), these are unlikely to remain the primary means to deliver free TV services for ever.

Everyone TV’s mission – to make free TV services available to everyone across the UK – remains the same however the services are delivered, and we are agnostic in relation to distribution technologies. As part of our remit to lead free TV’s evolution for a digital age, we have begun our thinking about how a future-facing distribution-technology-neutral EPG might look.

Our challenge is to establish a framework for a potential Next Generation Platform that could be used regardless of the technologies by which TV channels are distributed. It should – as much as possible – allow viewers to just watch TV without having to worry about how their channels are delivered.

2.3. Principles behind potential future-facing platform and its LCN Policy

At the heart of any new future-facing platform would be an EPG for linear TV channels that is agnostic with regards to distribution technologies.

A key objective of an NGP would be to make the integration of IP-delivered linear TV channels as seamless as possible. This means determining the best way to incorporate channels in the EPG that are delivered only via IP. The second, and more ambitious, element is to allocate a single channel number to a service that may be delivered via more than one technology, with its delivery technology potentially changing over time. This could mean, for example, that if a channel is available via DTT and IP and for some reason the DTT signal quality weakens or fails, then the platform would automatically switch to IP delivery if that provided better-quality pictures. And it could mean that if at some point in the future a TV channel ceases to be delivered via DTT and becomes available only via IP, this transition would happen behind the scenes and the user of a next-generation platform may not even notice the transition.

Underlying this framework is the ongoing central role of linear, scheduled channels for TV delivery. In recent years, the launch of catch-up and video-on-demand services has resulted in a gradual evolution of viewing habits from watching purely linear services to a mix of linear and non-linear (on-demand) ones. It would be a misconception to conclude that the natural end-point of this process is an IP-delivery world in which all TV is delivered via on-demand services: we believe that there will remain a role for both linear and non-linear services in the long-term, and that the value of linear TV is not tied to the delivery technology. In particular, we see enduring value for linear channels as curated destinations for high-quality content and as focal points for major live events and ‘watercooler’ shows.

Having stated our distribution-technology-neutral approach, the next challenge – as for any TV platform – is to determine the organisation of the EPG, the process for assigning ‘Logical Channel Numbers’ (LCNs) to each channel at the outset, and then the subsequent rules for allocating LCNs to new channels and reallocating LCNs when necessary. We have the advantage of being able to start this task ‘with a blank piece of paper’. To aid us, we have been guided by consumer research to determine what characteristics would appeal most to viewers, so we can best meet their needs.

Our proposed LCN Policy for an NGP is based on answers to questions such as these:

- Which genres should be broken out into separate sections of the EPG?
- How do we ensure prominence of public service channels on an NGP?
- What should be the key criteria for allocating LCNs to channels in each section?
- How do we deliver the characteristics desired by viewers – such as familiarity, groupings of channels within the same family, and clear separation of Adult content? Where these characteristics conflict, which compromises achieve acceptable trade-offs?
- How do we future-proof the platform and allow space for innovation from channel providers and from hardware (TV set and set-top box) manufacturers?

A Next Generation Platform would sit alongside Freeview and Freesat as and when it launches. The LCN Policy covered in this document would apply solely to an NGP, and the two existing LCN Policies for DTT (including Freeview and Freeview Play) and Freesat would remain unchanged for those platforms.

2.4. Timetable and next steps

We encourage responses from all stakeholders in free TV platforms. This includes TV channel providers, radio service providers, DTT multiplex, satellite and other distribution technology operators, device manufacturers (TV sets, etc.), consumer groups, and viewers and listeners.

All responses should reach Everyone TV by 17:00 on 25 August 2023. Chapter 7 of this document provides details on how to respond.

3. Objectives of an LCN Policy for Next Generation Platform

In this chapter, we first describe the components of a Next Generation Platform in more detail. Given the need to integrate IP-delivered channels in the EPG, our view is that we need to develop a new LCN Policy for an NGP (Section 3.1). This LCN Policy needs to meet clear objectives, such as making it as easy as possible for viewers to discover content, ensuring the ongoing prominence of public service channels and protecting consumers from potential harm, as well as ensuring that LCNs are allocated and managed efficiently in administrative terms (Section 3.2).

3.1. Components of a Next Generation Platform

Everyone TV is developing plans for a new future-facing platform for the delivery of free TV in the UK, which could be incorporated in future generations of TV sets and set-top boxes. A Next Generation Platform (NGP) would be expected to include a modern, attractive interface suitable for TV sets of all sizes, incorporating a traditional electronic programme guide (EPG) for accessing linear TV channels along with closer integration with broadcasters' on-demand services. It is anticipated that any such platform would roll out initially on some smart TV and set-top box models with DTT and IP compatibility, and that DSat compatibility could follow at a later stage.

As noted in the previous chapter, an NGP would sit alongside the Freeview and Freesat platforms. For the avoidance of doubt, this consultation does not affect the existing LCN Policies for either DTT (including Freeview and Freeview Play) or Freesat. It does not affect the channel numbers on Freesat, Freeview, Freeview Play, YouView or any other platforms apart from the potential NGP.

Our NGP would be designed in such a way as to ensure both backwards and forwards compatibility. It is expected that NGP devices would operate like a Freeview device if only connected to DTT, or like a Freesat device if just connected to DSat. But once connected to the internet, NGP devices would deliver IP channels alongside DTT and DSat channels, all of which would be accessed via a single unitary EPG.

The inclusion of IP-delivered channels would not in itself be new to free TV platforms. Freeview Play currently allows two types of IP channels: 'pure' IP-delivered channels that have no DTT element, and Hybrid Streamed channels that are delivered via an MHEG and HbbTV application that is broadcast over DTT. These services currently sit in their own space on the Freeview EPG, which is separate from the main TV genre categories. (As part of the Freeview platform, Freeview Play would continue in its current form and is not affected by the proposal for an NGP in this document.)

A key innovation we intend to develop for a Next Generation Platform is a new protocol for IP channels delivered via an NGP-approved method. These channels (henceforth referred to as 'NGP-approved IP-delivered channels') would conform to technical specifications set out by Everyone TV and would be delivered to viewers via Everyone TV's approved streaming app. The benefit of establishing a protocol for NGP-approved IP-delivered channels is that it would enable a consistent, seamless viewing experience when viewers move between broadcast and IP-delivered channels, as NGP-approved

IP-delivered channels would look and feel the same as broadcast channels while being delivered entirely via IP.

We believe that this new protocol for NGP-approved IP-delivered channels would provide an optimal balance that would give sufficient flexibility to channel providers along with a higher degree of usability for viewers. However, it would be expected that some channel providers might continue to provide Hybrid Streamed channels on an NGP. These channels would not be streamed directly via Everyone TV's streaming app but would be provided behind an app broadcast on the DTT platform and received via the viewer's TV aerial. They would not therefore be accessible to IP-only households in the same way as NGP-approved IP-delivered channels. For this reason, our proposed policy is that Hybrid Streamed channels would remain available but would continue to be allocated LCN slots in their own area of the EPG, as is the case on Freeview. (There may also be IP channels delivered by manufacturers, which would vary from one manufacturer to another. These channels would not be allocated LCNs by Everyone TV, but we would reserve a range for LCNs in which manufacturers could allocate LCNs, as detailed in Section 5.1.9.)

An explicit aim of an NGP would be to be technology-neutral, by which we mean not discriminating between broadcast (DTT or satellite) and NGP-approved IP-delivered channels. The upshot of this approach is that:

- Broadcast and NGP-approved IP-delivered channels within any given genre would sit alongside each other in the relevant section of the EPG.
- Any individual channel that is delivered via both broadcast and NGP-approved IP delivery method would have one single shared LCN for both.
- Channels that are solely delivered by NGP-approved IP would be allocated an LCN in the same way as if it were a broadcast channel (or delivered via both broadcast and IP).

There are two key sets of reasons why an NGP would need its own new LCN Policy, rather than just using the existing Freeview or Freesat channel listings or policies:

- The Freeview and Freesat EPG listings and their LCN policies are substantially different from each other. The Freeview and Freesat EPGs are different from each other, both in terms of the genre categories used and the order of channels within each genre (also, the Freesat EPG starts at LCN 101 whereas Freeview starts at LCN 1). With its larger capacity, Freesat offers more channels in total than Freeview. And they have materially different policies for allocating and reorganising channels. All of this means that there is no default status quo listing that could be used as a starting point for an NGP.
- IP-delivered channels need to be integrated, and there will be more of them over time. The need to future-proof the platform and to fully integrate NGP-approved IP-delivered channels within the EPG as part of a technology-neutral approach mean that, as and when an NGP first launches, its initial channel line-

up would be different from the line-ups on Freeview and Freesat. These differences would grow over time as more NGP-approved IP channels delivered only via IP were launched.

For these reasons, an entirely new LCN Policy is required for an NGP. The objectives for this policy are described in the next section, before we go on to set out the details of our proposed LCN Policy in the following chapters.

3.2. Objectives for LCN Policy

We believe that a new LCN Policy for an NGP should meet the following objectives:

- Make it easy for viewers to discover content through simple navigation;
- Ensure the ongoing prominence of public service channels;
- Protect consumers from potential harm (e.g. ensure Children’s content is distant from any Adult content);
- Give channel providers the opportunity to reach viewers;
- Allocate and manage LCNs fairly and efficiently; and
- Make it easier for viewers to transition to IP-delivery for free TV in the years ahead.

Everyone TV has commissioned an insight study to help us understand what viewers’ priorities are, should a new LCN Policy be required¹. Three key findings were as follows:

- Genre-based groupings. Viewers would welcome genre-based channel groupings when it makes sense to separate them out.
- Channel groupings. Audiences recognise that there are some benefits of channels within the same family being grouped together, on the grounds of ‘logic’ and ‘neatness’. But this was not overwhelming: concerns were expressed that this might crowd out other channels.
- Role of channels. Viewers’ navigation strategies are personal and varied, but they are all underpinned by the fact that people use EPGs to find a programme to watch. Channels, and channel brands, are means to that end but not the end in themselves.

Our proposed LCN Policy for an NGP has been guided by these findings. Note that these findings are not always aligned with each other, meaning that in practice trade-offs between them need to be made. In Chapter 4, we set out the key organising principles that determine how a new EPG would look, before going on to the detailed rules needed

¹ The audience research study was conducted by Craft and involved qualitative and quantitative surveys among TV viewers in the UK between September and November 2022.

to establish an EPG for the launch of an NGP in Chapter 5, and further rules relating to the ongoing management of the EPG following launch in Chapter 6.

