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VLV evidence to the DCMS Select Committee Funding for free TV licences for those over 75

July 2019

The VLV is grateful for the opportunity to respond to the Select Committee's call for evidence in the context of the BBC's proposals for television licences for the over 75s.

We attach the detailed submission which we made to the BBC's consultation on this subject. While our views remain substantially the same as those set out in that submission, there are a number of issues which we would wish to stress and which we believe are relevant to the Committee's enquiry.

Firstly, the very strong view expressed by the large majority of our members, in our consultation with them, was that the cost of free TV licences should be borne by Government and not by the BBC.

We believe that it is wrong in principle for the BBC to be determining the policy, and bearing the cost, of what is essentially a welfare benefit. We believe it was a mistake by the BBC to take on responsibility for policy relating to this benefit as part of the last licence fee settlement, although we recognise that it was under huge pressure from Government to reach an agreement. It is not the role of the BBC to determine welfare benefits, nor to meet their cost. The energy companies do not determine the level of the winter fuel allowance, nor do they meet its cost. The BBC's role in this potentially compromises its vital independence from Government and from Government policy-making.

We are concerned that, even without taking on board the cost of funding this benefit, the BBC was already facing a cut in its income in real terms, as a result of flat licence fee settlements and the top-slicing of its licence fee income, resulting from Governments diverting licence income towards largely unrelated initiatives. This is set out in more detail in our attached submission. The BBC estimates that across the last decade, its budget for services for UK licence payers has been cut by about 20 per cent.

In addition, since the last licence fee settlement, the growth of streaming and other services has been more rapid than forecast; this has posed an extra challenge for the BBC's finances,

as the global newcomers, with very deep pockets, have pushed up the cost of talent and other resources.

We noted in our submission to the BBC that we have consistently pressed for a more open, inclusive and transparent process for determining BBC funding. Traditionally, these negotiations have been conducted in private, behind very closed doors, with all the scope for arm-twisting and horse-trading inherent in such a process. Not even Parliament is involved.

This is simply not acceptable in today's world. We were pleased to see the Chairman of the BBC endorsing a more open and transparent process in his comments accompanying the BBC's announcement on free TV licences for the over 75s.

We believe this is the single most important issue in respect to the future of the BBC and we hope the Committee will support this new approach.

**RESPONSE TO THE BBC CONSULTATION:
AGE-RELATED TV LICENCE POLICY**

February 2019

RESPONSE BY THE VOICE OF THE LISTENER & VIEWER TO THE BBC CONSULTATION ON AGE RELATED TV LICENCE POLICY

INFORMATION ABOUT THE VLV

1. The Voice of the Listener & Viewer Limited (VLV) represents the citizen and consumer interests in broadcasting and speaks for listeners and viewers on the full range of broadcasting issues. It uses its independent expertise to champion quality and diversity in public service broadcasting, to respond to consultations, to produce policy briefings and to conduct research. VLV has no political, commercial or sectarian affiliations and is concerned with the issues, structures, institutions and regulations that underpin the British broadcasting system. VLV supports the principles of public service in broadcasting. It is a charitable company limited by guarantee (registered in England and Wales No 4407712 - Charity No 1152136).

INTRODUCTION

2. VLV welcomes the opportunity to respond to this consultation on the age related TV licence policy.
3. In order to respond to this consultation, VLV consulted with its members by sending out a questionnaire in December 2018. Our response to this consultation is based on the views of our members.
4. Findings from VLV's member questionnaire indicate low or very low approval levels for the range of approaches which the BBC proposes in its consultation – from fully adopting it, at consequent financial cost, to various watered-down versions with alternative age thresholds or levels of fee reduction.
5. VLV understands that it is beyond the scope of this consultation to reverse the agreement made in 2015 whereby the BBC took on responsibility for funding free TV licences for the over 75's, however it is clear from the results of the VLV questionnaire that our members overwhelmingly support a reversal of this decision. They do not support the BBC being responsible for what they consider to be 'welfare policy' by deciding who should be taxed and who not. VLV members believe the cost of paying for the free licences for over 75's should revert to being paid by the Government.
6. VLV understands that since the concession was first introduced in 2001 many have become accustomed to the financial support of receiving a free TV licence. We understand therefore be very difficult to cancel the concession without some public and political opposition. Nonetheless, VLV would like to encourage the BBC to take a robust approach to this issue for the reasons set out below.

VLV members oppose the BBC taking on the responsibility for the concession

7. VLV believes that responsibility for covering the cost of this concession should revert to the Government for the following reasons:

- The BBC, as an unelected body, should not be responsible for making decisions about social policy or welfare benefits. These decisions are for Government and should be open to debate in Parliament.
- VLV considers the funding of this concession to be the responsibility of the Government because the Conservative party committed to maintaining pensioner benefits in its 2017 manifesto:

*'We will maintain all other pensioner benefits including free bus passes, eye tests and TV licences for the duration of this parliament.'*¹

The fact that the BBC has the power to cancel this concession in 2020 and thus overturn a Tory manifesto pledge was, apparently, an oversight of the Conservative party when it drafted its manifesto.

8. Additionally VLV opposes this concession because the policy underpinning it is out of date, taking into consideration recent research by Frontier Economics which shows that pensioner poverty in the UK has declined since 2001.² When it was first introduced it was argued that this concession would help those who were particularly in need.³
9. Taking into consideration the 2018 Frontier Economics research, VLV believes there is no credible intellectual basis for the existing concession. VLV questions why people who are 75 or older, many of whom can afford to pay the TV licence fee, receive this concession when there are younger people who are less well off. We also question why households which include other people who are younger than 75 should receive a free TV licence regardless of the household income.
10. In addition, the VLV opposes the BBC taking on responsibility for the cost of this policy because the VLV has always opposed TV licence income being diverted by the government to fund other policies or services for the following reasons:
 - a. The public believe the TV licence fee is intended for funding the BBC's services and have little or no idea that it is being used for other purposes. This undermines the direct link between the TV licence payer and BBC services.
 - b. Using TV licence income for other purposes reduces budgets for BBC services and content for TV licence payers. This will damage the range and quality of the BBC's TV, radio and online services for everyone, including the over-75s. We understand that the current cost of maintaining the proposed concession of free TV licences for the over 75's represents 18% of the BBC's current total service spend. With an ageing population the cost of this concession can only rise. It is estimated that the cost of the concession will rise to approximately £1billion by 2030.
 - c. The more households there are that do not contribute to the cost of BBC services, the less money there will be to pay for BBC services intended for everyone.

¹ Conservative Party Manifesto 2017, Page 66

² Concessionary TV licences and landscape of intergenerational fairness, Frontier Economics, October 2018, Page 12

³ <https://api.parliament.uk/historic-hansard/commons/1999/nov/09/pre-budget-statement>

- d. The ability of the government to divert TV licence income for purposes other than delivering the BBC's mission undermines the independence of the BBC. It allows the government undue power to influence the BBC's strategy and mission, especially when financial negotiations are held in the run up to Charter renewal, as the last negotiations were.
 - e. Using TV licence income for purposes other than funding BBC programmes and services, along with their required infrastructure, threatens the future of the BBC because if the BBC cannot provide something for everyone and remain popular, support for a universal TV licence will diminish.
 - f. Reducing BBC income threatens to undermine the UK's soft power (BBC World Service), the creative economy and the sustainability of the BBC, the cornerstone of UK's public service broadcasting system.
 - g. The reduction in BBC income since 2010 has coincided with fundamental market changes brought about by subscription video on demand (SVoD) providers which threaten to undermine the whole PSB system unless the BBC can maintain its reach and share.
 - h. Global SVODs, such as Netflix, are forcing up production costs and this is impacting on all the UK's PSBs' ability to commission high quality UK original content. The tax breaks given to high-end TV productions as a result of the Government's fiscal policies, designed to attract inward investment into the UK, have had the unintentional consequence of inflating production costs. This is limiting the range and scope of BBC TV productions which it can produce from a fixed revenue income from TV licence payers. The requirement on the BBC to cover the costs of free TV licences for those over 75 comes at a time when the BBC is under particular market pressure. VLV believes the combination of this market pressure with the reduction in budgets to produce high quality, original UK content is likely to undermine the BBC's future sustainability.
11. The last two BBC funding settlements have led to a significant reduction in the BBC budget. TV licence income has been used to fund other projects which are unrelated to broadcasting which benefits TV licence payers, such as BBC Monitoring. The BBC estimates that across the last decade its budget for services for UK licence fee payers have been cut by around 20%.⁴
12. VLV understands that if the BBC takes on responsibility for covering the full cost of the current concession, this will mean a reduction to its content budget of £745m in 2020/2021. In order to understand the impact such a cut would have the BBC outlines examples of services which would have to be cut in order to balance the BBC budget.⁵
- Around the amount of money the BBC spends today on all of BBC Two, BBC Three, BBC Four, the BBC News Channel, and the BBC children's channels CBBC and CBeebies; or
 - More than the amount the BBC spends today on all its radio services: Radio 1, Radio 2, Radio 3, Radio 4, Radio 5live, BBC Local Radio, digital radio stations like 6 Music and 4 Extra, and radio stations in the Nations like Radio Scotland, Radio Wales and Radio Ulster; or

⁴ *Age related TV Licence Policy*, BBC Public Consultation, 20 November 2018, page 6

⁵ *Age related TV Licence Policy*, BBC Public Consultation, 20 November 2018, page 9

- Around the amount of money the BBC spends today on all its TV sport, drama, entertainment and comedy programmes.

13. In conclusion, VLV believes that the only appropriate answer to the question of whether this concession should be continued or changed, is to revert the responsibility for making the decision on whether it should continue to the Government. If the Government wants the concession to continue, then the Government will need to fund it as a welfare benefit.

14. VLV's response to the specific questions set out by the BBC in this consultation needs accordingly to be read in the context of the comments in the above paragraphs. VLV members do not support any of the options proposed in the consultation paper.

Question 1: Your views about three overall options

15. In order to respond to this consultation, VLV consulted with its members by sending out a questionnaire in December 2018.

VLV questionnaire

16. There were three main questions in the VLV questionnaire, but the third question was broken down into four alternative sub-questions. Therefore there a total of six questions were put to respondents as statements.

17. Members were asked to score these using a five-point set of options: agree strongly; agree; neither agree or disagree; disagree; disagree strongly. The questions were accompanied by this instruction: 'Please indicate your response in the box which most closely accords with your response to each question'.

Overall results

18. Overall analysis of responses to the questionnaire, when comments of respondents are taken into account alongside the data, shows that VLV members' preferences do not align with the options set out in the consultation paper, largely because the BBC did not include an option in its consultation to continue the concession without the BBC funding it.

