

AGE-RELATED TV LICENCE FEE CONCESSION

**DETERMINATION MADE BY THE BBC UNDER
SECTION 365A OF THE COMMUNICATIONS ACT 2003**

Determination of 28th June 2019

Determination

Interpretation

1. In this determination—

“the 2003 Act” means the Communications Act 2003;¹

“the 2004 Regulations” means the Communications (Television Licensing) Regulations 2004,² and any reference to a provision (or grouping of provisions) of those Regulations—

- (a) is a reference to that provision (or grouping) as it has effect from time to time,
- (b) includes a reference to any provision (or grouping) of corresponding effect in any statutory instrument replacing the 2004 Regulations;

“black and white TV licence” means a TV licence of a type referred to in the first entry in column 1 of the table in Schedule 1 to the 2004 Regulations,³

“black and white TV licence fee” means the amount specified in column 3 of that table as the issue fee in respect of a black and white TV licence;

“colour TV licence” means a TV licence of a type referred to in the second entry in column 1 of the table in Schedule 1 to the 2004 Regulations;⁴

“colour TV licence fee” means the amount specified in column 3 of that table as the issue fee in respect of a colour TV licence;

“due date”, in relation to any TV licence, means the date on which the licence holder is required to obtain the licence in accordance with the 2003 Act, whether in consequence of the expiry of a previous licence or otherwise;

“the issue date”, in relation to any TV licence, means the date on which the licence is issued;

¹ 2003 c.21.

² SI 2004/692.

³ TV licence for black and white TVs, broadly in relation to a single specified location (e.g. a person’s home) and associated uses (rather than for multiple locations).

⁴ TV licence for colour TVs, broadly in relation to a single specified location and associated uses (rather than for multiple locations).

“Pension Credit” means the social security benefit known as state pension credit (whether guarantee credit or savings credit) payable under the State Pension Credit Act 2002⁵ or the State Pension Credit Act (Northern Ireland) 2002;⁶

“the specified place”, in relation to a TV licence, means the place, vehicle, vessel or caravan specified (or to be specified) in the licence; and

“TV licence” means a licence for the purposes of section 363 of the 2003 Act authorising the installation and use of a television receiver;

and any reference—

- (a) to the issue of a TV licence includes a reference to its renewal,
- (b) to a person’s residence includes a reference to any place provided for that person’s private occupation.

Over 75s concession

Concession

2. As from 1 June 2020, no fee is payable for a black and white TV licence or a colour TV licence where—
 - (a) the licence is issued to a person who is aged 75 years or more or who will attain that age in the calendar month in which the licence is issued;
 - (b) in that licence, the specified place is the sole or main residence of that person; and
 - (c) the BBC is satisfied that on the date the licence is issued that person is receiving Pension Credit.
3. Paragraph 2 applies only where the specified place referred to in subparagraph (b) is situated in the United Kingdom.

Establishing that a person is receiving Pension Credit

4. The BBC may, for any purposes arising under any provision of this determination, treat as proof that a person is receiving Pension Credit—
 - (a) any relevant communication appearing to the BBC to have been sent to that person within the period of 12 months ending on the day before the day on which they apply for the licence, or
 - (b) any other evidence appearing to the BBC to be appropriate;

⁵ 2002 c.16.

⁶ 2002 c.14.

and in sub-paragraph (a), a “relevant communication” is a communication (in any written form) from the Department for Work and Pensions or (in relation to Northern Ireland) the Department for Communities awarding Pension Credit to that person or continuing (including by increasing or decreasing) such an award.

Interim TV Licences

Interim TV licences

5. As from 1 June 2020, in the UK—
- (a) where a black and white TV licence is issued in the circumstances described in the first entry in column 2 of the table below, the fee for that licence (which may be referred to as an “Interim TV licence (black and white only)”) is the fee specified in the first entry in column 3, and
 - (b) where a colour TV licence is issued in the circumstances described in the second entry in column 2 of the table below, the fee payable for that licence (which may be referred to as an “Interim TV licence (including colour)”) is the fee specified in the second entry in column 3, but an Interim TV licence (of either type) may be issued only in circumstances where the fee payable in accordance with sub-paragraph (a) or (b) above is less than the black and white TV licence fee or the colour TV licence fee, respectively.

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>
<i>Type of licence</i>	<i>Description of licence</i>	<i>Fees</i>
<i>Interim TV licence (black and white only)</i>	A black and white TV licence which— (a) is issued to a person— (i) who has attained the age of 74 years before the due date, and (ii) where the BBC is satisfied that on the issue date they are receiving Pension Credit, and (b) expires on the last day of the calendar month immediately before that in which that person attains the age of 75 years.	An amount equal to one twelfth of the black and white TV licence fee for each calendar month, or part of a calendar month, falling within the relevant period (rounded down to the nearest penny).