4. Key organising principles for an NGP LCN Policy

In this chapter, we describe the key organising principles for a new LCN Policy that draws on the Freeview and Freesat EPGs as appropriate (Section 4.1). We look at which genre categories are needed in the new EPG (Section 4.2), the allocation of LCN slots to the public service broadcasting (PSB) channels that are designated by Ofcom (Section 4.3), the criteria for LCN ordering of non-PSB channels within each section (Section 4.4) and the extent to which the EPG should group channels from the same families (Section 4.5).

4.1. Establishing the starting point

As noted in section 3.1, an NGP would need its own new LCN Policy, rather than just using the existing DTT or Freesat channel listings or policies.

The LCN assignments on DTT and Freesat are determined by a range of historical factors, including the order in which channels launched, rules on DTT governing the trading of LCN slots between channel operators, the absence of local TV channels on Freesat, and the placement of HD and Time-shift channels in the EPG. Annex 1, which lists the first 25 LCN positions on the Freeview and Freesat EPGs, shows that the two platforms look very different from each other in a number of ways:

- Both EPGs begin with the five main PSB channels, as required by Ofcom in its Code of practice on electronic programme guides² (henceforth referred to as the 'EPG Code'), with S4C replacing Channel 4 as the fourth channel in Wales. However, the Freeview EPG begins with LCN 1 and has the SD versions of the PSB channels in slots 1-5, while the Freesat EPG begins with LCN 101 and has the HD versions of the channels in slots 101-105 (the HD versions of these channels are also available on Freeview as LCNs 101-105, at the start of a dedicated HD block of the EPG that occupies LCNs 101-139).
- Freeview then has ITV2 in LCN 6 (currently the biggest channel after the five main PSB channels according to reach³), local TV channels (such as That's TV and London Live) in LCN 7 or 8 (the EPG Code requires they be no lower than the 24th slot on the EPG) and then a mixture of the public service broadcasters' other channels and the most popular non-PSB channels (all in SD). LCN 7 is used for Channel 4 in Wales and for BBC ALBA in Scotland.
- Freesat, by contrast, has a group of four BBC family channels next (all in HD) and then nine ITV family channels (including SD, HD and +1 variants), followed by S4C HD and then a grouping of the Channel 4 family channels (all in SD). (A

² See <https://www.ofcom.org.uk/tv-radio-and-on-demand/broadcast-codes/epg-code>

³ Source: BARB, weekly five-minute continuous reach on Freeview averaged across 52 weeks in 2022.

Channel 5 family grouping comes next, beyond channel 25. Local TV channels are not present on Freesat.)

Our preferred approach is to create an LCN Policy that is new and will satisfy viewers' needs and expectations, but which draws on the characteristics of the existing Freeview and Freesat EPGs that are appreciated by viewers. A prerequisite for any channel seeking an LCN from Everyone TV on an NGP is that the channel would need to be appropriately licensed and conform to all relevant requirements for accessing the platform, including but not limited to those in the LCN Policy, commercial and content terms, and technical specifications.

With this in mind, we turn to four overarching decisions that need to be taken to shape the new LCN Policy, which relate to genre categories, ensuring PSB prominence, the key criterion for LCN ordering within each section and groupings of channel families.

4.2. Which separate genre categories should there be in the EPG?

Our audience research revealed a desire for a new EPG to include genre groupings to help viewers find content. This was motivated in part by the rapid growth of on-demand services in recent years, a common feature of which is the ability to search for content by categories such as genre. We also expect significant growth in the number of free linear channels delivered by IP only, which would suggest that we will need to better organise content for audience navigability on an NGP.

All TV platforms in the UK group channels by content genre: however, some platforms take a more granular approach to genre categorisation than others. Freeview, for example, is notable in that it has a much broader definition of 'General Entertainment' and therefore has fewer genre categories than other platforms.

We believe that an NGP should offer genre categories for TV channels where appropriate to aid content discovery and navigation.

We need to strike the right balance when determining which categories to introduce. On the one hand, a lot more channels would potentially be available on an NGP than are currently available, as the constraints in broadcast distribution due to capacity (on DTT and DSat) fall away with IP-delivery. This means that more categorisation of content would be needed in the future. On the other hand, it would be counterproductive to separate out certain genres if that ended up hindering rather than helping the discovery of content that falls within those genres. To give one example, a separate Movies genre category would divide the films available between those on mixed-genre channels in the Entertainment section of the EPG and others on film channels in the Movies section. In other words, it can be damaging to create too many new genre categories just as much as creating too few. Our analysis indicates that the optimal number of main TV genre categories on an NGP is more than is currently available on the Freeview EPG but less than on Freesat.

Based on the current Freeview and Freesat line-ups, Entertainment is by far the biggest category. Most channels within this genre have schedules whose programmes span a range of genres, so there is no practical way to create sub-genres for these channels.

Therefore, Entertainment will need to remain a single category in the new EPG. Rules on the ordering of channels and family groupings are therefore especially important in this category (see below).

Movies and Sports raise a more complex set of issues. Dedicated channels in these genres are predominantly pay services on pay-TV platforms, while on free TV platforms, movies and sports content is mostly consumed as part of the offering on the main Entertainment channels. So viewer expectations regarding these genres are significantly different on free TV platforms than on pay TV platforms. Our view is that these two genres should not be broken out in an NGP EPG.

This merits further discussion given that these genres are broken out from Entertainment on the Freesat EPG. On Freesat, the News & Sports category currently includes just a single Sports channel (the others in the category are all News) while the Movie category has just seven channels. Freeview currently has no dedicated Sports channels at all, and just the same seven Movie channels as on Freesat. These channels are notable exceptions to the rule that Movies and Sports are typically the most premium genres on pay TV that generate the highest stand-alone subscription fees – they were the original drivers of pay TV platforms such as Sky, have always been heavily promoted and remain the main types of channels that audiences have to subscribe to over and above their basic entertainment package. We expect their premium nature to endure given the high value of rights associated with these genres. So we do not expect the number of dedicated free TV channels in these genres to grow substantially in the future even when IP-delivered channels, with naturally lower distribution costs, are widespread, nor do we expect viewer expectations regarding these genres to change. This is why, notwithstanding their presence on Freesat, we do not believe these genres should be presented in their own categories on an NGP.

There are other genres that are not currently broken out on Freeview, but which currently exist as separate groupings in Freesat, which we do see merit in including as separate categories in an NGP EPG. In the case of Music, Shopping, and Faith and International channels, the content of these channels tends to be clear and distinct from Entertainment channels, and we can reasonably expect growth in the number of channels in these categories on an NGP.

4.3. What LCN slots should be allocated to public service channels?

Our first priority when allocating LCNs within each genre section is to fulfil the objective of ensuring the ongoing prominence of public service channels (one of the key objectives listed in Section 3.2).

Ofcom's EPG Code, which is applicable to regulated EPGs under the Communications Act 2003, requires regulated EPG providers to give appropriate prominence to the relevant public service channels (referred to as the 'Designated Channels'). These are currently all the BBC TV channels, Channel 3 (ITV and STV) services, Channel 4, Channel 5, S4C, local digital television programme services and simulcast local services.

The key rules set out in the EPG Code for securing prominence for these channels are:

- The first five slots in the EPG must be reserved for, in order, the relevant local versions of BBC One, BBC Two, ITV or STV, Channel 4 (except Wales) and Channel 5.
- In Wales, S4C is allocated the fourth slot and Channel 4 must be placed within LCNs 6-8.
- The Nations' PSB channels (currently S4C, BBC Alba and BBC Scotland), BBC Three, BBC Four and local TV channels should all be listed within the first 24 LCN slots.
- The BBC's News and Children's channels should be allocated LCNs within the first eight slots within their relevant genre sections of the EPG.

Reflecting the spirit of these rules – which are designed to support and promote public service broadcasting in the UK – and the value of free PSB services to TV viewers, Freeview has, where feasible, allocated LCNs to public service channels well within the outer limits specified. So, for example, local TV is allocated LCN 7 or 8, BBC News is the first channel in the News section of the EPG (LCN 231) and CBBC and CBeebies are the first two channels in the Children's section (LCN 201-202).

Our proposed approach to an NGP EPG should similarly reflect our commitment to PSB prominence, but at the same time we also believe it would be appropriate to take into account the benefits to viewers associated with pairing channels from the same family and ensuring the EPG offers a varied selection of channels from PSB and other providers, as we discuss in Section 4.5 below. Taking these different considerations into account leads us to propose the following rules for the allocation of public service channels (after assigning the first five slots in the EPG as directed by the EPG Code):

- LCN 8 would be allocated to Channel 4 in Wales and then reserved for PSB channels for the Nations in the other Nations where they exist (we would expect BBC Alba or BBC Scotland to be given this slot in Scotland). As this slot can be regionalised, in England we would assign it to local TV, which would represent an efficient use of the slot whilst also delivering against our PSB prominence objectives.
- LCN 9 would be allocated to local TV in Scotland, Wales and Northern Ireland, to minimise any disadvantage to local TV channels in the Nations, given that their English counterparts have LCN 8.
- The next three slots (LCN 10-12) would be allocated to the BBC for its other public service channels: BBC Three, BBC Four and BBC Alba/BBC Scotland (whichever is not allocated LCN 8). This would help to deliver against our PSB prominence objectives, and would also aid discovery by ensuring all the non-UK-wide public service channels are located close together in the EPG (between LCN 8 and 12). In line with the family swapping rule outlined below, the BBC would be able to select what it believes to be the optimal order of its channels in these slots.

- We would allocate the first slots in the News and Children’s sections of the EPG to the PSB channels that fall within those genres. When there is more than one channel in the genre, they would be ordered according to their reach (pairing rules are not needed as these are all BBC channels).

For the avoidance of doubt, PSB prominence would apply to NGP-approved IP versions of PSB channels as well as broadcast versions.

4.4. What should be the main criterion to order channels within each category?

Perhaps the most important single rule in an NGP LCN Policy is the top-level criterion for ordering the non-PSB channels within each category, and we have developed a new approach for this. As discussed above, the majority of the most popular channels fall under the Entertainment category and would therefore be in the same section of the EPG on an NGP. The ordering of the TV channels within a genre category is important both for viewers, as they search for programmes to watch, and for channel providers, who want their channels to be as visible as possible. This motivates two of our objectives for an NGP LCN Policy set out in Section 3.2, namely to make it easy for viewers to discover content through simple navigation, and to give channel providers the opportunity to reach viewers.