19. Taking into account the responses to the questions posed with the comments included on respondents' forms, it is clear that the most popular option among VLV members is for the existing concession to be maintained but without the BBC bearing the cost of the concession, because VLV members do not support the outcome of the 2015 funding settlement whereby the BBC took on this responsibility.

20. In their comments many VLV members referred to the importance of maintaining a universal licence fee, however there was less consensus among respondents to this proposal than there was to the abolition of the concession. In their comments many respondents showed an interest in measures to reduce the impact of the cost of the TV licence on the less well-off.

21. Additional comments were provided by 67% of respondents; several provided lengthy and detailed comments. Many have been written with obvious thought and attention to detail, good sources of information and in several cases a lot of knowledge and experience in public services, services for the aged and media policy. The two most repeated comments in the responses were that

- funding this responsibility should be the government's responsibility
- it is not the BBC's job to decide matters of social policy

22. We have set out below our conclusions based on VLV members' preferences in order of popularity, with the most popular coming first and the least popular coming last.

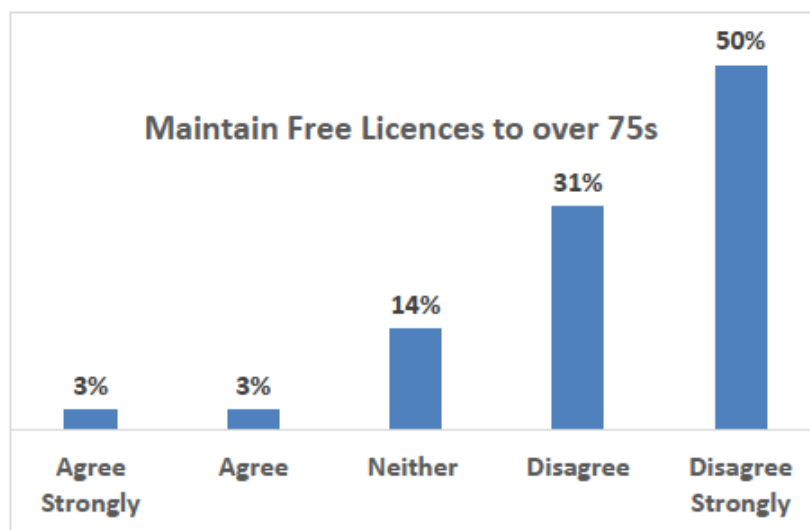
- The concession for the over 75's continues **but** the government should cover the cost of the concession.
- If the BBC has to pay for the concession, then the concession should be reformed to minimise its impact on BBC income.
- Keep the TV Licence universal: many VLV members recommend that the licence fee is a universal charge which applies to all households because this is the only way to ensure that the cost per household is kept low. However, some respondents expressed concern for the poorest members of society who they believe should be helped if they cannot afford the fee. Having been maintained for 18 years, many would consider it harsh to remove the benefit, therefore on balance our research shows that VLV members would support reform of the current concession over universality if the BBC has to fund the concession. 35% of respondents said they strongly agreed or agreed with universality and 48% disagreed or disagreed strongly with this option.
- The least favoured option was to copy the current concession with the BBC funding it. 81% disagreed or strongly disagreed with this option.

Detailed data from responses to Proposal 1 and Proposal 2.

23. In VLV's questionnaire two initial proposals were offered which align with options 1 and 2 in the BBC consultation. The results are set out below.

Proposal 1: The BBC should be copying the current concession.

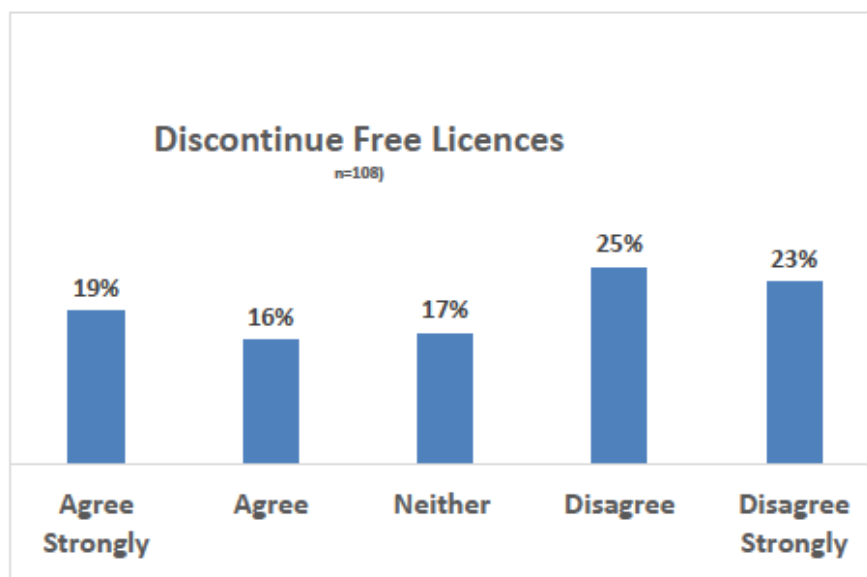
Q 1 VLV Questionnaire: Maintain the current concession to provide free TV licences to households which include at least one person who is over 75. There is a consequential loss to the BBC of c.£750m.



24. This shows a clear result. 81% disagree with the maintenance of free TV licences for the over 75's.

Proposal 2: The BBC should be restoring a universal licence fee.

Q 2 VLV Questionnaire: Free TV licences should be discontinued for all over 75s. The BBC thereby regains c.£750m pa of licence fee revenue



25. Just over half respondents disagreed with this proposition to end all free licences. This is an interesting result. It shows that although nearly everyone disagrees with free TV licences for the over 75's (Q1), they disagree about a total abolition of this concession. Many respondents in their other answers and comments showed an interest in measures to reduce the impact on the less well-off, including some continuation of free licences. Looking further into the data, we see that among those who disagreed with the continuance of the free licence system as it is (Q1) just over half of them also disagreed with its total abolition. They appear to want some compromise.

Proposal 3: The BBC should reform the concession in some way

26. Following the first two questions in the VLV questionnaire, a further set of options were provided with the opportunity to choose ways in which to reform the concession, with the same response options of strongly agree, agree etc.
27. None of the options for reforming the concession were popular in comparison with the overwhelming support for discontinuing the current concession (Q1 in the VLV questionnaire), but it is notable that the option which was most popular among respondents to the VLV questionnaire was the one which would result in the least financial impact on the BBC, while providing support for some of the poorest over 75 year olds, namely a combination of maintaining the current threshold of 75 and allowing the concession if the applicant receives Pension Credit.

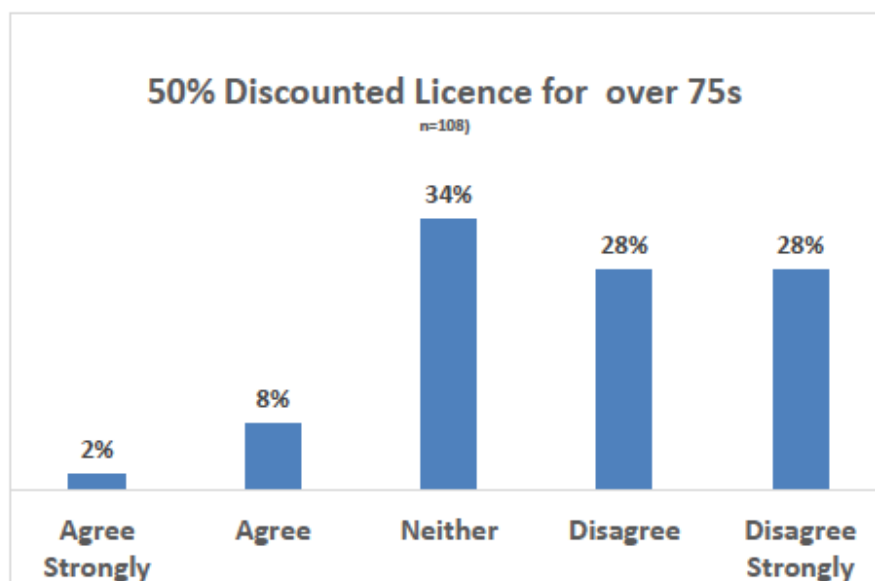
Question 2a: Your views about three particular reform options

Overview of the responses to these options

28. None of these options individually was popular among respondents.

Option 1: Discount the cost for older households

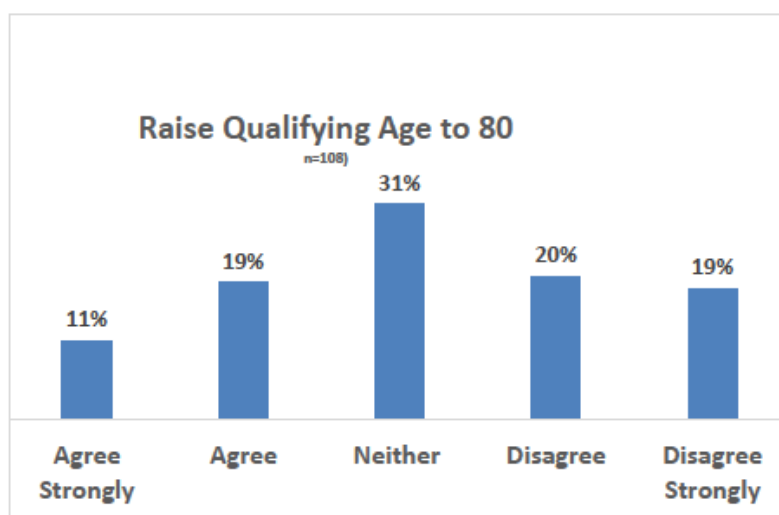
Q 3.4 VLV Questionnaire: Any household with a member over 75 years old should receive a 50% discount on the cost of the licence fee. This would mean a reduction in income of £400m to the BBC.



29. There is very little support for this proposal – only 10% supported it and one in three had no definite opinion either way. 56% rejected this proposal. It is notable that several respondents commented that it was not fair that for a free TV licence to be granted there needs to be just one person aged over 75 in a household. Perhaps the wording of this question “any household with a member over 75 . . .” prompted these comments and the relatively high rate of rejection of this proposal. Note also that many respondents to the VLV questionnaire are either over 75 or are approaching that age.

Option 2: Change the age at which households receive a free TV licence.