<p><i>Interim TV licence (including colour).</i></p>	<p>A colour TV licence which—</p> <p>(a) is issued to a person—</p> <p>(i) who has attained the age of 74 years before the due date, and</p> <p>(ii) where the BBC is satisfied that on the issue date they are receiving Pension Credit, and</p> <p>(b) expires on the last day of the calendar month immediately before that in which that person attains the age of 75 years.</p>	<p>An amount equal to one twelfth of the colour TV licence fee for each calendar month, or part of a calendar month, falling within the relevant period (rounded down to the nearest penny).</p>
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6. In the table above and the paragraphs that follow, “the relevant period”, in the case of any TV licence, means the period which—
- (a) begins on the due date in relation to that licence, and
 - (b) ends on the last day of the calendar month immediately before the calendar month in which the licence holder attains the age of 75 years.

Interim instalment licences

7. As from 1 June 2020, in the UK, where a person (“the eligible person”) is eligible for an Interim TV licence (including colour) according to paragraph (a) in the first entry in column 2 in the table in paragraph 5, and where they are also eligible for (according to Part 1, 2 or 3 of Schedule 2 to the 2004 Regulations (“Schedule 2”)), and issued with, one of the following instalment TV licences, the fee shall be payable in accordance with paragraphs 9 to 11—
- (a) a Premium instalment licence (including colour), as specified in Part 1 of Schedule 2,
 - (b) a Budget instalment television licence (including colour), as specified in Part 2 of Schedule 2, or
 - (c) an Easy entry television licence (not black and white only), as specified in Part 3 of Schedule 2.
8. Paragraph 7 applies only if, as applicable, the total fee calculated according to paragraph 9 is less than the total of the issue fee referred to in paragraph 2(1) of Schedule 2 added to the three further instalments specified there, or that calculated according to paragraph 10 or 11 is less than the colour TV licence fee.
9. The fee payable for a Premium instalment licence issued in the circumstances identified in paragraph 7 (which may be referred to as an “Interim Premium instalment licence”) is the fee specified in the second entry in column 3 of the

table above; and that fee is payable in quarterly instalments as provided by Part 1 of Schedule 2, applied according to, and subject to, paragraph 12 below.

10. The fee payable for a Budget instalment television licence issued in the circumstances identified in paragraph 7 (which may be referred to as an “Interim Budget instalment television licence”) is the fee specified in the second entry in column 3 of the table above; and that fee is payable in monthly instalments as provided by Part 2 of Schedule 2, applied according to, and subject to, paragraph 12 below.
11. The fee payable for an Easy entry television licence issued in the circumstances identified in paragraph 7 (which may be referred to as an “Interim Easy entry television licence”) is the fee specified in the second entry in column 3 of the table above; and that fee is payable in fortnightly or weekly instalments as provided by Part 3 of Schedule 2, applied according to, and subject to, paragraph 12 below.
12. In applying any Part of Schedule 2 to a licence issued in any of the circumstances identified in paragraph 7—
 - (a) there is to be deducted from the instalments which would otherwise be payable in accordance with that Part—
 - (i) in relation to an Interim Premium instalment licence, a sum equal to the difference between PI and the fee referred to in paragraph 9, where PI is the total of the issue fee referred to in paragraph 2(1) of Schedule 2 added to the three further instalments specified there; and
 - (ii) in relation to an Interim Budget instalment television licence or an Interim Easy entry television licence, the difference between the colour TV licence fee and the fee referred to in paragraph 10 or 11 respectively;
 - (b) that deduction is to be made first from the final instalment, then (where necessary) from the preceding instalments working backwards; and
 - (c) where the amount to be deducted is greater than the amount of one or more of the instalments, the immediately preceding instalment is to be reduced by the whole of the additional amount.

Over 75s' Pay As You Go TV licences

Over 75s' Pay As You Go TV licence

13. As from 1 June 2020, in the UK, where—
- (a) a black and white TV licence (which may be referred to as an “Over-75s’ Pay As You Go TV licence (black and white only)”), or
 - (b) a colour TV licence (which may be referred to as an “Over-75s’ Pay As You Go TV licence (including colour)”);
- (in either case, “the new licence”) is issued to a person in the circumstances set out in paragraph 14, that person (“the licence holder”) may, before the licence is issued, elect to pay the fee in instalments in accordance with one of the instalment plans available under paragraph 15, if applicable, or 16.
14. The circumstances referred to in paragraph 13 are that the licence holder—
- (a) was aged 75 years or more on 31 May 2020;
 - (b) is not eligible for a licence for which no fee is payable under paragraph 2 above, and
 - (c) either—
 - (i) on 31 May 2020 was covered by a licence for which no fee was payable when it was issued, by virtue of regulation 6 of the 2004 Regulations (as those Regulations had effect on or before that date), and the new licence is issued on or before 31 May 2021; or
 - (ii) immediately before the due date in relation to the new licence, the licence holder was aged 75 years or more and was covered by an Over 75s’ Pay As You Go TV licence;
- where references to a person being “covered” by a licence are references to that person being authorised by that licence to install and use a television receiver for the purposes of section 363(1) of the 2003 Act, whether that licence was held by them or by another person.
15. Where the licence holder was covered by a TV licence (of any type) on the day immediately before the issue date in relation to the new licence, payments for the new licence shall be determined according to the following table, where A is an amount equal to—
- (a) the black and white TV licence fee in the case of a black and white TV licence, or
 - (b) the colour TV licence fee in the case of a colour TV licence.