Our guiding principle is that, to satisfy consumers’ needs and expectations, we ought to put the channels that they most want to watch at or near the start of the EPG (whilst of course ensuring appropriately prominent slots for the public service channels, as described above). Other possible rules – such as ordering channels alphabetically or by lottery, or one which seeks to encourage discoverability of new or more niche channels – would mean that it would be harder for viewers to select the channels they most often turn to and, in the case of promoting new or niche channels, would introduce an unwarranted degree of subjective judgement into the ordering of channels. This leads us to the proposed decision to order channels according to their popularity.

To establish this criterion more precisely, we would need to agree what measure of popularity to use for an NGP’s initial EPG as and when it launches. For TV channels, the two main candidates are reach and audience share (both of which are measured by BARB). For the purpose of establishing a channel order for an EPG – in order to help people select and move between TV channels – our preference would be to use reach. This is because a channel’s reach is higher when lots of people watch it sometimes, meaning lots of people want to navigate to the channel using the EPG. Conversely, a channel can achieve a high viewing share if a smaller number of people watch it a lot, in which case these heavy viewers of the channel do not need to use the EPG often; and when they do, they are less likely to pay attention to the order of channels.

Finally, we need to specify the technical details of what reach measure we would use (5-minute and 15-minute reach are the two main variants in common use by broadcasters), over what time period each channel’s reach would be calculated, over which platform(s) reach would be calculated, and how often it would be reviewed.

- Given that different channels may be watched more at certain times of the year and channel schedules often take seasonal patterns, our view is that it is important to look at reach using a full year of data.
- We propose using average weekly 5-minute reach across the year as our measure of reach. This is preferred to 15-minute reach, which may to some degree be disadvantageous to commercial channels as advertising breaks may lead to brief channel-hopping during the ad break.
- As an NGP would be expected to launch with DTT compatibility (DSat compatibility would follow at a later stage), for an initial NGP EPG we would calculate reach for each channel on the Freeview platform.
- As we discuss in Section 6.4, we would plan to review the LCN Policy for an NGP periodically to make sure that it is working as expected and propose adjustments as needed. As and when an NGP is up and running, we might choose to review the ordering in future occasions on the basis of reach again, but would confirm what metrics and data we intend to use before any such review takes place.

Following the launch of an NGP, if a channel were to outperform its LCN slot consistently and substantially by achieving a higher level of reach than those channels closer to the beginning of the EPG, then at the next NGP LCN review it might well be given a more prominent LCN slot. Conversely, if a channel were to underperform in terms of its reach consistently and substantially, then it might be given a less prominent LCN at the next review. We believe that rewarding popularity in this way would help to align channel providers' incentives with our desire for the platform to offer channels that people want to watch, providing a mechanism for all channels – from long-established brands to brand new ones – to grow their audience and improve their EPG position over time.

4.5. To what extent should channel families be grouped together?

We next turn to the question of whether, and to what extent, channel families (as defined below) should be grouped together. Our audience research showed that viewers welcomed channel family groupings where appropriate, on the grounds of 'logic' and 'neatness', whilst also recognising the downside risk of crowding out other channels. Groupings also provide value to content providers: the benefits of cross-promotion between channels is enhanced when there is easy navigation between them.

It is interesting to compare the approaches currently taken by the two main free TV platforms. As [Annex 1](#) shows, the Freesat EPG groups the main PSB families of channels sequentially at the start of the EPG. By contrast, Freeview's LCN Policy does not attempt to group complete channel families together.

Our view is that for a new NGP LCN listing, the optimal approach would be to adopt a middle-ground between these two positions. On the one hand, since family grouping has certain benefits as outlined above, we believe that in an NGP LCN listing we should go further than the Freeview EPG and allow some degree of family grouping. On the

other hand, a rule that generally permits complete families of channels to be grouped together, along the lines of the Freesat EPG, would risk creating perverse incentives for channel providers to create multiple IP-delivered channels in order to effectively block out sections of the EPG and push other providers away from the more prominent parts of the listing.

Another objection to a rule that generally permits family grouping is that this would undermine our primary criterion of basing LCN positions primarily on popularity. Under such a rule, a channel with a high reach would be allocated a prominent EPG position and would then be free to bring with it an unlimited number of family channels regardless of their reach, taking LCN slots that would otherwise be given to other (popular) channels with higher reach.

Our proposed rule represents a more nuanced approach to address the trade-off between the principle of allocating channels by reach and allowing channels in the same family to sit together. As both extremes – no family groupings at all and whole portfolio family groupings – would be undesirable for different reasons, we need to find the right position between these extremes. Under our proposed approach, we would retain the principle of ordering channels by popularity, but we would then allow each channel to bring with it a single additional channel from its family – namely, the one with the next highest reach – to create a pairing. (The two channels may then swap positions amongst themselves should the channel provider wish – in line with our proposed rules on channel swapping, detailed in section 6.1.3.) Having created a pair, the next LCN slot would then go to the channel from any provider with the next-highest reach that has not yet been allocated an LCN, and that provider would also have the opportunity to create a pair if it has other channels in its family; and so on, working sequentially down the list of channels by reach and inviting each one to create a pair. The application of this approach would produce a series of channel pairings all the way down the EPG (until channel operators have no further channels to pair up).

According to this approach, the first such pairing in an NGP EPG would occur in the first slots after the initial five that the EPG Code stipulates are taken by the main PSB channels: BARB data shows ITV2 was the channel with the next-highest 5-minute average weekly reach on Freeview in 2022 (using that year's data for this illustration), which means it would be allocated LCN 6 and would then be permitted to bring the next most popular ITV channel, ITV3, as a pair in LCN 7. As we permit channel operators to swap channels within their portfolio, had it been the case, for example, that ITV3 had a higher reach than ITV2, ITV might decide on grounds of logic and neatness to place ITV2 ahead of ITV3.

While this is not as 'neat' as grouping complete family blocks together, we believe that, for a platform with IP-delivered channels, it would be beneficial to channel providers, who can compete for access to much wider parts of the EPG; and more attractive to viewers, who see a more varied selection of channels while still receiving the benefits of pairs of channels in the same family grouped together.

Given the central role that channel families play in our proposals regarding channel groupings, the precise definitions used are important. We would propose defining 'channel families' for an NGP using a similar approach as that for channels that are

considered to be under ‘common control’ in the current DTT LCN Policy⁴. This states (Clause 1.10.v):

- Channels will be considered to be under ‘common control’ where they are owned or controlled by companies in the same corporate group.
- The corporate group consists of a holding company and all its subsidiaries, the terms ‘holding company’ and ‘subsidiary’ having the meanings given in section 1159 of the Companies Act 2006.
- In addition, where a holding company directly or indirectly holds 50% of the voting rights in a channel which does not otherwise fall within the definition of ‘subsidiary’ in section 1159 of the Companies Act 2006, that channel will be treated as under common control with any of the holding company's subsidiaries with which the channel in question has common branding.

For channel families that include Ofcom-designated PSB channels, we would also need to add an additional rule that no non-PSB channel would be permitted to take advantage of channel family rules that would put them into a more prominent LCN due to their association with a PSB channel.⁵ In the case of channel pairing, this rule would imply that channel providers would not be able to use the pairing process to extend to non-PSB channels the benefits relating to prominence that are given to the public service channels within their family. So within a channel family, PSB channels could be paired with other PSB channels, and non-PSB channels could be paired with other non-PSB channels. But a pairing could not include one PSB channel and one non-PSB channel. This means, for example, that it would not be permitted for BBC Four to be paired with Dave (despite these channels being part of the same channel family). Similarly, when we come to consider rules relating to LCN swaps within channel families and vacated channels, PSB channels would not be able to swap with non-PSB channels and the vacated channels rules would not apply between PSB and non-PSB channels (as we elaborate in Chapter 6).

In conclusion, we have set out our key organising principles that would determine the shape of the EPG and the sequencing of channels on a Next Generation Platform, in order to meet the key objectives for a proposed new LCN Policy. These organising principles – which are summarised in Table 1 below – determine the form that we propose an NGP EPG would take as and when it launches. In instances when the objectives are not fully aligned with each other, our proposals reflect trade-offs between them that balance the relevant issues in order to achieve the best outcome for viewers.

⁴ ‘Digital UK LCN Policy’, Version 7.1, 22 October 2021.

⁵ This approach is comparable to the rules in Freeview’s LCN Policy regarding ‘associated channels’, defined as being (Clause 1.10.iii) two or more channels that are classified into the same genre as each other, under common control, and have common branding and/or a significant degree of existing or intended cross-promotion. Whereas PSB channels are not considered to be associated channels on Freeview, our proposed approach for an NGP is to treat them as part of the channel family but not allow non-PSB channels to benefit from prominence in any way through their association with PSB channels in their family.

Table 1: Summary of key proposed decisions taken for the Next Generation Platform EPG

Component	Proposed decisions for NGP EPG
Genre categories	<p>Proposed main TV genre categories:</p> <ul style="list-style-type: none"> Entertainment News Children’s Music Shopping Faith & International <p>Allocations also needed for Adult, Radio, etc (see next chapter)</p>
Public service channels	<p>LCN 1-5 are reserved for the relevant local versions of BBC One, BBC Two, ITV or STV, Channel 4 (except Wales) or S4C (in Wales) and Channel 5.</p> <p>LCN 8 is allocated to Channel 4 in Wales, PSB channels for the Nations in the other Nations where they exist, and to local TV in England.</p> <p>LCN 9 is allocated to local TV in Scotland, Wales and Northern Ireland.</p> <p>LCN 10-12 are allocated to the BBC for its other public service channels.</p> <p>The first slots in the News and Children’s sections of the EPG are allocated to the PSB channels that fall within those genres.</p>
Ordering of channels within each category	<p>Our guiding principle is to put the most popular channels at the start of the EPG.</p> <p>We propose using average weekly 5-minute reach, calculated using a full year of data, as the measure of popularity used to rank each channel.</p> <p>The channel rankings may be revised periodically as Everyone TV sees fit and based on metrics that Everyone TV considers appropriate at the time.</p>
Grouping of channels within same family	<p>We retain the principle of ordering channels by popularity using reach as the metric, but then allow each channel to bring with it a second channel from its family (the one with the next highest reach) – to create a pairing. The two channels may then swap position should the channel provider wish.</p> <p>Non-PSB channels cannot benefit from prominence in any way through their association with PSB channels in their family.</p>

As and when an NGP launches, once it is up and running it would be impossible to predict exactly how the platform would develop and be used, and changes would almost certainly need to be made over time. So the decisions set out above are not set in stone

for ever but rather are intended to shape the launch version of an NGP EPG. We would retain discretion as to the approach in any future review of the platform's LCN Policy (see Section 6.4).