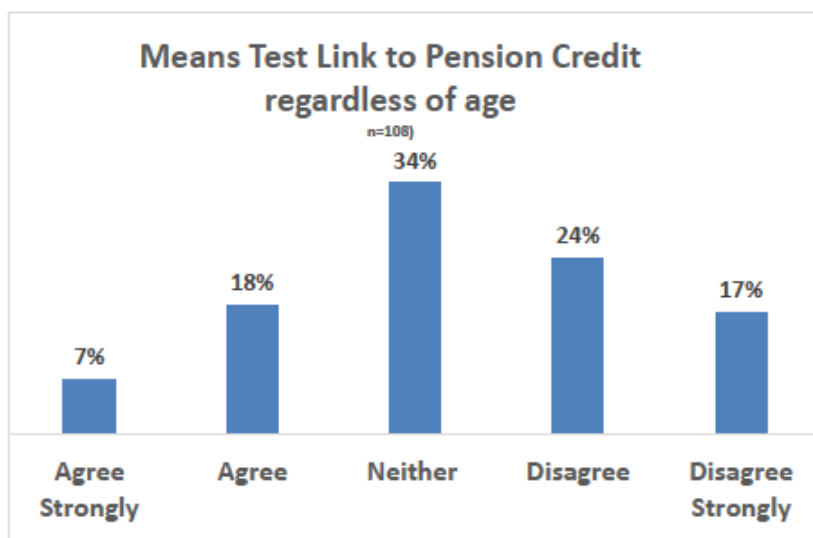
Q 3.1 VLV Questionnaire: For example, given higher life expectancy today than in 2000, the minimum age for entitlement should be raised from 75 to 80. This would mean a reduction in income to the BBC of c.£480m.



30. There is a fairly even spread of opinion here, with a high rate of no opinion either way. Members who have an opinion tend to reject the idea.

Option 3: Means-test a licence fee concession for older people

31. Q 3.2 VLV Questionnaire: Alternatively, free TV licences should be means-tested and apply to anyone receiving Pension Credit regardless of their age. This would mean a reduction in income of c.£330m to the BBC.



32. Linking qualification for a free licence to anyone in receipt of Pension Credit receives less approval than raising the age level, but it should be noted that more than one in three respondents could not express an opinion either way. Of those who expressed an opinion, most disagreed with this idea.

Means Testing

33. In response to the issue of means testing, VLV notes that according to Age UK two in five of all the pensioners who are on such low incomes that they qualify for pension credit – the main means-tested benefit for older people – fail to get it. This is because many don't claim. Age UK says the reasons for not claiming include lack of awareness, the assumption that they are not entitled, stigma, ill health including dementia and other forms of cognitive decline, and problems filling in a complex form.⁶ Therefore if the free TV licence for over-75s was means-tested, VLV considers there is a significant risk that many of the poorest pensioners would not receive it.

Comments from members relevant to this question

34. *I think limiting the concession to those receiving Pension Credit is the best realistic option. Assuming VLV can't get the government to reverse this part of the 2015 settlement, I hope that's where VLV ends up.*
35. *Limit it to households with ONLY over 75's living there: Remove concession from those living with families as their joint income is available to cover the cost and everyone watches TV. People with disabilities are often in need of TV for information as well as keeping in touch. Blind and partially sighted and those needing subtitles should be considered also.*

⁶ <https://www.ageuk.org.uk/our-impact/campaigning/save-free-tv-for-older-people/>

Principal Officer at Social Services at Council Council, over 60, lives in SS.

36. *VLV should be aware of the difficulties administratively of means testing – which organisation is going to negotiate ‘disputes’? It could be an expensive nightmare. However, the least expensive option is worth considering initially.*

Civil Servant – over 60, lives in E4

37. *Before reading these notes, I thought that, to stop the BBC losing money, free licences should be stopped for all over 75s. I am now over 75 myself, by the way. Age does not necessarily mean very low income. On reflection, I do feel, however that it would be harsh to discontinue free licences for those on the lowest incomes.*

Administrator, over 60, lives in CO

38. *Means testing is often regarded as time consuming and expensive, but it would be worth examining how this is achieved in other countries like Germany. As I understand it, computer software has made the system relatively simple and fool-proof. I also believe that the BBC should make it crystal clear that free licences have always been subsidised by Government and not the BBC, who shouldn’t be blamed for this policy reversal.*

Retired, over 50, lives in N6

Question 2b: What % of the licence fee should older households pay?

39. While VLV members support the concession if it is funded by Government, they do not believe the BBC should be instrumental in recommending social welfare policy, therefore VLV is wary of providing a response to this question. The BBC suggests an option of a 50% reduction for all households with over 75s. There was very little support for this proposal from respondents to VLV’s questionnaire, as stated above, perhaps because this would lead to a reduction of income for the BBC of £400m.

Question 2c: What age would you choose?

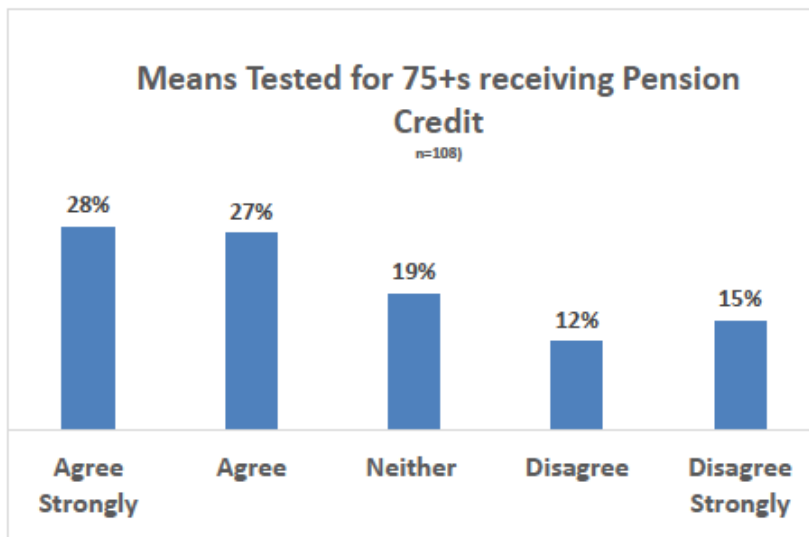
40. While our members support the concession if it is funded by government, they do not believe the BBC should be instrumental in recommending social welfare policy, therefore, again, VLV is wary of providing a response to this question. In its survey, VLV suggested raising the age of entitlement to 80. As noted above, this change to the existing policy was not notably popular. Perhaps this is because the BBC says this would reduce its income by £480m per annum which is not a popular outcome for VLV members.

Question 2d: Your view on combinations

If we were combining the concession, which of these features would you favour in combination?

41. VLV’s questionnaire offered the suggestion of combining two elements, namely maintaining the age threshold at 75 and allowing the concession if applicants receive Pension Credit.

Q 3.3 VLV Questionnaire: Alternatively, the threshold should remain at 75 and be means tested: e.g. limited to those receiving Pension Credit. This would mean that BBC income loss would be reduced to c.£210m.



42. This was the most popular option for respondents to section 2 of the VLV questionnaire in which options to reform of the current were suggested. Overall, 56% agreed with it. It is likely that this option was most popular because it was the option which was cited to have the least negative financial impact on the BBC. Note the rather smaller numbers of those without an opinion on this statement.

Question 2e: Your preferred combination

43. No comment.

Question 3: Any other comments

Setting BBC Income

44. More broadly, VLV would like to comment on the deeply unsatisfactory and undemocratic nature of the current process for determining BBC funding settlements which led to the development of the policy under scrutiny in this consultation.
45. VLV believes that the process for negotiating BBC funding settlements should be reformed. VLV strongly opposed the BBC funding settlements of 2015 and 2010 which were both conducted hastily without any public or Parliamentary scrutiny. Both settlements have diverted money from BBC budgets, have undermined the BBC's independence from government and compromised its ability to deliver its mission.
46. There is no better articulation of how damaging the past two licence fee negotiations were than that expressed in the Culture, Media and Sport Committee report *The Future of the BBC*, published in February 2015. The Committee was chaired at the time this report was published by John Whittingdale MP who then went on to be the Secretary of State and was responsible for the existing BBC funding settlement in which the BBC took on responsibility for this over 75's concession.
47. To quote key excerpts from the report:

Earlier on in this Parliament we reported on the unsatisfactory nature of the 2010 licence fee settlement. The BBC appeared to be put under pressure by the Government

to take on new funding commitments for local TV, S4C, rural broadband, BBC Monitoring and the World Service, with no increase in funding, and the BBC accepted these new obligations. What was more concerning was that the settlement was agreed behind closed doors in just a few days and without any consultation with licence fee payers or Parliament.

We believe that the current means of setting the licence fee is unsatisfactory. The 2010 settlement demonstrated that the BBC's independence can be compromised by negotiations with the government of the day that lack transparency and public consultation.

No future licence fee negotiations must be conducted in the way of the 2010 settlement: the process must be open and transparent, licence fee payers must be consulted and Parliament should have an opportunity to debate the level of funding being set and any significant changes to funding responsibilities. We recommend that the independent panel and Charter Review process consider the appropriate length of licence fee settlements and the period in which they should be reviewed and changes made.

Through the setting of the licence fee, the Government of the day can, if they wish, either squeeze or boost the BBC's funding and, therefore, affect the scale of the BBC's services and ambitions, even within a secure Charter period. Moreover, the Government is not required to pay to the BBC the whole of the licence fee revenue received. Lesser sums can be paid out as the Secretary of State may, with the consent of the Treasury, determine.⁷

48. VLV fully agrees with all these statements. VLV considers that the BBC is no longer fully independent of Government in deciding its mission and strategy because of the way the last two BBC funding settlements have been negotiated. VLV believes the Government has undue influence on the BBC's mission, especially when negotiations are conducted in the run up to Charter Review. It is notable that the next negotiations of BBC funding are due in 2020 just prior to the Government's mid-term review of the BBC Charter in 2021/22. VLV believes that the timing of these negotiations will put undue pressure on the BBC to agree to a settlement which is beneficial to the Government in order to avoid fallout which might impact on the mid-term BBC Review.
49. In place of the current, behind-closed-doors method of negotiating BBC funding settlements, VLV proposes a Licence Fee Body should be set up. This Body would be responsible for recommending the level of income the BBC receives and also be responsible for determining the methods to collect the TV licence, so that this should not be an issue for politicians to decide. This body would comprise a Chairman and other members who have the requisite expertise and knowledge, are independent of government, of the BBC and other media organisations; the chair and members would be appointed by the Secretary of State who would have a duty in making these appointments to consult with the BBC, Treasury and Ofcom. The Licence Fee Body would consult with the public and recommend a level for the licence fee. The Secretary of State would have a duty to lay this recommendation before the Parliaments of the UK.

⁷ *Future of the BBC*, Culture, Media and Sport Committee, February 2015, Para 246,255, 256, 92.

