

Public Service Pensioners' Council

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The Rt Hon Jeremy Wright MP
Secretary of State for Digital, Culture, Media & Sport
Department for Digital, Culture, Media & Sport
100 Parliament Street
London
SW1A 2BQ

18th February 2019

Dear Secretary of State

BBC consultation on the TV licence concession for over-75s

On behalf of the Public Service Pensioners' Council, representing affiliates in a number of public sector unions and pensioner organisations, I am writing to express our view that the government should continue funding the TV licence concession for over-75s, and not transfer responsibility to the BBC for this welfare concession from June 2020. It is our firm view that decisions on the provision of social welfare benefits should remain the responsibility of the government and not delegated to the BBC governors to determine.

Regrettably the consultation exercise run by the BBC, which closed on 12th February, did not provide the opportunity to express a preference for responsibility for this decision to transfer back to the government. The consultation instead focused on a limited range of options for changes to the concession linked to pension age and pension credits, all of which should be a matter your Department, in conjunction with the DWP, and not for the unelected BBC governors to determine.

You stated in the House of Commons on 31 January that the BBC had agreed to take on this concession from June 2020 as part of the comprehensive licence fee settlement in 2015, and that this transfer of responsibility was then subsequently agreed by Parliament (in the passage of The Digital Economy Act 2017). You also confirmed the Government's view that it would "want and expect" the BBC to continue with the concession of free TV licences for the over-75s beyond 2020, but will not provide the funding to the BBC to pay for this concession.

Acceptance of the responsibility by the BBC has resulted in the BBC governors having to decide whether to: retain this concession for the over 75s; modify the concession; or scrap the concession. However if the concession is retained, as we support, then this would result in a massive 18% reduction in the budget for all BBC programming, equivalent to the entire budget for its radio broadcasting, which, in the context of the current debate of Intergenerational Fairness, would lead to significant job losses in the strong digital and media economy, in which the UK plays a leading role.

General Secretary: David Luxton

ASSOCIATIONS REPRESENTED: Association of Retired and Former HMI Schools • Association of HM Inspectors of Schools (Scotland) • Association of Teachers and Lecturers • Association of School and College Leaders • British Broadcasting Corporation Pensioners Association • Civil Service Pensioners' Alliance • Civil Service Pensioners' Alliance (Scotland) • Educational Institute of Scotland • Forces Pension Society • Foreign and Commonwealth Office Association • MDP Retired Officers' Association • National Association of Head Teachers • National Association of Retired Firefighters • National Association of Retired Police Officers • National Federation of Occupational Pensioners • National Union of Teachers • Prospect • Retired Police Officers' Association (Scotland) • Retired Teachers' Association (Northern Ireland) • Scottish Retired Teachers' Association • UNISON • University and College Union

The BBC cannot be expected to make crucial decisions about a benefit on which thousands of older people rely. Spending decisions are the responsibility of the government. Burdening the BBC, an unelected body, with the cost of this crucial benefit is an unprecedented and dangerous move.

We would urge the government to uphold their 2017 manifesto commitment to maintain this benefit. Any of the new proposal would be harmful to some of the most vulnerable in society.

Removing the concession will disadvantage many older people who suffer disproportionately from loneliness and social isolation. Research by Age UK Concern has shown that 2 million pensioners consistently feel lonely and view TV as their main form of companionship, and as such plays a part in tackling loneliness in old age.

The Rowntree Foundation estimate that there are 1.9 million pensioners living below the official poverty line, many of whom would struggle to find the £155 licence fee if it were abolished for the over 75s.

We believe that the Treasury should continue subsidising the TV licence concession for over-75s – transferring responsibility for this key benefit to the BBC would harm some of the most vulnerable in society. It is our firm view that the government should adopt a fresh approach with a revised funding formula so that the cost of this manifesto commitment remains with central Government and not the BBC.

Means testing the concession is also inadequate. The example of pension credit shows that older, vulnerable people often fail to collect benefits because they are unable to properly engage with the necessary channels.

For all these reasons the Public Service Pensioner' Council and its affiliated organisations urge you to take responsibility for continuing with the free tv licence for the over 75's through a fresh approach based on a revised funding formula that is properly funded through central government and not the BBC.

We would welcome the opportunity to meet you to discuss these points in more detail.

Yours sincerely



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