Beyond the main organising principles, there are several additional rules that need to be specified in a new NGP LCN Policy, covering the likes of Radio and Adult channels, the full set of categories on the EPG (allocations are needed for Time-shift channels, Regional variants, IP-delivered channels, manufacturer use and information channels/Accessible EPG) and the LCN ranges allocated to each one. Rules are also required to cover post-launch events such as new channels, vacant slots and LCN trading. We describe these in the next two chapters.

Q1. Do you agree with our key organising principles for an NGP EPG? Do you have any comments on:

- (i) our opinion that an NGP would require a new LCN Policy;*
- (ii) the main TV genre categories summarised in Table 1;*
- (iii) our proposed approach for initially allocating LCNs to public service channels; and*
- (iv) our proposed principles for ordering channels by reach, and allowing pairings of channels as the optimal trade-off between allowing family groupings and maintaining a reach-based ordering?*

5. Proposed details of an NGP LCN Policy to establish the launch EPG

In this chapter we turn to the detailed rules that would be needed to fully specify an NGP LCN Policy and populate the EPG ahead of an NGP’s potential launch. In some areas, entirely new rules would be needed that are relevant to the nature of the new platform, while in other areas we would be able to port over established rules from the Freeview or Freesat LCN policies when they are well-established, shown to be working well and remain appropriate.

In Section 5.1, we work our way through the additional categories that would need to be included on an NGP EPG. In Section 5.2 we set out our proposed full allocation of LCN ranges. Section 5.3 pulls together all the rules set out in earlier sections in order to describe the complete process for allocating LCNs to channels on an NGP.

5.1. LCN categories and allocation of ranges

To recap the EPG categories we have discussed thus far, in Chapter 4 we identified the following main TV channel genres that we would propose to include in an NGP EPG:

- Entertainment
- News
- Children’s
- Music
- Shopping
- Faith & International.

Alongside these, there are a host of other categories that would need to be included in the EPG. We discuss these in turn in this section and conclude by setting out our full proposal for the LCN ranges in the NGP EPG that are assigned to each category.

Note that, unlike on Freeview, we do not propose to create a separate HD genre section on an NGP EPG, as alternative versions of the same channel – whether broadcast or IP-delivered and whether HD or SD – would be allocated to the same LCN, and only one version of the channel made available to users. Which version is listed would be at the election of the channel provider and would also be determined by the technical set-up of the NGP device (e.g. whether connected to IP). For example, the channel provider might decide that viewers should see the highest resolution version of the channel that is available to them; the other versions of the channel would not normally be available to viewers.

5.1.1. Channels reserved for promotional purposes

An NGP would be a more complex platform than Freeview and Freesat, and we expect it would be helpful to viewers if we could draw their attention to new features and content.

We therefore believe it would be helpful to reserve some channel slots for promotional purposes, and that these should be in reasonably prominent positions. Details of how these promotional LCNs would be used would follow in due course.

We propose to reserve channel 31 and the LCN range 90-99 for promotional purposes.

5.1.2. Allocations for NGP information and Accessible EPG

We propose reserving single channel allocations for NGP information and an Accessible EPG (the latter being an important part of our accessibility provisions, in line with best practice set out in the 2022 Digital UK and Freesat Accessible EPG Report).

Freeview currently reserves LCN 100 for the Freeview Play home screen and LCN 555 for the Accessible EPG. We believe it would facilitate user navigation to use these same two LCN assignments, which Freeview users will be familiar with, in an NGP EPG.

We propose to reserve channel 100 for NGP information and channel 555 for the Accessible EPG.

5.1.3. Time-shift channels

Time-shift channels – which are offered by all the commercial public service broadcasters and some private commercial providers – are an unusual category. Almost all of the Time-shift channels currently on the Freeview platform are ‘+1’ versions of Entertainment channels, and the Time-shift variants offer a similar viewing experience to Entertainment channels. These channels may therefore be thought of as a sub-category of Entertainment, in that they simply play out the schedule of their parent channel with a (usually) one-hour time delay.

Time-shift channels were introduced as a way for viewers to catch up on programmes that they have just missed – accidentally or because it clashed with another activity or programme they were watching, for example. Time-shift channels have proven useful for viewers and channel providers alike by providing a quick and easy second chance to see programmes just after they have aired (or to provide an alternative recording opportunity where clashes occurred) whilst making a material contribution to their parent channels’ overall viewing.

In recent years, catch-up streaming services have become more popular and comprehensive (programmes were not always so readily available to view on catch-up services in the past). This trend is likely to continue as the use of catch-up services grows further. We believe that in a world where IP delivery is becoming increasingly the norm, there are likely to be more innovative and useful ways of catching up on content that viewers may have missed than time-shift channels – examples being the ‘backwards EPG’ offered by Freeview Play, and the option on some channels to press a colour button (e.g. Red Button or Green Button) to restart the programme (which shifts the viewer from a ‘live’ DTT or DSat signal to an IP-delivered stream of the channel).

Nonetheless, we would anticipate that there might be some Time-shift channels on an NGP, and that the large majority of these would be derived from Entertainment channels.

We therefore propose that, for Time-shift channels on an NGP whose parent channels are in the Entertainment genre, we would create a separate Time-shift genre category that immediately follows the Entertainment category on the EPG. This would make the full set of Entertainment-based Time-shift channels available in one place, making them easier to find while helping to declutter the main Entertainment genre section of the EPG.

In terms of the ordering of channels in this Time-shift category, we propose that these channels would be allocated LCNs in the same order as their parent channels appear in the Entertainment category.

Finally, we propose that any non-Entertainment-based Time-shift channels on an NGP would remain in their parent channels' genre sections and would be treated as separate channels in their own right in those sections (so, for example, the pairing rule could potentially be used to keep a channel and its Time-shift variant together on the EPG).

We propose to assign a block of LCNs in the EPG immediately following the Entertainment category for Time-shift channels whose parent channels are in the Entertainment category (other Time-shift channels would remain in the same genre category as their parent).

5.1.4. Radio

Radio is a popular content category on Freeview, with 50 LCN slots allocated on the EPG, around two-thirds of which are currently in use, offering a mixture of national and local stations from the BBC and commercial providers. We believe that IP-delivery represents an attractive opportunity to increase the range of radio channels available, and propose significantly expanding the allocation of slots to 150 on an NGP.

We would need to specify a range of Radio-specific rules to determine the order in which channels appear, analogous to our rules for TV channels. Our proposed rules are:

- Reflecting viewer expectations and common practice on other platforms, BBC stations should appear first, where possible in the order determined by the numbers in the station names (i.e. Radio 1, Radio 1Xtra, Radio 2, Radio 3, Radio 4, Radio 4 Extra, Radio 5 Live, Radio 5 Sports Extra, Radio 6 Music, Asian Network) followed by the World Service.
- Seven LCN slots should then be reserved for BBC Local Radio services in the household's local area (as determined by DTT transmitter coverage). So, for example, someone living in Wales might have the three local LCN slots allocated to BBC Radio Wales, Radio Cymru and Radio Cymru 2 (the other four reserved slots would be vacant).

- The next set of slots would be allocated to commercial radio stations. These should be ranked according to popularity, mirroring the approach used to order TV channels as described in Section 4.4.
 - The most relevant measure of reach for radio is quarterly listening data as provided by RAJAR.
 - We would calculate the annual reach for each station based on the average of four quarterly figures to cover a full year.
 - We recognise that local radio stations may be disadvantaged by the UK-wide measure of reach, and propose that stations that have multiple versions with regional opt-outs or which together form a multi-region network (e.g. the Capital FM stations) be measured using their aggregate reach across all local versions.
 - We propose to use the equivalent “pairing” rule for radio as for TV, so each radio station allocated a slot can bring with it a single additional station from the same family.
- The full list of BBC Local Radio services would begin around 50 slots from the end of the initially allocated range (e.g. around LCN 700 if Radio is allocated the LCN range 600-749). We would not expect users to select these LCNs often, as they would be able to access their local services using the seven reserved slots described above. But there may be instances when some people may wish to listen to other local stations, for example if they have a favourite show from another region where they lived previously. We propose that these BBC Local Radio channels should be listed alphabetically, to assist user navigation, but we are open to alternative proposals.

We propose to assign a significantly expanded block of LCNs in the EPG for Radio services (compared to Freeview) and have developed a set of rules for the order of commercial radio stations analogous to those for TV channels, based on popularity and with the ability to pair stations in the same family.

5.1.5. Adult channels

Adult channels are channels which contain content of an adult nature, such that it features the depiction or description of, or behaviour of, a sexual or sexually suggestive nature, especially if this is of a lascivious nature. This includes the exhibition or depiction of sexual organs or sexual activity of any kind.

Adult channels would be allocated an LCN in a dedicated Adult category. In order to meet our objective of protecting consumers from potential harm (one of the key objectives listed in Section 3.2), we would allocate LCNs to Adult channels in a range located well away from Children’s channels in the higher reaches of the EPG.

When considering if a channel should be listed in the Adult category, we would consider the amount and nature of programming which is of an adult nature that is broadcast on to that channel. For the avoidance of doubt, transactional sex chat channels (or ‘Adult Chat’ services) would be located in the Adult category.

We propose to assign a block of LCNs for Adult channels in a range located well away from Children’s channels, in the higher reaches of the EPG. This range would be book-ended by a genre slate in line with protective measures taken on other platforms.

5.1.6. Hybrid Streamed channels

As we discussed in Section 3.1, an important element of a Next Generation Platform would be our proposed protocol for approved IP-delivered channels that would look and feel the same as broadcast channels, and which would be treated in the same way as broadcast channels in the EPG in the main genre groups as part of the platform’s technology-neutral approach (with any individual channel being delivered by either or both of broadcast and IP). As distinct from NGP-approved IP-delivered channels, Hybrid Streamed channels – which rely in part on DTT delivery, and which are not therefore accessible to IP-only households – would remain available but would be allocated LCN slots in their own area of the EPG, as is the case on Freeview.