50. VLV commissioned the drafting of a Bill during the last Charter Review process which would resolve such problems in future. A full version of the Bill is attached to this submission as Appendix 2.

Additional Comments from VLV members

51. 67% of those who responded to the VLV questionnaire included comments. We have compiled the most pertinent comments and include them below. We have grouped them under thematic headings.

Opposition to the BBC paying for this concession

52. *I strongly oppose to ending free TV licences for those over 75 and believe that the BBC should be encouraged to stand firm and make it clear that it is the government and not the Corporation that is to blame for this proposal... This arrangement was widely criticised at the time; Rona Fairhead, then then Chair of the BBC Trust, objected that licence fee payers were not consulted, while the Shadow Culture secretary, Chris Bryant, described it as a 'smash and grab raid' on the BBC. Moreover, our Chair Colin Browne, called it 'shocking and disgraceful' describing it as a deal that had been 'driven purely by political expedience.'*

Even if some pensioners are now better off, there are still nearly 2 million who are living in poverty. Others have to fund their social care, something that can involve fees of over £1000 a week. Means testing is not the answer for a variety of reasons. The considerable costs involved in identifying pensioners' assets and policing possible recipients would rule it out even before one considers the moral and political arguments. It is the job of the government, not the national broadcaster, to administer and fund the nation's welfare policy and, as a universal benefit, the free TV licence for over 75's should be the responsibility of a government department such as the Department of Work and Pensions. Many organisations such as BECTU, the Labour party and the National Pensioners' Convention have already indicated their support for such a policy. VLV should also publicly indicate support for this and encourage members to make the argument through writing to their local media and MPs.

All of the suggested revisions in the BBC consultation will cause serious damage to the BBC and thus to our nation, democracy and cultural life. Rather than considering how it might deliver the free licence, the BBC and VLV should now argue that the Corporation should not have to pay a penny towards financing this important and valuable benefit.

University Professor, over 60, NG.

53. *Whichever system is adopted, the BBC should not be expected to pay for it. It was a government decision to provide free television licences and the scheme should, therefore, be funded by the government.*

Pharmacist, over 60, CH3

54. *I believe that any concession should not be handled by the BBC. The settlement should not have included this concession which is not part of the role of a broadcasting authority but that of the DWP. If necessary the settlement should have only covered the work of the broadcaster.*

Engineer/civil servant, over 60, HA

55. *If it is possible to restrict this to households with no adults under pension age and to limit this to those who receive pension credit, so be it. But it should be for government, not the BBC to fund.*
Newly retired, over 60, EH
56. *As the free licence is a government policy, it should be funded by the government.*
Civil servant, over 60, NP
57. *I think the Government should continue to pay for licences for the over 75's – TV and radio play an important part in combatting isolation – and high tax payers should pay for it.*
Lecturer, over 60, OX
58. *There are many comfortably off pensioners who can well afford the licence fee. The BBC were hoodwinked into carrying the burden of this vote-winning government policy. The BBC must reduce this heavy financial burden by some form of means testing. Preferably 3.2 which would free up £400million for programmes.*
Former BBC Executive, over 60, W2
59. *I still feel strongly that the cost should be covered by the Dept for Work and Pensions, not the BBC!*
Retired Archivist, over 60, SW,
60. *The cost of covering the free TV licence system should revert to the DWP.*
HM inspector of Taxes, over 60, BD
61. *The government created the licence fee concession and was wrong to devolve to the BBC the responsibility for deciding how the concession should be abolished or amended.*
Company director, over 60, CM
62. *The BBC should NOT have agreed to such an outrageous imposition in 2015. An extraordinary error of judgment. I have opted for 3.3 (my preference is 2) because it will mean less criticism of the BBC.*
Public service, over 60, SW
63. *Any subsidy to people on a limited income should come out of general taxation, not out of the licence fee which reduces the BBC's income.*
Customer services officer, over 60, CB8 – 45
64. *I do not think the BBC should have agreed to take on a welfare responsibility and then claim they cannot afford it. There are other areas where they could save money.*
Public servant, over 60, GL6
65. *Social welfare benefits are the responsibility of the government, not the BBC. It is iniquitous that the BBC should be put in a position where it is having to make decisions about subsidising the licence fee for the over-75s and where other licence fee payers are expected to bear the costs, which are unsustainable in any case. It would be a great mistake for the BBC to get involved in means testing or raising age limits.*
Civil servant, over 60, N2
66. *It is not appropriate for a broadcasting organisation to determine government social policy. Public pressure should be applied on the government to reverse this element of the settlement.*

Government should continue to fund directly any future free TV licence fees for the elderly, if government believes this should be a public policy priority.

Survey/market/audience research, over 60, TA4

67. *The licence fee should not be used as a tool of government social policy. If they think pensioners should have free TV licences then give them out, but don't hurt the very producer of programmes on that service.*

Self-employed consultant, over 60, SW.

68. *I strongly oppose ending free TV licenses for those over 75 and believe that the BBC should be encouraged to stand firm and make it clear that it is the government and not the Corporation that is to blame for this proposal.... It is the job of the government, not the national broadcaster, to administer and fund the nation's welfare policy and, as a universal benefit, the free TV licence for over- 75s should be the responsibility of a government department such as the Department of Work and Pensions.... All of the suggested revisions in the BBC consultation will cause serious damage to the BBC and thus to our nation, democracy and cultural life. Rather than considering how it might deliver the free licence, the BBC and VLV should now argue that the Corporation should not have to pay a penny towards financing this important and valuable benefit.*

University professor, over 60, NG

69. *TV and Radio (and online PSB) services free at the point of reception are a lifeline for many older people who cannot afford subscription services. The quality and range of BBC output would be fatally damaged if it had to bear the entire costs of over 75s licence fees. In addition, those licence -fee payers who continued to have to pay for the BBC would be rightly incensed at the diminution in quality and value for money of services they were paying for.*

Broadcasting regulation, over 60, IP

70. *I just don't think the BBC should be the tax collector not that old poor people shouldn't be helped*

Director, over 60, RH

71. *The BBC should not be involved in any financial social policy of a government.*

Academic electronic engineer, over 60, SO17

72. *I think there should be more analysis as to why the BBC agreed, apparently meekly, to inherit responsibility to fund the licence fee abatement. This was quite simply government sleight of hand. The BBC should not have agreed to get involved with this move. An analogy would be that the government shifted the winter fuel allowance to one of the independent energy suppliers. That would be inconceivable and so should shifting the responsibility for the TV licence fee be.*

NHS consultant surgeon, over 60, MK

73. *I believe that anyone on welfare benefits (or no recourse to public funds) should be exempt from paying the licence fee altogether, but I think the shortfall should be made up by the Government out of general taxation.*

BBC TV producer, over 60, N8

74. *Decisions on welfare benefits are the responsibility of government/parliament, not the BBC.*

Writer, over 60, SE

75. *The requirement should never have been placed upon the BBC in the 2015 licence fee settlement. It was indirectly making the BBC responsible for policy on social security payments. It therefore has left the BBC in a very difficult position to justify changes in such payments which should be a political decision for the Government of the day.*

Retired civil servant, over 60, W5

76. *I always believed this was a bad idea but if it is to continue, whether in current or modified form, it should be financed directly by the government. If that doesn't happen, then the BBC will have to grit its teeth and phase the concession out. At the same time Tony Hall needs to make sure that he does not allow unjustified salary increases for his senior staff, of whom one suspects there are still far too many. I am approaching 75.*

77. *I consider that VLV should not accept the premise of the 2015 TV Licence Fee Settlement. It is quite unacceptable that the BBC should be asked to take on the public social policy of free TV licences for the elderly. This is a matter of public policy and should be funded by the Government from taxation. VLV should make this point strongly in its reply to the consultation.*

Over 60, retired, EH

78. *The government should pay this. It's a benefit. The BBC Charter requires it to make programmes and provide services, not cut the Government's deficit.*

Retired, over 60, N16

Universality

79. *The basic reason why the BBC should charge the full licence fee to everyone is to try to guarantee that the BBC retains full independence from any political interference. The free licence for over 75's, initially, was a political decision taken with, presumably, the purpose of encouraging more votes for that particular government. To remove the free licence for some people would be seen as an attack on "pensioners". Obviously, therefore, it would be extremely difficult to introduce. To avoid any possibility of "political blackmail" a reduction of the licence fee for any particular group should be seen, clearly, to be funded by the Government; not the BBC. To my knowledge, only two PSB's operate in the British Isles. The other PSB is Radio Manx Limited (Manx Radio). Recently, yet again, it has been the subject of a Select Committee investigation. In an appalling Interim Report, which last week was consigned to the waste bin by Tynwald, an attempt was made to introduce gross political interference in its operation. Fortunately the attempt failed.*

Retired former chairman of radio station, over 60, IM

80. *I think that there should a fee for all, no reduction. More is needed. I receive pension credit too.*

Driver/clerk, over 60, TW

81. *I think everyone should pay the same. Older people often have more money, watch more television and watch more BBC content than younger viewers. There are other benefits available for those on the bread line.*

Bank official, over 60, ME

82. *Since most TV and radio users are probably the 'older' generation and therefore to keep PSB going the BBC cannot afford to lose money so my preference would be – no free licences, however this will almost certainly lose customers so provided the BBC doesn't have to pay to administer any 'selective option' 3.3 would be my second choice!*

Retired medical laboratory scientist, over 60, HA

83. *The BBC should not be in the business of welfare. That is a government responsibility. The BBC should announce that it is ending the concession totally: that its business is public service broadcasting and that the cost of any plausible concession would wreak significant damage to its output. ... The BBC needs to be robust on this, recognising that weakness will only invite further undermining of its finances by the perpetual enemies of public service broadcasting.*

Retired, charity trustee, over 60, N16

The Benefits of the BBC for older people

84. *For many old, living on small pensions and no longer able to drive, the BBC is a life line, keeps their brains stimulated and in touch with the world, helps them to stay well.*

Retired gardener, over 60, RH

85. *This is a question of fairness – balancing the important need for the BBC to survive with the needs of poorer people who might find it difficult to pay. There is considerable evidence that many people over 75 these days do not need a concession and could afford to pay. However there are significant numbers of over 75s who are poor and lonely. VLV should not underestimate the importance of the television as a comfort and companion for both for single people living alone or as carers (both of which conditions bring extra living costs in themselves). VLV need to find a solution to balancing the needs of a high quality (and therefore expensive) BBC with those members of our society who are less fortunate.*

Public sector director, over 60, EC

86. *I can afford the licence and as a largely housebound person would be willing pay it for the window on the world it gives me. I live alone and benefit hugely from the news, politics, documentaries and light entertainment the BBC makes available.*