<i>Type of instalment plan</i>	<i>Issue fee payable on issue (I)</i>	<i>Number of further instalments (NFI)</i>	<i>When further instalments fall due</i>	<i>Amount of each further instalment (F) (to be rounded down to the nearest penny)</i>	<i>Value of T</i>
<i>Weekly instalments (available only for an Over-75s' Pay As You Go TV licence (including colour))</i>	$I = A - T$	51	On the eighth day of the period beginning with the issue date, and weekly thereafter	$F = A/NFI+1$	$T = F \times NFI$
<i>Fortnightly instalments</i>	$I = A - T$	25	On the fifteenth day of the period beginning with the issue date, and fortnightly thereafter	$F = A/NFI+1$	$T = F \times NFI$
<i>Monthly instalments</i>	$I = A - T$	11	On the first day of the calendar month following that in which the issue date falls, and monthly thereafter	$F = A/NFI+1$	$T = F \times NFI$

16. Where the licence holder was not covered by a TV licence (of any type) on the day immediately before the issue date in relation to the new licence, payments for the new licence shall be determined according to the table above, except that the value of NFI shall be the number of instalments falling due (according to the table above for the relevant instalment plan) between the issue date and the seventh day before the date on which the new licence expires.

Signed on behalf of the BBC Board by
Sir David Clementi
Chair

A handwritten signature in black ink, consisting of the name 'David' followed by 'Clementi'. The 'D' is large and stylized, and the 'i' has a long tail. The 'C' is also large and stylized, and the 'i' has a long tail.

28TH June 2019

Explanatory Note

Purpose and effect

This determination gives effect to the BBC Board's decision to introduce, with effect from 1 June 2020, a TV licence concession so that, in respect of any UK household which is the sole or main residence of someone aged 75 or over and in receipt of Pension Credit, that person will be entitled to a free TV licence to cover the household (paragraphs 2 and 3).

The determination makes other provision relevant to the decision and implementation. Provision is made as to the means by which entitlement to the concession will be established (paragraph 4). Provision is made for interim TV licences, dealing with licences issued to a person aged 74, in a way having similar effect to Schedule 3 to the 2004 Regulations,⁷ but only for those in receipt of Pension Credit (paragraphs 5 to 12). There is also transitional provision to enable those who were entitled to a free TV licence prior to 1 June 2020, but who from that date will have to pay, to pay in small instalments (paragraphs 13 to 16).

Background

Part 4 of the Communications Act 2003 was amended by section 89 of the Digital Economy Act 2017. The 2017 Act was passed on 27 April 2017 and section 89 comes into force on 1 June 2020.⁸ From 1 June 2020, by virtue of sections 365(1A) and 365A of the 2003 Act (as amended), any liability to pay the TV licence fee under the 2004 Regulations is subject to any age-related concession applying in accordance with a determination by the BBC. Any such concession must include a requirement that the person to whom the TV licence is issued, or another person, is of or above a specified age, which must be 65 years or higher, at or before the end of the month in which the licence is issued.⁹

From 1 June 2020, in relation to the UK, there is a prohibition contained in section 365(5A), which provides that regulations made by the Secretary of State may no longer provide for a concession that requires a person, or another person, to be of or above a specified age at or above 65. The prohibition in section 365(5A) has this consequence: that from 1 June 2020 the existing Over 75s concession (for which provision is made in regulation 6(1) and (2) of the 2004 Regulations) ceases to have effect (so far as applying to the UK, by virtue of section 365(5A)). This consequence is also clearly reflected in the

⁷ Communications (Television Licensing) Regulations 2004, SI 2004/692.

⁸ Section 118(3).

⁹ Section 365A(2).

language used in section 365A(3)(a). That means the scheme that gave free TV licences for the sole or main residence of any UK household with someone aged 75 or over will come to an end on 31 May 2020.

The prohibition in section 365(5A) is subject to a statutory exception in the case of licences issued in respect of accommodation for residential care (ARC). Pursuant to section 365(5B) and section 365A(3)(b), the ARC concession provided for by regulation 3(d) of and Schedule 4 to the 2004 Regulations continues in effect. That continuity includes regulation 6(3) – (5) (making provision as to units of accommodation not to be taken into account in calculating the ARC licence fee). The present determination does not deal with or affect ARC licences governed by those provisions.

Before the BBC took its decision they conducted a consultation exercise that commenced in November 2018,¹⁰ asking members of the public and stakeholders for their views on what the BBC should do for the future. On 4 June 2019 the BBC Board decided to exercise its power under section 365A to reform the concession. The Board has now made this determination to give effect to that decision, in the terms specified herein.

In consulting about and making its decision, and making and publishing¹¹ this determination, the BBC is conducting an anticipatory exercise of its powers, as the BBC Board regards all these actions as necessary and expedient for the purpose of giving full effect to section 89 at the time when it comes into force.¹²

¹⁰ Section 365A(8).

¹¹ Section 365A(6).

¹² Interpretation Act 1978. section 13.