There are two exceptions to our rule that only NGP-approved IP-delivered channels may sit alongside other DTT and DSat channels. For reasons of consumer protection, we would wish to keep children’s content away from potentially harmful content. Therefore, Hybrid Streamed Children’s channels would appear in the Children’s genre category, and Hybrid Streamed Adult channels would appear in the Adult genre category, as they do on DTT.

We propose to assign a block of LCNs for Hybrid Streamed channels. There are two exceptions: Hybrid Streamed Children’s channels would be allocated LCNs in the Children’s genre, to keep childrens’ content together and away from potentially harmful content, and Hybrid Streamed Adult channels would appear in the Adult genre.

5.1.7. Regional variants

There would be a technical requirement to manage the provision of regional variants of PSB channels when an NGP is connected to DSat. Unlike on DTT, the DSat platform provides the same set of channels to all UK homes. This means that for channels such as BBC One with different regional versions, each variant of BBC One is included on the DSat platform. They each have an LCN in a part of the EPG (from channel 950). The EPG then maps the correct local variant to LCN 101.

A similar approach would be needed on a Next Generation Platform for users connected to DSat, and we therefore propose creating a range of LCNs to house the different versions of those channels with regional variants (primarily BBC One and BBC Two). This approach could also facilitate viewers being able to watch local programmes from

a different region, for example if they wanted to watch local news or other local content from another region where they lived previously.

We propose to assign a block of LCNs for Regional variants of channels, primarily for use by DSat-connected devices.

5.1.8. Manufacturer Technical Use

There would also be a technical requirement to manage the circumstance in which a viewer lives close to the border between two TV regions and their DTT-connected device can pick up more than one version of a channel with regional variants (such as BBC One).

When this happens on Freeview, the device asks the user – when they first tune their device – which version of the channel to put at LCN 1 (in BBC One’s case), and the other version is allocated a slot in the 800s range. A similar approach will be needed to deal with the same circumstance on an NGP.

We propose to assign a block of LCNs for Manufacturer Technical Use, primarily for use by DTT-connected devices.

5.1.9. IP channels delivered by manufacturers

We believe it would be important to create sufficient space on a new EPG for IP channels delivered by manufacturers. As discussed above, NGP-approved channels would be included within the main genre sections of the EPG, and Hybrid Streamed channels would have their own section. We would wish to encourage innovation in the creation of new services by TV set and other device manufacturers – who would be key players in the roll-out of an NGP platform – and therefore believe that it would be helpful to reserve a range of LCNs in which manufacturers could allocate LCNs. Everyone TV would not allocate LCNs within this range.

This range would be managed by the manufacturers themselves, according to their own allocation policies, and would not form part of the LCN Policy for an NGP. Manufacturers would determine their own criteria for whether and how LCNs would be allocated to channels within their allocated range. The expectation is that IP channels delivered by manufacturers would not be the same across all NGP devices, as manufacturers would be likely to offer different channels from each other as part of their product differentiation.

We propose to reserve space to IP channels delivered by manufacturers at the end of the EPG, from LCN 1000 onwards.

5.2. Full allocation of LCN ranges

Summarising the section-by-section details set out above, the categories we propose including in the EPG for an NGP that are additional to the main genre categories are as follows:

- Reserve channel 31 and the LCN range 90-99 for promotional purposes
- Reserve channels 100 for NGP information and 555 for the Accessible EPG
- Assign the block of LCNs immediately following Entertainment for Time-shift channels whose parent channels are in the Entertainment category (other Time-shift channels would remain in the same genre category as their parent)
- Assign a significantly expanded (compared to Freeview) block of LCNs for Radio services, with a popularity-based rule to order commercial radio stations
- Assign a block of LCNs for Adult channels, to be located well away from Children’s channels in the higher reaches of the EPG
- Assign a block of LCNs for Hybrid Streamed channels (other than Children’s and Adult channels, which would be allocated LCNs in their respective genres)
- Assign a block of LCNs for Regional variants of TV channels
- Assign a block of LCNs for Manufacturer Technical Use
- Reserve space for IP channels delivered by manufacturers at the end of the EPG, from LCN 1000 onwards.

Combining this with the main TV genres listed in Section 5.1, Table 2 (overleaf) sets out the full set of categories and our proposed allocation of LCN slots to each one. In determining the number of slots to allocate to each category, we have carefully considered the likely growth of content in each area to future-proof the EPG as much as possible.

The overall approach is for the mainstream categories to appear at the start of the EPG, beginning with Entertainment followed by the other main TV genres. Niche or specialist TV channels and Radio come towards the latter end of the EPG, along with technical requirements such as Regional channel variants. The order also reflects specific rules set out above, e.g. the Time-shift category immediately following Entertainment.

For each section of the EPG, we propose reserving the first LCN (usually with 0 as the last digit) for genre navigation or other features, and then the allocation of EPG slots for channels in that section would start with the next LCN. So, for example, in the Music section LCN 400 would not be allocated to a channel and the first Music channel would be given LCN 401. The same rule would apply to IP channels delivered by manufacturers, with LCN 1000 being reserved.

There is one particular question for which we do not have a current preference and on which we seek opinions in the consultation: should the Children’s genre come ahead of News or vice versa? There are arguments in both directions. It could be argued that Children’s should come first as it keeps it closer to the Entertainment channels that children also watch, making navigation easier and helping discovery, which may in turn help to support linear Children’s channels in a world that we expect will be increasingly dominated by on-demand services. It could also be argued that people who want to watch News channels would always find them even if they were further along the EPG.

Conversely, an argument for News to come first is that it is an important public service genre with broader appeal than Children’s channels. On Freeview, Children’s channels come ahead of News on the EPG, whereas on Freesat the News & Sports category comes before Children’s.

Table 2: Summary of proposed LCN ranges

LCN Range	Channel categories within this range
1-30	Entertainment
31	Reserved for promotional purposes
32-89	Entertainment (continued)
90-99	Reserved for promotional purposes
100	NGP information
101-249	Entertainment (continued)
250-299	Time-shift (+1 channels)
300-349	Children’s / News TBC
350-399	News / Children’s TBC
400-449	Music
450-499	Shopping
500-549	Faith & International
550-554	Hybrid Streamed
555	Accessible EPG
556-579	Hybrid Streamed (continued) + Text if needed
580-599	Adult
600-749	Radio
750-799	Regional variants
800-999	Manufacturer Technical Use
1000+	IP channels delivered by manufacturers

As and when an NGP launches, we would expect the biggest area of uncertainty in demand for LCNs in the years ahead to be the development of NGP-approved IP-

delivered channels, as this would represent an entirely new category on the platform. Should growth be faster than expected, and we need to allocate more LCNs to certain types of content, we would retain the option to amend the EPG categories and LCN ranges ahead of any formal periodic LCN Reviews and would undertake a mid-term mini review to do this (see Section 6.4).

5.3. Complete listing policy at launch of NGP

In this section, we operationalise the organising principles and detailed rules set out thus far in Chapters 4 and 5, by outlining the resulting step-by-step process we would propose to use to allocate LCNs to each channel, starting with the Entertainment and related Time-shift categories. We believe that our proposed step-by-step guide would enable us to strike the right balance in the allocation process between our key objectives such as ease of discoverability and ensuring the ongoing prominence of public service channels.

There remain some methodological details in the process that were not addressed in earlier sections, and we cover those here. Given that allocations are proposed to be made primarily based on a channel's reach, we go on to explain how we would allocate LCNs to channels for which we do not have reach data or for which only partial data exists. And we summarise the equivalent step-by-step processes for other TV genres and for Radio.⁶

As part of the platform's technology-neutral approach, any channel that ceases to broadcast via DTT or DSat would retain its LCN if it has an NGP-approved IP stream for the same channel.

5.3.1. Step-by-step guide for Entertainment (and Time-shift)

Our proposed methodology for assigning NGP LCNs in the Entertainment category is as follows:

- Allocate slots to the main PSB channels: LCNs 1-5 would be assigned to BBC One, BBC Two, ITV or STV, Channel 4 (except Wales) and Channel 5. In Wales, S4C would be given LCN 4 and Channel 4 would be assigned LCN 8.
- Allocate slots to the non-UK-wide public service channels: English local TV channels and one of the BBC's Scottish channels (BBC Alba or Scotland) would be assigned LCN 8 and local TV channels in the Nations would be given LCN 9.
- Allocate slots to the other BBC channels: LCN 10-12 would be allocated to the BBC's other Scottish channel, BBC Three and BBC Four. (The LCN where the BBC's Scottish channel is located would be vacant in the rest of the UK.)

⁶ Should a new Ofcom-Designated PSB channel be launched before the launch of the Next Generation Platform, we will issue a small side consultation on its LCN allocation.

- Arrange all remaining Entertainment channels in order of their 5-minute average weekly UK reach on Freeview across the agreed year (we use calendar year 2022 here for illustrative purposes). We denote this the 'Reach List' in this step-by-step guide.
- Allocate the first channel on the Reach List to LCN 6 (this was ITV2 based on data for 2022).
- The LCN 6 channel provider (ITV) may then 'couple' its next-highest reach channel (ITV3 in 2022) on LCN 7.
- Move to the next channel on the Reach List, and assign it LCN 13, the next available slot. Again, the channel provider may couple that with its next-highest reach channel in the next LCN slot (14). For 2022, this would mean assigning two of Channel 4's family, Film4 and More 4, to these slots.
- Repeat this process for each successive pair of LCN slots. If an assignment is made to a channel for which there is no pair (because all the channel provider's Entertainment channels have been allocated LCNs), then no pair is made and the next LCN slot would be available for the next pairing (LCN slots would not be left vacant if a pair cannot be made).
- This process continues until LCN 31, which is reserved for promotional purposes. This allows nine pairs of channels to be allocated slots between LCN 13 and LCN 30. The data for 2022 shows that there is currently a sufficient number of channel pairings that could be made up to and beyond channel 30. But if in the future a single channel is assigned a slot in the LCN range 13-30 without a pair, then a pair may be assigned LCNs 30 and 32.
- The process continues beyond LCN 31 until all Entertainment channels have been allocated a slot. Pairings would be offered until no more channel families have additional channels available to be paired.
- Once all allocations have been made, each channel provider may swap channels within their portfolio of LCNs if they so choose.

Annex 2 shows in more detail how the LCN allocations would be built up using this step-by-step process.