Teacher, over 60, SO

Other comments and suggestions

87. *Carry out research to establish which specific services it might have to cut under each option and to assess licence fee payers' reactions to the specific proposals. As a next step, I recommend some urgent (deliberative and/or qualitative, then quantitative) research to establish the public's preferences for the different options - and for each option, which (combinations of) services they would cut or save - once they understand the trade-off. Clearly, there are likely to be large demographic differences in people's preferences (not least driven by how the concession affects them personally). The research should be designed to measure these. That is perfectly feasible.*

88. *Hotels and care homes with many TVs should require more than one license.*

BBC Staff, over 60, NW

89. *It seems unreasonable that other members of an elderly resident's household should benefit from fee exemption. A fairer system would be payment of the fee by individual through HRMC collection with exclusions only for those with pension credits. The licence fee would then become a hypothecated tax, to be assessed independently of Treasury or government pressures.*

Businessman, over 60, TW

90. *The relationship between the BBC's revenue and the television licence fee is far more attenuated than the questionnaire implies. The whole legal system needs revising. It is the*

Secretary of State for Digital Culture Media and Sport in association with the Treasury who ultimately decides the size of the BBC's Annual Grant-in-Aid. Moreover, the Grant-in-Aid also requires the BBC to spend part of its Grant-in-Aid on non-UK broadcasting or online activities, which are properly the responsibility of the Foreign Office, such as the World Service, the Monitoring of overseas broadcasts, and supporting the British film industry. The BBC should lobby the Government to introduce a more transparent and fiscally progressive taxation system for funding the BBC.

Professor, over 60, PO

91. *It is important that this is not seen exclusively in economic terms. Access to public radio and TV is a significant factor in the social inequality debate.*

International civil servant, over 60, MK

92. *My suggested approach is that whilst free TV licences should be discontinued, a fund should be set up to help those who genuinely have trouble affording this. This should really be funded by the DCMS but could come from a source such as the National Lottery.*

Railway manager and consultant, 35-59, UB

93. *Of the options being considered, easily the best is to limit the concession to those in receipt of Pension Credit. This is far from a perfect solution because many households receiving Pension Credit are likely to have higher income (per capita, after housing costs) than many younger households. But it can be implemented at relatively low administrative cost (it involves no new means testing) and, in my view, strikes the best balance.*

Economist, over 60

APPENDIX 1:

VLV Questionnaire – sent to VLV members, December 2018

*Championing
excellence and diversity
in broadcasting*
Founded in 1983 by Jocelyn Hay CBE



Free Licence Fee Concession for the over-75s Consultation with VLV Membership

In addition to completing this questionnaire which will influence VLV's submission to the BBC, we would encourage you to complete the BBC consultation as well which you can find online at <https://www.bbc.com/yoursay>. If you complete VLV's questionnaire but do not complete the BBC consultation, your views will be taken into account by VLV but not by the BBC as an individual.

Brief Background

The 2015 TV Licence Fee Settlement, agreed between government and the BBC, discontinues the Department of Work and Pension's funding of free TV licences for the over 75s. Through this agreement the BBC Board took on responsibility for deciding whether this benefit should continue and, if so, in what form.

The impact of this agreement is that by 2020 BBC licence fee income will be c.£750m lower than it otherwise would have been had the Government continued covering the cost of the free licences. It's estimated that this deficit for the BBC will rise to £1bn by 2030. The BBC estimates this equates to 20% of its budget.

Frontier Economics has published a BBC-commissioned background paper on the changing context since the concession was first introduced in 2000. It sets out the options open to the BBC and this is available to read online at <https://downloads.bbc.co.uk/mediacentre/frontier-economics-review-of-over-75s-funding.pdf>.

Once completed this questionnaire can either be emailed to info@vlv.org.uk (please include 'LICENCE FEE' in the subject line of your email) or posted to the VLV office: The Old Rectory Business Centre, Springhead Road, Northfleet, Kent, DA11 8HN. We would be grateful if you could return completed questionnaires by January 5th 2019.

Please indicate your response in the box which most closely accords with your response to each question with an X.

Questions	Agree Strongly	Agree	Neither Agree or Disagree	Disagree	Disagree Strongly
1 Maintain the current concession to provide free TV licences to households which include at least one person who is over 75. There is a consequential loss to the BBC of c.£750m.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Free TV licences should be discontinued for <u>all</u> over 75s. The BBC thereby regains c.£750m pa of licence fee revenue.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Agree Strongly	Agree	Neither Agree or Disagree	Disagree	Disagree Strongly
3 <i>Alternatively, if a free TV licence system is retained, it should be offered more selectively, taking account of the consequential loss of income to the BBC and costs of implementation. These are all examples of selective options:</i>					
3.1 For example, given higher life expectancy today than in 2000, the <u>minimum age for entitlement</u> should be raised from 75 to 80. This would mean a reduction in income to the BBC of c.£480m.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.2 Alternatively, free TV licences should be <u>means-tested</u> and apply to anyone receiving Pension Credit regardless of their age. This would mean a reduction in income of c.£330m to the BBC.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.3 Alternatively, the threshold should remain at <u>75 and be means tested</u> : eg limited to those receiving Pension Credit. This would mean that BBC income loss would be reduced to c.£210m.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.4 Any household with a member over 75 years old should receive a 50% discount on the cost of the licence fee. This would mean a reduction in income of £400m to the BBC.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Further Comments

Do you have any further comments you would like VLV to take into account when it responds to the BBC consultation? VLV would like to include unattributed quotes in its submission from its members. Please do continue on a separate sheet if you need more space.

About You

Male	<input type="checkbox"/>	Under 35	<input type="checkbox"/>	What is/was your occupation?	The first 2 letters of your postcode
Female	<input type="checkbox"/>	35-59	<input type="checkbox"/>		
		Over 60	<input type="checkbox"/>		

BBC Funding Bill

A

B I L L

TO

Provide for BBC licence fees to be determined by an independent process; and to prevent the imposition on the BBC of non-budgeted costs.

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows: –

*BBC Funding***1 Independent body to set licence fees**

After section 365 of the Communications Act 2003 (TV licence fees) insert—

“365A Licence Fee Body: establishment

- (1) There shall be a body corporate to be known as the Licence Fee Body, to carry out the functions conferred by section 365B.
 - (2) The chair and other members of the Licence Fee Body shall be appointed by the Secretary of State; and in appointing the chair or another member of the Licence Fee Body the Secretary of State must aim—
 - (a) to appoint only persons who appear to be independent (of central government, devolved government and local government, of the BBC and of other media organisations); and
 - (b) to secure an appropriate balance of experience and knowledge.
 - (3) Before appointing the chair or another member the Secretary of State must consult—
 - (a) the BBC;
 - (b) the Treasury;
-

- (c) persons appearing to represent the interests of users of services provided by the BBC; and
 - (d) any other person the Secretary of State thinks appropriate.
- (4) The Secretary of State must make regulations about the constitution and proceedings of the Licence Fee Body; and the regulations may, in particular—
 - (a) determine the number of members;
 - (b) make provision about procedure (including a quorum);
 - (c) make provision about the process to be followed in consulting on determinations under section 365B;
 - (d) provide for the payment of remuneration, allowances or other sums out of money provided by Parliament;
 - (e) confer a discretionary power on a specified person (including the Secretary of State);
 - (f) amend an enactment.
- (5) Before making regulations under subsection (4) the Secretary of State must consult the persons listed in subsection (3).

365B Licence Fee Body: functions

- (1) The Licence Fee Body may publish determinations about—
 - (a) the amount of sums to be specified in regulations under section 365, and
 - (b) any other matter that may be included in regulations under section 365.
 - (2) Where the Licence Fee Body publishes a determination, the Secretary of State must as soon as reasonably practicable—
 - (a) lay the determination before Parliament, the Scottish Parliament, the National Assembly for Wales and the Northern Ireland Assembly, and
 - (b) make regulations under section 365 to give effect to the determination.
 - (3) Before publishing a determination the Licence Fee Body must consult—
 - (a) the Treasury,
 - (b) the BBC,
-

- (c) persons appearing to the Licence Fee Body to represent the interests of users of services provided by the BBC, and
 - (d) any other person the Licence Fee Body thinks appropriate.
- (4) A determination of the Licence Fee Body must be accompanied by an explanation of the assumptions by reference to which it is made (which may refer to the BBC Charter and Agreement, or any other document).
- (5) If in the opinion of the Licence Fee Body a new or revised requirement or expense is imposed on the BBC (whether or not by an enactment) which falsifies the assumptions on which a determination was based, the Licence Fee Body must—
- (a) review the determination, and
 - (b) issue a revised determination, unless the review concludes that no revision is required.
- (6) Regulations made in accordance with this section do not require the consent of the Treasury (despite section 365(6)).”

Technical provision

2 Commencement, extent and citation

- (1) This Act comes into force at the end of the period of two months beginning with the date of Royal Assent.
- (2) This Act extends to the whole of the United Kingdom.
- (3) This Act may be cited as the BBC Funding Act 2015.

Report on the VLV survey of opinion among its members about free TV licences for people over 75

**By Graham Mytton
8th February 2019**

Summary

This survey of VLV members' opinions shows the following main points. They are true about those who responded – 108 members out of a membership of 499, a response rate of 22%.

- Nearly everyone disagreed with the continuation unchanged of the free licences to all over 75s.
- There was however disagreement about whether all free licences should be discontinued. Just under half disagreed with ending free licences. And slightly fewer wanted all free licences to be scrapped.
- There was little support for raising the qualifying age to 80.
- There was little support for linking a free licence to receipt of pension credit for any age.
- But there was modest (55%) for free licences for those age 75+ in receipt of pension credit.
- There was opposition (56%) to the idea of discounted licence for the over 75s.
- The respondents come from a wide range of backgrounds, regions and social status.
- There was however a strong bias towards respondents from London and the home counties.
- Most of the respondents are retired. Probably a majority qualify now for the free licence. Oddly there seems to be confusion about whether one can actually refuse the concession. One resident writes that a cheque sent to the BBC was refused.

The Questions and Answers

Questionnaires were sent to VLV members towards the end of 2018. This report is based on 108 responses received by email and post.

