

Public Service Pensioners' Council

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The Rt Hon Tom Watson MP
Shadow Secretary of State for Digital, Culture, Media & Sport
House of Commons
London SW1AA 0AA

18th February 2019

Dear Tom

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

Thank you for your tremendous support for continuation of the TV licence concession for the over-75's. We support your stance that responsibility for this vital social benefit should not be put on the BBC but remain the proper responsibility of government. It cannot be morally right that key decisions on a welfare concession should be taken by unelected BBC governors, particularly when the decision directly affects thousands of elderly vulnerable people.

On behalf of the Public Service Pensioner's Council, representing affiliates in a number of public sector unions and pensioner organisations, I am writing to express our firm view that the free tv licence for the over 75's should remain; and 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 for the DCMS, in conjunction with the DWP, and not for the unelected BBC governors to determine.

We note that Jeremy Wright said 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). Yet he 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

General Secretary: David Luxton

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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. We note that BECTU Trade Union has highlighted that the BBC is already committed to making additional savings of over £40M by 2022

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. Any of the options in the BBC consultation 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 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. We believe 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.

PSPC are keen to work with you and the trade unions and pensioner organisations in retaining the tv licence concession for the over-75's and seek 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 and your team to discuss these points in more detail in the coming weeks.

Yours sincerely



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