As noted in Section 5.1.3, Time-shift Entertainment channels would be allocated LCNs in a separate Time-shift genre section. The channels would be allocated LCNs in this Time-shift section in the same order as their parent channels appear in the Entertainment category once the allocation described above has been completed.

5.3.2. Channels with missing or incomplete reach data

The above steps would go most of the way to providing a starting line-up for the Entertainment section of the EPG on an NGP. However, we still need to add details on

how we would assign LCNs to channels for which either reach data does not exist or data is not available for a full year.

Reach data from BARB do not exist for a minority of TV channels. This is the case for most (possibly all) channels in the Shopping, Adult, Hybrid Streamed, Text and Adult categories. It is also the case for some channels in other TV genres.

For those categories for which most channels have reach data, our proposed approach for assigning LCNs to non-BARB rated channels when an NGP launches would be to give them slots in the next available LCNs in their relevant genre sections, behind the channels with reach data. In the absence of a numerical measure of their popularity, we propose allocating these slots in the same order as these channels occur in the relevant section of the DTT EPG. We are open to considering alternative suggestions in the consultation.

In the Shopping, Hybrid Streamed, Text and Adult categories, we would not apply reach-based criteria at all, given how few channels in each category have their reach measured by BARB – otherwise in this instance it would give those channels which are measured by BARB an unfair advantage over other providers in the same category, who might feel they need to bear the cost of joining BARB to improve their EPG position even if the reach data were otherwise of no value to them. For the Faith and International category, we will be guided by consultation responses on whether to put channels with reach data at the start of their section.

We also set out below our proposed rules for channels that have launched recently, and for which a full year of reach data is not available for the period used to establish the order of channels in the Reach List:

- If less than one quarter's worth of data is available during the year being used to assess reach, then we propose treating these channels in the same way as those for which no reach data at all is available.
- Provided at least one quarter of data is available, we propose that reach for the new channel would be calculated using the available data for the relevant year being assessed.
- Under this approach, it is conceivable that this would give the new channel an unfair advantage relative to the channels closest to it on the Reach List. We therefore reserve the right to adjust the new channel's position in the Reach List. For example, suppose just one quarter of data were available for the new channel, and that this would give it a slightly higher reach than the reach calculated over a full year for an existing channel. Suppose also that the existing channel's reach is higher than that of the new channel over the single quarter for which reach data exists for both channels (this might be the case as a channel's reach may vary over the year due to seasonal factors). Then this would justify a decision to adjust the order of these channels in the Reach List so that the new channel comes below the existing channel, based on the like-for-like comparison.

Again, we are open to alternative suggestions, and welcome proposals from respondents to this consultation. We recognise that the approach outlined above could prove laborious to implement, as it might involve recalculating reach for existing channels to cover a range of different time periods to match those for each new channel. Conversely, if we do not reserve the right to make adjustments, then existing channels could be unfairly disadvantaged.

In the case of Radio, when we create a ranking of commercial radio stations (discussed in Section 5.3.4 below), equivalent rules would apply to stations for which reach data from RAJAR is missing or incomplete. Radio stations with no data would be allocated LCNs at the bottom of the commercial radio part of the list (but ahead of the full list of BBC local radio stations), in the order in which they appear on the DTT EPG. If a quarter or more of reach data is available, that would be used to rank the station's popularity, but as with TV channels we would reserve the right to adjust the new station's position in the Radio Reach List to avoid giving it an unfair advantage.

5.3.3. Step-by-step guide for other TV genres

We now turn to TV channels in other genres. We propose that the process for assigning LCNs to channels in each category should operate in the same way as for Entertainment, but would be slightly simpler as there are fewer (or no) Ofcom Designated public service channels to which we would wish to give prominence at the start of the EPG. Summarising the step-by-step process for other TV genres:

1. Allocate the first slots at the start of the relevant section to any PSB channels that exist in that genre. For the current set of Ofcom Designated Channels, this means that in the News and Children's categories, the BBC would be allocated two LCNs in each case: for BBC News and BBC Parliament in the News category, and for CBBC and CBeebies in the Children's category.
2. Arrange all remaining channels in the genre in order of their 5-minute average weekly UK reach (we denote this the 'Reach List' for the genre).
3. Allocate the first channel on the Reach List to the first available LCN. The channel provider may then 'couple' its next-highest reach channel on the next LCN.
4. Repeat this process for each successive pair of LCN slots. If an assignment is made to a channel for which there is no pair (because all the channel provider's channels in that genre have been allocated LCNs), then no pair would be made and the next LCN slot would be available for the next pairing (LCN slots would not be left vacant if a pair cannot be made).
5. Continue until all TV channels in the genre category with reach data have been assigned an LCN.
6. Channels in the genre category for which no reach data exists would be placed at the end of the EPG, and assigned LCNs in the same order as these channels appear on DTT at the time at which the allocation is made. This is likely to be

the case for most or all channels in some EPG categories, such as Shopping and Adult.

7. Once all allocations in the genre have been made, each channel provider may swap LCNs within their portfolio of LCNs if they so choose.

5.3.4. Step-by-step guide For Radio stations

The proposed rules for allocating LCNs to radio stations were set out in detail in Section 5.1.4, and can be summarised as:

1. Allocate the first 11 slots to the BBC's national radio stations in the order determined by the numbers in the station names (Radio 1, Radio 1Xtra, Radio 2, etc.) followed by the World Service.
2. Reserve the next seven LCN slots for BBC Local Radio services in the household's local area (as determined by DTT transmitter coverage).
3. Arrange all commercial radio stations on the platform in order of their quarterly reach based on a full year of data as provided by RAJAR.
 - For local or regional stations that have multiple regional versions under the same brand name (such as Capital FM), the reach figure assigned to that station on the platform would be the total reach across all its regional variants.
 - If commercial radio providers wish to offer more than one regional variant of a radio station on the platform then the radio station would be allocated a single LCN and the provider may use that slot for the different variants around the UK (as with the different ITV regions on LCN 3).
4. The first available LCN would be allocated to the commercial radio station with the highest reach. The radio station provider may then 'couple' its next-highest reach station from its family on the next LCN.
5. Repeat this process for each successive pair of LCN slots. If an assignment is made to a radio station for which there is no pair (because all the provider's radio stations have been allocated LCNs), then no pair would be made and the next LCN slot would be available for the next pairing (LCN slots would not be left vacant if a pair cannot be made).
6. Continue until all commercial radio stations with reach data have been assigned an LCN.
7. Any stations for which no reach data exists are then allocated an LCN, in the same order as these stations appear on DTT.

8. Once all allocations have been made in the commercial radio section of the Radio category, each provider may swap radio stations within their portfolio of LCNs if they so choose.
9. Allocate the latter 50 LCNs in the Radio section to BBC Local Radio services, which are assigned LCNs in alphabetical order. As per Step 2, up to seven of these services will be mapped onto prominent LCNs towards the start of the Radio section.

Q2. Do you agree with the LCN Policy details listed in this chapter? Do you have any comments on:

- (i) the proposed EPG categories and range of LCNs assigned to each one;*
- (ii) in particular, whether the Children's genre should come ahead of News or vice versa; and*
- (iii) the proposed step-by-step rules for initially establishing the EPG listing in each category?*

6. Ongoing LCN management post launch

This section sets out our proposed approach to events such as new channels launching or channels exiting the platform after an NGP has launched. This section also addresses the planned introduction of DSat-only channels to the platform and specifies ongoing rules of continued participation in the platform, e.g. for minimum broadcast hours. Lastly, we set out an indicative timetable for periodic reviews of an NGP LCN Policy.

6.1. Post-launch events

We anticipate a range of events that would require adjustments to the LCN allocations on an NGP EPG: new channel launches, new designations by Ofcom of PSB channels, channel exits that leave LCN slots vacant, and changes by channel providers to their line-ups. We consider each of these in turn below.

6.1.1. New Ofcom Designated PSB channels

If a new channel launches that falls within Ofcom’s definition of a Designated Channel, we propose the following rules:

- Public service channels would at the very least be assigned an LCN in accordance with the prominence regime for PSB channels on regulated EPGs.
- If there is one or more vacant LCNs within their relevant genre at a lower position than that specified in the prominence regime for regulated EPGs, then the lowest vacant LCN would be assigned (where ‘lowest’ refers to lower channel numbers, i.e. smaller numbers that appear closer to the start of the LCN list). If we believe that there is an alternative way to deliver a more prominent LCN slot for the new channel that better meets the objectives for an NGP, then we would issue a consultation on the options under consideration and decide which method to adopt in the light of the responses received.
- In cases where there is no suitable vacant slot available for a public service channel to meet the minimum prominence obligations specified in the prominence regime for regulated EPGs, we would consider any appropriate methods of creating a suitable slot for a public service channel, issue a consultation on the options under consideration and decide which method to adopt in the light of the responses received.
- Where no prominence obligations are specified by Ofcom in the prominence regime for regulated EPGs, we would again consider any appropriate methods of creating a suitable slot for a public service channel, issue a consultation on the options under consideration and decide which method to adopt in the light of the responses received.

6.1.2. Vacant slots and new non-PSB channel launches

If a channel were to exit the platform and leave a vacated LCN, we propose adopting a similar policy to that currently used by Freeview:

- First, offer the vacant slot to any PSB channels that might exist in the relevant EPG genre category in less prominent LCN positions (starting with the closest PSB channel). If there are no such channels, we would move on to the next step.
- Next, identify the channel that appears one LCN lower (i.e. closer to the start of the listing) than the vacant slot (Channel A). If there is a channel (Channel B) from the same family⁷ as Channel A in the same genre and in a less prominent slot than the vacant slot, then Channel B would be offered the vacant slot. If there are no such channels, we would move on to the next step.
- Next, we would look at the channel that appears one LCN higher (i.e. further away from the start of the listing) than the vacant slot (Channel C). If there is a channel (Channel D) from the same family as Channel C in the same genre and in a less prominent slot than the vacant slot, then Channel D would be offered the vacant slot. If an allocation is made in this or the previous step, then this is equivalent to the channel pairings approach described in Section 4.5 in the new NGP policy. If there are no such channels, we would move on to the next step.
- Next, we would look at the channel that is two positions lower than the vacated LCN, and then the channel that is two positions higher than the vacated LCN. And so on for five positions higher and lower than the vacated LCN.
- If the slot has still not been filled, then it would be offered to the next channel that launches onto the platform which belongs to the same channel family as any existing channel in the relevant genre.