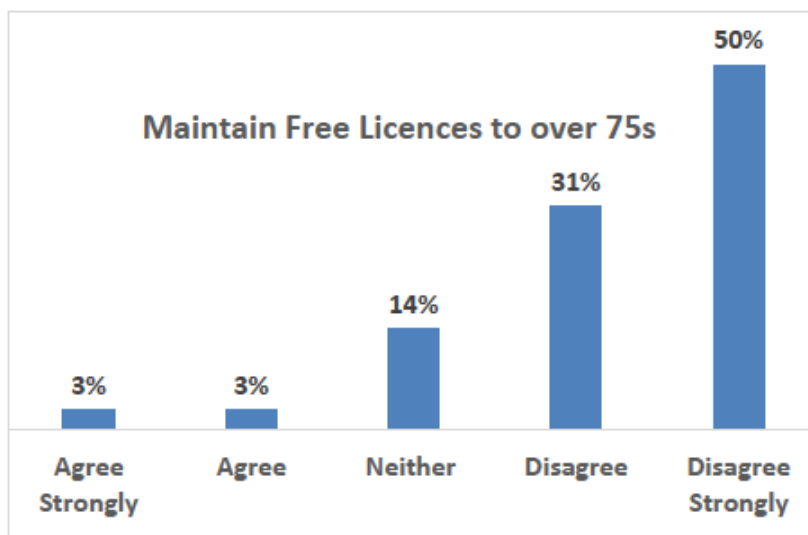
There were three main questions but the third was broken down into four alternative sub-questions. So there are therefore six questions that were put to respondents as statements. Members were asked to score these using a five- point set of options:

Agree Strongly	Agree	Neither Agree or Disagree	Disagree	Disagree Strongly
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With this instruction: "Please indicate your response in the box which most closely accords with your response to each question".

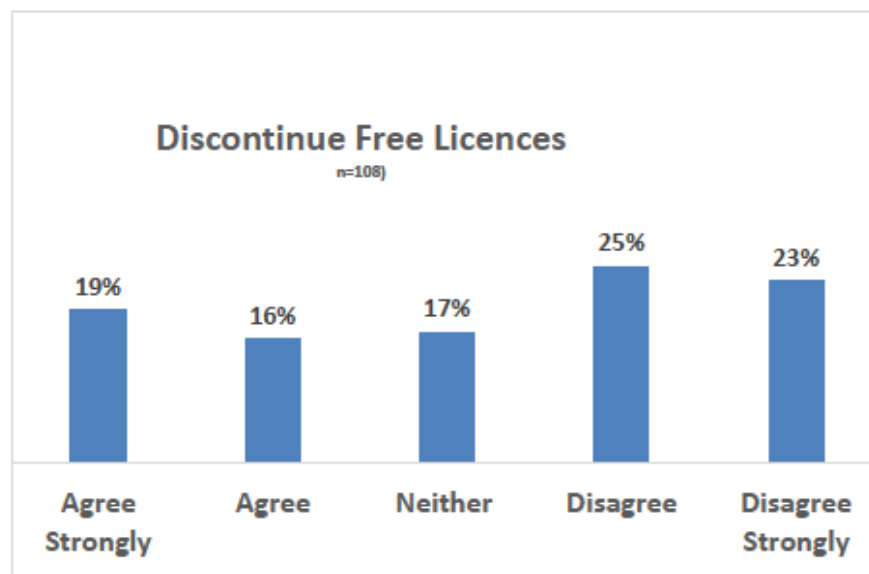
These were the questions as put and the responses:

Q 1 Maintain the current concession to provide free TV licences to households which include at least one person who is over 75. There is a consequential loss to the BBC of c.£750m.



This shows a clear result. 81% disagreed with the maintenance of free TV licences for households which include at least one person aged 75 or over, most of them strongly.

Q 2 Free TV licences should be discontinued for all over 75s. The BBC thereby regains c.£750m pa of licence fee revenue

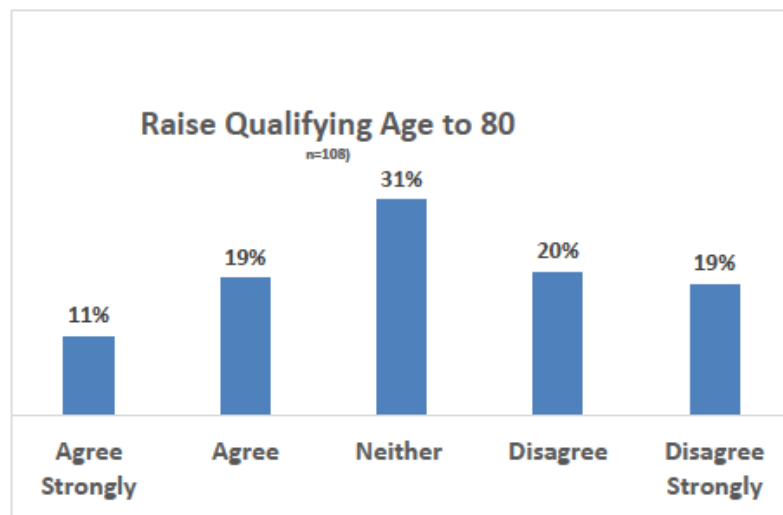


This is an interesting result. It shows that although nearly everyone disagrees with free TV licences for all households which include at least one person aged 75 or above, they disagree about a total abolition. We might have expected a similarly high level of agreement to match the disagreement with the first proposition. But whereas Q1 proposed the continuation of the present system unchanged, this one is the complete opposite with all free licences being ended. Many respondents in their other answers and in comments showed an interest in measures to reduce the impact on the less well-off including continuation of some free TV licences. Just over half respondents disagreed with this proposition to end all free licences. Looking further into the data, we see that among those who disagreed with the continuance of the free licence system as it is (Q1) just over half of them also disagreed with its total abolition. They seem to want some compromise or allowances.

Which brings us to the next four grouped questions. These were introduced with the following passage:

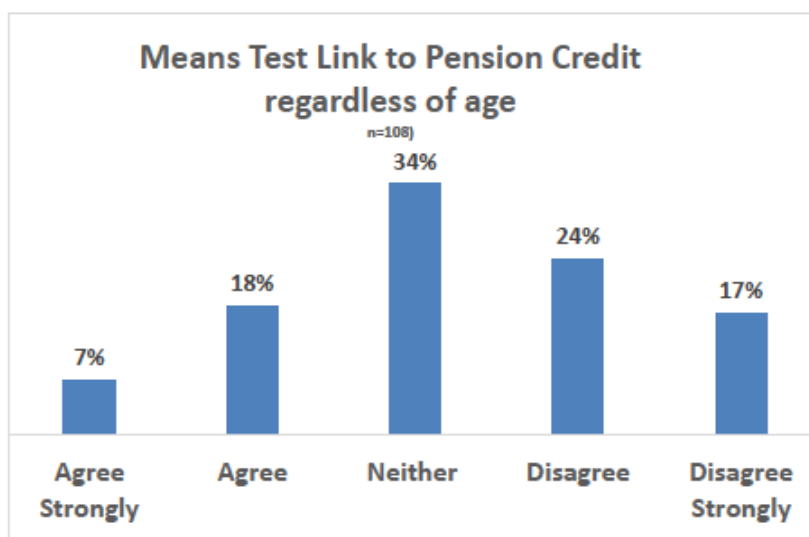
“Alternatively, if a free TV licence system is retained, it should be offered more selectively, taking account of the consequential loss of income to the BBC and costs of implementation. These are all examples of selective options”

Q 3.1 For example, given higher life expectancy today than in 2000, the minimum age for entitlement should be raised from 75 to 80. This would mean a reduction in income to the BBC of c.£480m.



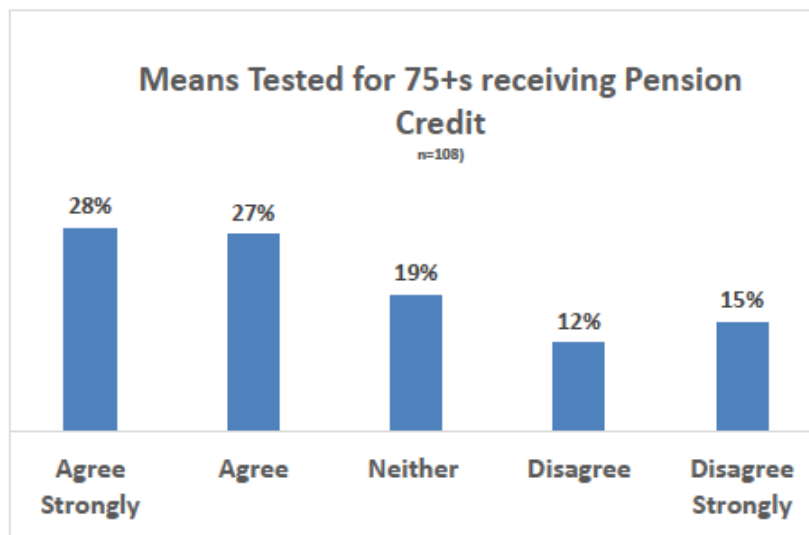
There is a fairly even spread of opinion here with a high rate of no opinion either way. Members who have an opinion tend to reject the idea.

Q 3.2 Alternatively, free TV licences should be means-tested and apply to anyone receiving Pension Credit regardless of their age. This would mean a reduction in income of c.£330m to the BBC.



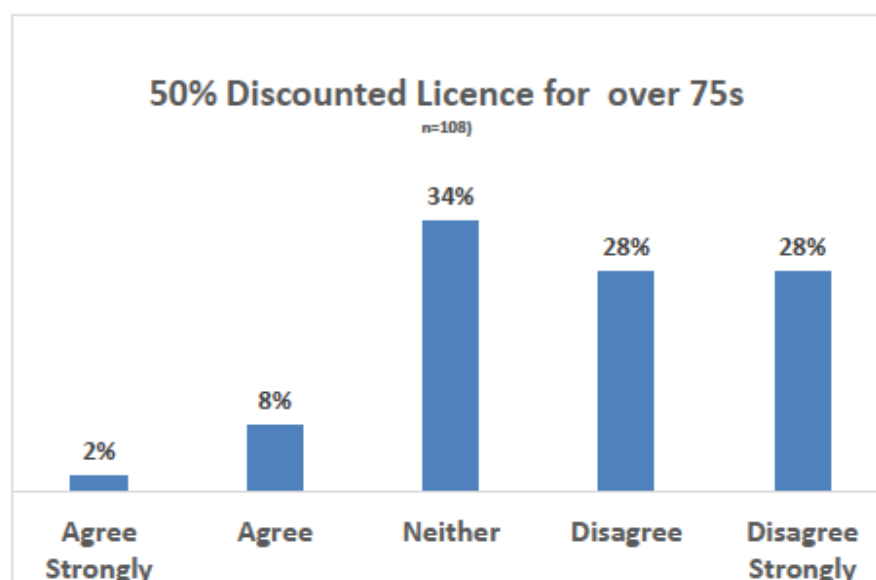
Linking qualification for a free TV licence to receipt of Pension Credit receives less approval than raising the age level. But more than one in three respondents could not express an opinion either way. Of those who expressed an opinion, most disagreed with this idea.

3.3 Alternatively, the threshold should remain at 75 and be means tested: eg limited to those receiving Pension Credit. This would mean that BBC income loss would be reduced to c.£210m.



This proposition seems, on the face of it, to be not very different from 3.2. However, it received far more approval. Overall, 56% agreed with it. However, several respondents pointed to the difficulties of means testing, especially the fact that it can be expensive to administer and sometimes unfair. Note the rather smaller numbers of those without an opinion on this one.

3.4 Any household with a member over 75 years old should receive a 50% discount on the cost of the licence fee. This would mean a reduction in income of £400m to the BBC.



There is a clear result here with very little support for this idea. One in three had no definite opinion either way. Even so, 56% gave this idea the thumbs down. It was notable that several respondents commented later that it was not fair that all that was needed for a free TV licence to be granted was for there to be just one 75+ year old in a household. Perhaps the wording of this question “any household with a member over 75..” prompted these comments and the relatively high rate of rejection of this proposal. Note also that many respondents to this questionnaire are either over 75 or are approaching that age. (See next page)

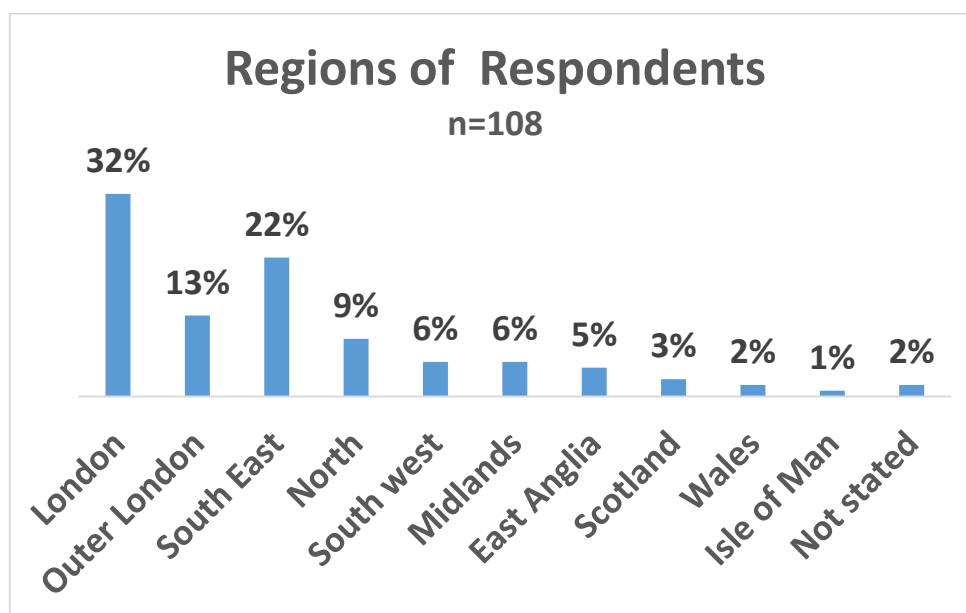
Profiles of respondents

The respondents lastly were asked four questions about themselves – their gender, age group, occupation now or when they were working and the first two digits of their postcode.

- 47% were men, 43% women and 10% did not give their gender
- No respondent was under 35 years of age. 93% were over 60. 6% were between 35 and 60. Two respondents did not give their ages.
- They come from many professions and occupations from unskilled and semi-skilled occupations through to skilled, clerical, professional, business and academic.
- 15% had worked in media. 6% had been employed by the BBC.

The largest single categories were those who worked or had worked in the public service at central or local levels at 15%, 10% were academics, 9% were in business, 8% were teachers, 7% worked in the health service, 11% were in other semi-skilled or skilled occupations, 8% were other professionals and 9% said they were “retired”, not noticing we were asking what their occupation had been before retirement.

Where they live



There is a rather strong bias towards London and the South East accounting for more than two in three respondents.

Comments provided by Respondents

These were in many cases detailed and often precise. Many show evidence of knowledge of media policy, the situation of the BBC, the political circumstances that may have led to the free TV licence policy and other relevant matters. The comments are grouped and provided under seven headings beginning with the most frequent type of comment – about the oddness of the BBC providing a benefit that is not something that is its responsibility.

BBC paying for this concession

1. Whichever system is adopted, the BBC should not be expected to pay for it. It was a government decision to provide free television licences and the scheme should, therefore, be funded by the government.
Pharmacist, over 60, CH3
2. I believe that any concession should not be handled by the BBC. The settlement should not have included this concession which is not part of the role of a broadcasting authority but that of the DWP. If necessary the settlement should have only covered the work of the broadcaster.
Engineer/civil servant, over 60, HA
3. If it is possible to restrict this to households with no adults under pension age and to limit this to those who receive pension credit, so be it. But it should be for government, not the BBC to fund.
Newly retired, over 60, EH
4. As the free licence is a government policy, it should be funded by the government.
Civil servant, over 60, NP
5. I think the Government should continue to pay for licences for the over 75's – TV and radio play an important part in combatting isolation – and high tax payers should pay for it.
Lecturer, over 60, OX
6. There are many comfortably off pensioners who can well afford the licence fee. The BBC were hoodwinked into carrying the burden of this vote-winning government policy. The BBC must reduce this heavy financial burden by some form of means testing. Preferably 3.2 which would free up £400million for programmes.
Former BBC Executive, over 60, W2
7. I still feel strongly that the cost should be covered by the Dept for Work and Pensions, not the BBC!
Retired Archivist, over 60, SW,
8. The cost of covering the free TV licence system should revert to the DWP.
HM inspector of Taxes, over 60, BD
9. The government created the licence fee concession and was wrong to devolve to the BBC the responsibility for deciding how the concession should be abolished or amended.
Company director, over 60, CM
10. My suggested approach is that whilst free TV licences should be discontinued, a fund should be set up to help those who genuinely have trouble affording this. This should really be funded by the DCMS but could come from a source such as the National Lottery.
Railway manager and consultant, 35-59, UB
11. The BBC should NOT have agreed to such an outrageous imposition in 2015. An extraordinary error of judgment. I have opted for 3.3 (my preference is 2) because it will mean less criticism of the BBC.
Public service, over 60, SW

12. Any subsidy to people on a limited income should come out of general taxation, not out of the licence fee which reduces the BBC's income.
Customer services officer, over 60, CB8 – 45
13. I do not think the BBC should have agreed to take on a welfare responsibility and then claim they cannot afford it. There are other areas where they could save money.
Public servant, over 60, GL6
14. Social welfare benefits are the responsibility of the government, not the BBC. It is iniquitous that the BBC should be put in a position where it is having to make decisions about subsidising the licence fee for the over-75s and where other licence fee payers are expected to bear the costs, which are unsustainable in any case. It would be a great mistake for the BBC to get involved in means testing or raising age limits.
Civil servant, over 60, N2
15. It is not appropriate for a broadcasting organisation to determine government social policy. Public pressure should be applied on the government to reverse this element of the settlement. Government should continue to fund directly any future free TV licence fees for the elderly, if government believes this should be a public policy priority.
Survey/market/audience research, over 60, TA4
16. The license fee should not be used as a tool of government social policy. If they think pensioners should have free TV licences then give them out, but don't hurt the very producer of programmes on that service.
Self-employed consultant, over 60, SW.
17. I strongly oppose ending free TV licenses for those over 75 and believe that the BBC should be encouraged to stand firm and make it clear that it is the government and not the Corporation that is to blame for this proposal.... It is the job of the government, not the national broadcaster, to administer and fund the nation's welfare policy and, as a universal benefit, the free TV licence for over- 75s should be the responsibility of a government department such as the Department of Work and Pensions.... All of the suggested revisions in the BBC consultation will cause serious damage to the BBC and thus to our nation, democracy and cultural life. Rather than considering how it might deliver the free licence, the BBC and VLV should now argue that the Corporation should not have to pay a penny towards financing this important and valuable benefit.
Over 60, university professor, NG
18. TV and Radio (and online PSB) services free at the point of reception are a lifeline for many older people who cannot afford subscription services. The quality and range of BBC output would be fatally damaged if it had to bear the entire costs of over 75s licence fees. In addition, those licence-fee payers who continued to have to pay for the BBC would be rightly incensed at the diminution in quality and value for money of services they were paying for.
Broadcasting regulation, over 60, IP
19. I just don't think the BBC should be the tax collector not that old poor people shouldn't be helped
Director, over 60, RH
20. The BBC should not be involved in any financial social policy of a government.
Academic electronic engineer, over 60, SO17

21. I think there should be more analysis as to why the BBC agreed, apparently meekly, to inherit responsibility to fund the licence fee abatement. This was quite simply government sleight of hand. The BBC should not have agreed to get involved with this move. An analogy would be that the government shifted the winter fuel allowance to one of the independent energy suppliers. That would be inconceivable and so should shifting the responsibility for the TV licence fee be.
NHS consultant surgeon, over 60, MK
22. I believe that anyone on welfare benefits (or no recourse to public funds) should be exempt from paying the licence fee altogether, but I think the shortfall should be made up by the Government out of general taxation.
BBC TV producer, over 60, N8
23. Decisions on welfare benefits are the responsibility of government/parliament, not the BBC.
Writer, over 60, SE
24. The requirement should never have been placed upon the BBC in the 2015 licence fee settlement. It was indirectly making the BBC responsible for policy on social security payments. It therefore has left the BBC in a very difficult position to justify changes in such payments which should be a political decision for the Government of the day.
Retired civil servant, over 60, W5
25. I always believed this was a bad idea but if it is to continue, whether in current or modified form, it should be financed directly by the government. If that doesn't happen, then the BBC will have to grit its teeth and phase the concession out. At the same time Tony Hall needs to make sure that he does not allow unjustified salary increases for his senior staff, of whom one suspects there are still far too many. I am approaching 75.
26. I consider that VLV should not accept the premise of the 2015 TV Licence Fee Settlement. It is quite unacceptable that the BBC should be asked to take on the public social policy of free TV licences for the elderly. This is a matter of public policy and should be funded by the Government from taxation. VLV should make this point strongly in its reply to the consultation.
Over 60, retired, EH
27. The government should pay this. It's a benefit. The BBC Charter requires it to make programmes and provide services, not cut the Government's deficit.
Retired, over 60, N16
28. The BBC should not be in the business of welfare. That is a government responsibility. The BBC should announce that it is ending the concession totally: that its business is public service broadcasting and that the cost of any plausible concession would wreak significant damage to its output. ... The BBC needs to be robust on this, recognising that weakness will only invite further undermining of its finances by the perpetual enemies of public service broadcasting.
Retired, charity trustee, over 60, N16