This process generally works well on Freeview and usually succeeds in closing vacant slots in the EPG.

In a situation where vacated LCNs have still not been filled following the above process, our proposal is that we may undertake a ‘shuffle-down’ procedure either immediately or at a later stage:

- The channel in the next highest LCN would be offered the opportunity to move into the vacant LCN. No channel would be obliged to move, but if the offeree chooses not to move then the vacant LCN may be offered to the channel in the

⁷ In this section, ‘channel families’ are defined as in Section 4.4. Note that our proposed approach prohibits non-PSB channels from benefiting from prominence in any way through their association with PSB channels in their family. The rules for vacant slots set out here would be applicable to pairs of PSB channels within the same family, or to pairs of non-PSB channels within the same family, but not to a pairing that comprises a PSB and non-PSB channel.

next highest LCN (and so on, working through successive higher LCN slots in the genre category).

- Where a slot (usually the first adjacent slot to the original vacant one) has now been newly vacated, the same shuffle-down procedure would apply to fill this newly vacated slot, and so on.
- The end result, once all LCN moves have been agreed, would be a block of channels which all simultaneously shift down one or more places in the EPG.
- If after a shuffle-down any slot has still not been filled, then this vacant slot would be automatically allocated to the next channel that launches onto the platform.

As an alternative to the shuffle-down process, we propose that we may use the LCN for any other reason we deem reasonable.

Outside of the above processes, new (non-PSB) channels launching onto the platform would be allocated the next available LCN at the end of the relevant genre category.

6.1.3. Changes by channel providers to their line-ups and channel swapping

We propose to permit channel providers to swap LCN slots for channels within their family of channels, so long as the swaps take place within the same genre category. LCN swaps can take place at any time and do not require any justification. Within a channel family, PSB channels would be able to swap with other PSB channels, and non-PSB channels would be able to swap with other non-PSB channels. But a PSB channel could not swap with a non-PSB channel.⁸

Our view is that channel providers have incentives to push attractive high-quality content into more prominent positions, and therefore permitting LCN swapping would be a net benefit to the platform. Moreover, were we to prohibit channel swapping, past experience on Freeview suggests that the prohibition could be easily bypassed, e.g. by channel providers changing the names of their channels and thus in effect creating a swap.

Consistent with the current rule in Freeview's LCN Policy, if a channel provider changes the content and/or name of a channel in its line-up, then we propose that it would be allowed to retain that channel's LCN so long it remains appropriate to its current genre category. This means that channel providers could replace one channel with an entirely new one in the same genre and retain its LCN position. Again, the channel provider would then be free to swap its channels around in the LCN slots it occupies within the category if it wishes.

⁸ In this section, 'channel families' are defined as in Section 4.4. Our proposed approach prohibits non-PSB channels from benefiting from prominence in any way through their association with PSB channels in their family.

6.2. Extension of platform to DSat-only channels

As described in Chapter 3, we would expect a Next Generation Platform to initially offer a combination of DTT and IP-delivered channels, with the ability to make a DSat connection potentially added at some point after launch. We would therefore need to develop rules for the placement of those DSat channels that are not available on other platforms and which have not yet therefore been allocated LCN slots on the NGP EPG.

In such a situation, we do not believe that the existing – and, by that point, well-established – EPG line-up should be disrupted when any DSat-only channels join the proposed NGP. At that point in time, all channels that were available on Freeview would have already been assigned LCN slots when the platform launched, and new DTT or IP-delivered channels that subsequently joined the platform would have been assigned LCNs. Our view is that these prior LCN assignments should all remain in force.

Our proposed approach, therefore, would be to assign LCNs to DSat-only or new DSat channels at the back of the EPG in the relevant genre categories, in order of their popularity as determined by reach (we would consider at the relevant time whether to use channel reach on the DSat platform or an alternative measure to rank channels). Channels for which no reach data exists would be then assigned the next available LCNs at the back of the EPG.

When the next periodic review of an NGP’s LCN Policy takes place after the addition of DSat channels (see Section 6.4 below), all channels would be considered on an equal basis in a technology-neutral manner as the new allocation of LCNs is made. So DSat-only channels would have an opportunity at that time to move to more prominent slots in the EPG.

6.3. Ongoing rules of participation

This section outlines a set of proposed ongoing rules that channel providers would need to adhere to. These are all adaptations of similar rules in the current LCN Policy for DTT.

6.3.1. Minimum broadcast hours

To be granted access to an NGP and allocated an LCN in the main TV genre categories (i.e. not Hybrid Streamed, Adult, Text or Radio channels), we propose the rule that any new channel must deliver a minimum of eight hours of audio-visual content each day or 56 hours across each week (this is an increase from six hours per day in the current DTT LCN Policy, Clause 2.3). A static slate does not count as audio-visual content for the purpose of this rule.

In line with our technology-neutral approach, we propose that this content may be distributed via ‘full’ DTT (i.e. not hybrid DTT/Streamed), DSat (when enabled on the platform) or IP-delivery using the NGP’s approved streaming technology. The minimum broadcast hours requirement would not apply to channels in the Hybrid Streamed, Adult, Text or Radio categories.

We expect that NGP viewers who connect their device to an aerial would want to be able to access existing DTT channels, some of which do not currently meet the eight-hour requirement. We therefore propose the following rule, which would ensure that no existing DTT channels are excluded from the listing on the basis of their broadcast hours:

“Channels which were broadcasting on the DTT platform before 1 March 2021 must broadcast a minimum of two hours per day or 14 hours per week of audio-visual content via DTT. Channels which were broadcasting on the DTT platform for less than two hours per day or 14 hours per week prior to 3 April 2017 must broadcast at least two hours per day or 14 hours per week of audio-visual content via DTT upon the expiry of their current carriage agreement with a multiplex operator.”

6.3.2. LCN trading

LCN trading was permitted for the first time on the Freeview platform following a consultation conducted in 2020/21. Two processes were introduced for LCN trading to take place, as part of a package of measures intended to give more flexibility to channel providers:

- Two existing channels within a particular genre, each under different ownership, were permitted to swap LCNs with each other.
- An existing channel on the platform might choose to sell the right to occupy its LCN to a new channel (under different ownership) which is launching into the same genre.

Since the DTT LCN Policy was updated, in October 2021, a number of LCN trades between channel providers have taken place, and we believe that the new rule has worked well on the platform.

We can, therefore, see merit in permitting LCN trading in a similar way on the NGP EPG. The potential benefits of a trade on an NGP would be time-limited, as the next periodic review of LCN Policy for an NGP would update the reach-based popularity ranking of the channels on the platform and reassign LCNs (see Section 6.4). This might diminish the value of trades to channel providers, but if the value remains positive then there may still be some demand for LCN trading.

Conversely, we also recognise that allowing LCN trading would impact the reach-based ordering of channels that underpins LCN allocation on an NGP, and that this could be a potential reason not to permit it on the new platform. Again, this impact would be time-limited as the next LCN Policy review would update the reach-based popularity ranking of the channels on the platform and reassign LCNs.

With valid arguments in both directions, we are open to views on whether and when LCN trading should be permitted on an NGP.

6.3.3. LCN sharing

In instances when channels broadcast to distinct areas of the UK, there is potential for more than one channel to share an LCN, representing an efficient use of the slot. We propose carrying over to the EPG for an NGP essentially the same rules that currently apply to Freeview, which specify the circumstances in which this is permitted. This is covered in Clauses 5.10-5.12 of the DTT LCN Policy.

They state, broadly speaking, that where channels broadcast to distinct areas of the UK, and their coverage does not overlap, those channels may share an LCN in a genre category if either of two conditions are met:

- All of the channels under consideration are public service channels, or
- For non-PSB channels, all of the channels under consideration are part of the same channel family.

Everyone TV is in discussion with local public service channel providers on how best to determine the geographical boundaries to which they are entitled to PSB prominence when transmitted via IP. This will be covered in a separate consultation.

6.4. Periodic reviews of LCN Policy

After an NGP has launched, we propose that we should conduct periodic reviews of the LCN Policy, in which we would evaluate the overall operation of the policy and update the reach-based popularity ranking of the channels on the platform. Following each review, LCNs would be reassigned in line with the new reach data and the rules set out in the LCN Policy.

As part of each review, we would consider whether there may be other ways to meet audience expectations about putting the most popular channels into prominent positions, and if so we would consider amending our rules accordingly. For example, as and when an NGP is up and running, it may be possible to use data generated from the platform for those channels for which no BARB data exists, or even potentially to completely replace BARB (and RAJAR for radio) as the source of the reach data.

Regarding the frequency of the reviews, we believe there is merit in allowing some flexibility in the timings and not being overly prescriptive at the outset. However, especially if LCN trading were to be permitted on the platform (see Section 6.3.2) – in which case the relevant parties would want some clarity over the time period for which their new LCNs would remain in force before the next LCN review – we believe that we should set some boundaries for the reviews.

We therefore propose that the periodic LCN reviews for an NGP should take place no sooner than three years and no later than five years after the previous review (or its launch, for the first periodic review), and that we would provide channel providers with at least one year's notice. If our final decision for an NGP is not to permit LCN trading, then we may be less prescriptive about the timing of the periodic reviews.

If at any point in time we find that demand for LCNs is outstripping supply in any genre category, then we would undertake a mid-term mini review of the LCN allocations with a view to expanding the allocation to the relevant genre category. Any such mid-term review would aim to make as few changes as needed to the EPG ahead of the next full LCN Policy review.

Q3. Do you agree with our proposed rules for the ongoing management of the EPG post-launch? Do you have any comments on:

- (i) our proposed rules for new channels, assigning of LCNs for vacant slots and channel swapping;*
- (ii) the addition of DSat-only channels to the EPG;*
- (iii) our proposals regarding minimum broadcast hours and sub-UK channels;*
- (iv) whether LCN trading should be permitted or prohibited on an NGP; and*
- (v) our indicative timetable for periodic future reviews of the LCN Policy?*

7. Responding to this consultation

We encourage responses from all stakeholders in free TV platforms. This includes TV channel providers, radio service providers, DTT multiplex, satellite and other distribution technology operators, device manufacturers (TV sets, etc.), consumer groups, and viewers and listeners.

You do not need to answer all consultation questions.

We will publish all non-confidential responses on our website. Please indicate on your response whether none, some, or all of your response is confidential. In the absence of an indication to the contrary, responses will be treated as non-confidential.