The age question

1. I believe the age limit for free licences should be 80 or 85 to include the pre-welfare state generation only. Teacher over 60 HP
2. Remove concession from those [over 75s] living with families as their joint income is available to cover the cost. County principal social services officer, over 60, SS.
3. Only households where everyone is over 75 should get the free licence fee. BBC Picture editor, over 60, TW.
4. Since most pensioners are better-off than working-age people, I see no reason for a blanket free licence fee for over 75s. Doctor, over 60, BS.
5. For many old, living on small pensions and no longer able to drive, the BBC is a life line, keeps their brains stimulated and in touch with the world, helps them to stay well. Retired gardener, over 60, RH
6. This is a question of fairness – balancing the important need for the BBC to survive with the needs of poorer people who might find it difficult to pay. There is considerable evidence that many people over 75 these days do not need a concession and could afford to pay. However there are significant numbers of over 75s who are poor and lonely. VLV should not underestimate the importance of the television as a comfort and companion for both for single people living alone or as carers (both of which conditions bring extra living costs in themselves). VLV need to find a solution to balancing the needs of a high quality (and therefore expensive) BBC with those members of our society who are less fortunate. Public sector director, over 60, EC

Means testing

1. Means test, but disqualify only those paying higher rate tax. Getting older is very expensive in extra heating, transport, food, care, medical expenses (despite the NHS) and people can struggle on £12,000 to £13,000 a year. Many lonely and isolated people rely greatly on TV for companionship and contact with the outside world. But I still feel strongly that the cost should be covered by the DWP not the BBC. Archivist, Over 80. SW
2. Means testing is very expensive to administer and to keep up year after year. Government has a duty to its elderly and should pay the fee. Speech therapist, over 60 PH
3. Means testing would be most unfair to people like me. I pay my own living costs, including carers 4 times a day, domestic, housing costs and repairs, council tax etc. Information officer over 60, CR
4. We should be aware of the administrative difficulties of means testing. The date of entitlement springs to mind as one problem. Which organisation is going to negotiate disputes? It could be an expensive nightmare. Civil servant, over 60 E4
5. As the cost is to be borne by the BBC, means testing, although not ideal, seems to be the fairest. I think the threshold [should] be 80 and lined to pension credit. Civil servant, over 60 SE

6. Means testing is often regarded as time consuming and expensive, but it would be worth examining how this is achieved in other countries like Germany. As I understand it, computer software has made the system relatively simple and fool-proof. I also believe that the BBC should make it crystal clear that free licences have always been subsidized by Government and not the BBC who shouldn't be blamed for this policy reversal. Retired, over 60, N6.
7. The best option – completely discontinuing this very badly targeted concession – may not be politically feasible. On that basis, the most realistic option is 3.3 [*limited to those 75+ receiving Pension Credit*] combining this with means testing to retain concessions for the real hardship cases. Professor, over 60, NW.
8. I feel strongly that the licence fee should be means tested and thus payable by those who can afford it – regardless of age. 90 year old, DE
9. Of the options being considered, easily the best is to limit the concession to those in receipt of Pension Credit. This is far from a perfect solution because many households receiving Pension Credit are likely to have higher income (per capita, after housing costs) than many younger households. But it can be implemented at relatively low administrative cost (it involves no new means testing) and, in my view, strikes the best balance. Economist, over 60
10. It seems unreasonable that other members of an elderly resident's household should benefit from fee exemption. A fairer system would be payment of the fee by individual through HRMC collection with exclusions only for those with pension credits. The licence fee would then become a hypothecated tax, to be assessed independently of Treasury or government pressures. Businessman, over 60, TW

Universality

1. The basic reason why the BBC should charge the full licence fee to everyone is to try to guarantee that the BBC retains full independence from any political interference. The free licence for over 75's, initially, was a political decision taken with, presumably, the purpose of encouraging more votes for that particular government. To remove the free licence for some people would be seen as an attack on "pensioners". Obviously, therefore, it would be extremely difficult to introduce. To avoid any possibility of "political blackmail" a reduction of the licence fee for any particular group should be seen, clearly, to be funded by the Government; not the BBC. To my knowledge, only two PSB's operate in the British Isles. The other PSB is Radio Manx Limited (Manx Radio). Recently, yet again, it has been the subject of a Select Committee investigation. In an appalling Interim Report, which last week was consigned to the waste bin by Tynwald, an attempt was made to introduce gross political interference in its operation. Fortunately the attempt failed. Retired former chairman of radio station, over 60, IM
2. All [these options] mean a lowering of the amount that the BBC receives. I think there should be one fee for all. More is needed [for the BBC]. I receive pension credits. Driver, over 60, TW.
3. I think everyone should pay the same. Older people often have more money, watch more television and watch more BBC content than younger viewers. There are other benefits available for those on the bread line.
Bank official, over 60, ME

4. Since most TV and radio users are probably the 'older' generation and therefore to keep PSB going the BBC cannot afford to lose money so my preference would be – no free licences, however this will almost certainly lose customers so provided the BBC doesn't have to pay to administer any 'selective option' 3.3 would be my second choice!
Retired medical laboratory scientist, over 60, HA
5. Carry out research to establish which specific services it might have to cut under each option and to assess licence fee payers' reactions to the specific proposals. As a next step, I recommend some urgent (deliberative and/or qualitative, then quantitative) research to establish the public's preferences for the different options - and for each option, which (combinations of) services they would cut or save - once they understand the trade-off. Clearly, there are likely to be large demographic differences in people's preferences (not least driven by how the concession affects them personally). The research should be designed to measure these. That is perfectly feasible.
6. It seems beyond parody that a BBC licence fee the public think is being used to provide BBC services for them could be used instead to give people free licence fees. It's also ironic that the loss of income would affect that sector of society that uses and cherishes the BBC most – the elderly and the infirm. The license fee should not be used as a tool of government social policy. If they think pensioners should have free TV licences then give them out, but don't hurt the very producer of programmes on that service. Self-employed consultant, over 60, SW.
7. I thought that, to stop the BBC losing money, free licences should be stopped for all over 75s. (I am over 75 myself, by the way.) Age does not necessarily mean very low income. On reflection I do feel however, that it would be harsh to discontinue free licences for those on the lowest incomes. Examination board administrator, over 60, CO
8. The VLV should make it clear that the original concession was a welfare payment and thus paid out of general taxation. There is no logic in transferring this burden to licence payers. One suggestion would be that the additional burden should be clearly hypothecated – that is added to the licence fee which would be stated as, for example:

For the BBC's services:	£150
Support for older viewers:	£30
Total:	£180,

 ITV programme executive, over 60, SO.
9. Very many people are unaware of possible changes to their free licence fee. There needs to be more publicity somehow. Retired, over 60, S10

People want to continue to pay

1. I have just had my 75th birthday and am, fortunately, comfortably off. I see no reason why I and others like me should receive free TV licences (or free anything else for that matter) and shall continue to pay my licence fee as usual. At a cost of about £3 per week the Licence Fee is incredibly cheap – I don't know how the BBC manages it! Local government officer, over 60, SO.
2. I would gladly pay for a licence. Journalist over 60, PO.
3. Could it be done voluntarily? I would be more than willing. Teacher, over 60, BN.

4. My husband is 79 but I would not dream of claiming a free licence. Retired, over 60, NW
5. I can afford the licence and as a largely housebound person would be willing pay it for the window on the world it gives me. I live alone and benefit hugely from the news, politics, documentaries and light entertainment the BBC makes available.
Teacher, over 60, SO
6. The present option of not claiming the free licence should remain in place. Alternative levels of discount should be considered. The BBC needs to look hard at its spending on “star performers”, senior management and other projects with limited benefit to the audience.
Electrical engineer, over 60, SP.
7. I am fortunate that my income in retirement (I am 89) is sufficient to allow me to pay for a licence. In fact, when the Government decided to extract money from the BBC income (“to pay for the World Service” and also of course to reduce competition for the commercial channels and their lobbyists) I sent a cheque to the BBC to pay the full licence fee. Sadly, the “government’s” regulations prevented the BBC from taking my money! Industrial physicist, 89, PO.

General points about the BBC

1. The level of the licence fee should be increased to compensate for the disastrous below-inflation increases, and freezes imposed on us in recent years. Music recording producer, over 60, UB
2. The question is how to reduce the growing threat from the commercialisation of British television. Netflix, Sky and even the publicly owned Channel 4. Architect, Over 60, RH
3. I believe that the government’s policy is to cut spending everywhere on principle. Most importantly, the government wishes to damage, and ultimately destroy the BBC by any and all means at its disposal. The Tories have always contained members violently opposed to the BBC. Local government clerk, over 60, S.
4. The BBC is an important part of the national culture and must be protected from the hostile actions of those who wish to see it dismantled and its influence on national life weakened.
Head Teacher, over 60, TN.
5. I strongly feel that the BBC licence should continue in order to ensure that it survives in a very commercial market and remains advert-free. Retired, over 60, SV.
6. For what the licence fee covers, the BBC’s costs are good value and worthwhile, without continuous breaks for adverts which is a bonus. I am happy to pay for that privilege. Teacher, over 60, B.
7. The relationship between the BBC’s revenue and the television licence fee is far more attenuated than the questionnaire implies. The whole legal system needs revising. It is the Secretary of State for Digital Culture Media and Sport in association with the Treasury who ultimately decides the size of the BBC’s Annual Grant-in-Aid. Moreover, the Grant-in-Aid also requires the BBC to spend part of its Grant-in-Aid on non-UK broadcasting or online activities, which are properly the responsibility of the Foreign Office, such as the World Service, the Monitoring of overseas broadcasts, and supporting the British film industry. The BBC should

lobby the Government to introduce a more transparent and fiscally progressive taxation system for funding the BBC. Professor, over 60, PO

8. Recent news about the costs of renewing the set of East Enders is not encouraging with regard to the BBC's approach to its spending and management. The BBC needs to be seen to be keeping its own house in order and to save costs where possible. Clerical officer, over 60, SP.
9. I am MOST unhappy about the BBC bias in favour of Brexit and now prefer Sky News. BBC World is still OK. Radiotherapist, over 60, SA.

Other comments

1. Hotels and care homes with many TVs should require more than one license.
BBC Staff, over 60, NW
2. It is important that this is not seen exclusively in economic terms. Access to public radio and TV is a significant factor in the social inequality debate.
International civil servant, over 60, MK