To be considered, a response must reach Everyone TV by 17:00 on 25 August 2023, unless Everyone TV agrees to a delay in the case of mitigating circumstances. Responses should be emailed to consultation@everyonetv.co.uk.

7.1. Complete list of consultation questions

Q1 (Chapter 4). Do you agree with our key organising principles for an NGP EPG? Do you have any comments on:

- i. our opinion that an NGP would require a new LCN Policy;
- ii. the main TV genre categories summarised in Table 1;
- iii. our proposed approach for initially allocating LCNs to public service channels; and
- iv. our proposed principles for ordering channels by reach, and allowing pairings of channels as the optimal trade-off between allowing family groupings and maintaining a reach-based ordering?

Q2 (Chapter 5). Do you agree with the LCN Policy details listed in this chapter? Do you have any comments on:

- i. the proposed EPG categories and range of LCNs assigned to each one;
- ii. in particular, whether the Children's genre should come ahead of News or vice versa; and
- iii. the proposed step-by-step rules for initially establishing the EPG listing in each category?

Q3 (Chapter 6). Do you agree with the proposed rules for the ongoing management of the EPG post-launch?

Do you have any comments on:

- i. our proposed rules for new channels, assigning of LCNs for vacant slots and channel swapping;
- ii. the addition of DSat-only channels to the EPG;
- iii. our proposals regarding minimum broadcast hours and sub-UK channels;
- iv. whether LCN trading should be permitted or prohibited on an NGP; and
- v. our indicative timetable for periodic future reviews of the LCN Policy?

8. ANNEX 1: Top EPG positions on Freeview and Freesat

Table 3: First 25 LCN positions on Freeview & Freesat EPGs (London region, May 2023)

EPG slot	Freeview	EPG slot	Freesat
1	BBC One	101	BBC One HD
2	BBC Two	102	BBC Two HD
3	ITV1	103	ITV1 HD
4	Channel 4	104	Channel 4 HD
5	Channel 5	105	Channel 5 HD
6	ITV2	106	[Vacant]
7	[Vacant – used for sub-UK PSB channels in other regions]	107	BBC Three HD
8	London Live (local TV)	108	BBC Four HD
9	BBC Four	109	BBC Alba HD
10	ITV3	110	BBC Scotland HD
11	Sky Arts	111	ITV1
12	QUEST	112	ITV1 +1
13	E4	113	ITV2 HD
14	Film4	114	ITV2 +1
15	Channel 4+1	115	ITV3 HD
16	QVC	116	ITV3 +1
17	Really	117	ITV4 HD
18	More4	118	ITV4 +1
19	Dave	119	ITVBe
20	Drama	120	S4C HD
21	5USA	121	Channel 4 +1
22	TJC	122	E4
23	BBC Three	123	E4 +1
24	[Vacant – used for BBC Four in Scotland]	124	More4
25	W	125	More4 +1

9. ANNEX 2: Illustration of step-by step creation of new EPG

In this Annex, we provide a worked example that shows how the reach-based ranking of channels works in practice to build up the EPG.

For the purposes of this illustration, we will look at how the first 24 LCNs are allocated in the Entertainment category, following the step-by-step guide outlined in Section 5.3.1.

As per the first three steps, we begin by allocating slots to the public service channels:

- LCNs 1-5 to the main PSB channels, including S4C in Wales on LCN 4
- LCN 8 to the English local TV channels, one of the BBC Scottish channels (BBC Alba or Scotland) in Scotland, and Channel 4 in Wales
- LCN 9 to local TV channels in the Nations
- LCN 10-12 to the BBC’s other Scotland channel, BBC Three and BBC Four.

The BBC may reorder its channels within its available slots. Without wishing to pre-judge the BBC’s position, we have made illustrative allocations here in order to populate our worked example.

After this first stage, the LCN allocation looks like this:

Stage 1

LCN	Channel	LCN	Channel
1	BBC ONE	13	
2	BBC TWO	14	
3	ITV	15	
4	Channel 4	16	
5	Channel 5	17	
6		18	
7		19	
8	C4 (Wales) / BBC ALBA (Scot) / Local TV (Eng)	20	
9	Local TV (Scot, Wales, NI)	21	
10	BBC FOUR (Eng, Wales, NI) / BBC Scotland	22	
11	BBC THREE	23	
12	BBC Four (Scot)	24	

Key:

Designated PSB channels
Other PSB family channels
Non-PSB commercial providers

As the graphic indicates, the allocations in LCN 8, 9, 10 and 12 vary for the different Nations of the UK.

The next step is to arrange all remaining Entertainment channels in order of their 5-minute average weekly UK reach on Freeview across the agreed year. This creates the ‘Reach List’ shown in Table 4 for the 40 channels with the largest UK reach (using data for calendar year 2022 in our illustration).

Table 4: Reach List: Most popular channels in 2022 (5-min average weekly reach on Freeview)

Ranking	Channel	Ranking	Channel
1	BBC One	21	Dave
2	BBC Two	22	5USA
3	ITV1	23	GREAT! movies
4	Channel 4	24	Quest Red
5	Channel 5	25	Talking Pictures
6	ITV2	26	CBS Reality
7	ITV3	27	DMAX
8	Film4	28	GREAT! movies action
9	BBC 4	29	Food Network
10	More4	30	Challenge TV
11	E4	31	BLAZE
12	Quest	32	HGTV
13	Drama	33	4seven
14	ITV4	34	E4 Extra / 4Music (prev)
15	Really	35	W
16	Sky Arts	36	BBC 3
17	5STAR	37	ITVBe
18	Yesterday	38	That's TV Network
19	5ACTION	39	5SELECT
20	Pick	40	Legend

Having created our ranking of the channels, we can now allocate the first non-PSB channel on the Reach List to LCN 6. The reach data for 2022 shows that this was ITV2.

The LCN 6 channel provider – ITV in this case – may then ‘couple’ its next-highest reach channel on LCN 7, which was ITV3 (this happens to be the next highest channel on the Reach List, but this pairing would have been created even if ITV3 were lower down the list). This creates the first of our pairings: ITV2 and ITV3 in LCNs 6 and 7.

Adding this first pairing gives the following EPG allocation at the end of Stage 2:

Stage 2

LCN	Channel
1	BBC ONE
2	BBC TWO
3	ITV
4	Channel 4
5	Channel 5
6	ITV2
7	ITV3
8	C4 (Wales) / BBC ALBA (Scot) / Local TV (Eng)
9	Local TV (Scot, Wales, NI)
10	BBC FOUR (Eng, Wales, NI) / BBC Scotland
11	BBC THREE
12	BBC Four (Scot)

LCN	Channel
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	

Key: Designated PSB channels
Other PSB family channels
Non-PSB commercial providers

We now continue working our way down the Reach List, assigning channels to the next available LCN and allowing its channel provider to bring the next-highest-ranking channel from its family as a pair for the adjacent LCN. This results in the following pairings (note that not all the channels shown below are included in Table 5, which only shows the first 40 channels in the Reach List):

- LCN 13 and 14 to Film4 and More4 (Channel 4 family)
- LCN 15 and 16 to E4 and 4seven (Channel 4 family)
- LCN 17 and 18 to Quest and Really (Warner Bros. Discovery family)
- LCN 19 and 20 to Drama and Yesterday (UKTV family)
- LCN 21 and 22 to ITV4 and ITVBe (ITV family)
- LCN 23 and 24 to Sky Arts and Pick (Sky family).

Having added these channels into the EPG grid, the first 24 LCN allocations are now fully populated after the end of Stage 3:

Stage 3

LCN	Channel
1	BBC ONE
2	BBC TWO
3	ITV
4	Channel 4
5	Channel 5
6	ITV2
7	ITV3
8	C4 (Wales) / BBC ALBA (Scot) / Local TV (Eng)
9	Local TV (Scot, Wales, NI)
10	BBC FOUR (Eng, Wales, NI) / BBC Scotland
11	BBC THREE
12	BBC Four (Scot)

LCN	Channel
13	Film4
14	More4
15	E4
16	4seven
17	Quest
18	Really
19	Drama
20	Yesterday
21	ITV4
22	ITVBe
23	Sky Arts
24	Pick

Key: Designated PSB channels
Other PSB family channels
Non-PSB commercial providers

This process continues in the Entertainment category until all channels have been allocated an LCN. Pairings continue to be offered until no more channel families have additional channels available to be paired. (The process for channels that have missing or incomplete reach data was outlined in Section 5.3.2)

The final step that potentially affects the first 24 LCNs is that once all LCN allocations have been made in the genre, each channel provider may swap channels within their portfolio of LCNs if they so choose.

While we would expect channel providers to generally prefer to keep their most popular channels in the most prominent slots, as per the current allocation, there may be circumstances when they choose to re-order their channels.

For the purpose of this worked example, we will illustrate how LCN swapping would work in practice, without wishing to pre-judge the relevant channel providers' position. Purely for illustrative purposes, we will assume that:

- Channel 4 wishes to re-order the four channels in its block from LCN 13 to LCN 17 so that E4 comes first.
- UKTV wishes to replace Yesterday in LCN 20 with Dave (which is part of a channel pair with W in LCN 27 and 28), highlighting the fact that swapping can take place all the way through the genre category and not only in the first 24 slots.

After the desired LCN swaps within channel families have taken place, the first 24 slots in the final EPG for the genre are shown below (Stage 4).

Stage 4

LCN	Channel
1	BBC ONE
2	BBC TWO
3	ITV
4	Channel 4
5	Channel 5
6	ITV2
7	ITV3
8	C4 (Wales) / BBC ALBA (Scot) / Local TV (Eng)
9	Local TV (Scot, Wales, NI)
10	BBC FOUR (Eng, Wales, NI) / BBC Scotland
11	BBC THREE
12	BBC Four (Scot)

LCN	Channel
13	E4
14	Film4
15	More4
16	4seven
17	Quest
18	Really
19	Drama
20	Dave
21	ITV4
22	ITVBe
23	Sky Arts
24	Pick

Key:

Designated PSB channels
Other PSB family channels
Non-PSB commercial providers

Channel swaps in red / bold

The above process would be required to observe the rule specified in Section 4.4, that no non-PSB channel would be permitted to take advantage of channel family rules that would put them into a more prominent LCN due to their association with a PSB channel. So a PSB channel could not pair or swap with a non-PSB channel.

This process is then repeated for the other genre categories, as detailed in Section 5.3.3 (other TV genres) and Section 5.3.4 (Radio).