

## CONSULTATION ON LICENCE FEES FOR OLDER PEOPLE I.E. OVER 75 YEARS

### BACKGROUND:

- Removal of the free TV licence for over 75s will impact on 4.46million homes.
- The Government funded scheme is expected to cost £745m by 2021/22 after the scheme comes to an end in 2020.
- If the BBC took on responsibility for that sum of funding this would represent a fifth of their budget.
- The ONS published a report on ageing and loneliness in November 2018 and one of its key findings reported that **for 3.9m older people over 75 years, TV is their only source of company**. This number increases weekly in the medium term.
- Research has shown that the **detrimental effects of loneliness** on an individual's health is as **bad as smoking 15 cigarettes a day**. More hard evidence of the effects of loneliness is being gathered. **The detrimental side effects of loneliness are worse than the side effects of obesity**. According to the findings of a study carried out in America in 2017
- The majority of older people at age 74 have at least one long term condition affecting their ability to get out and about.
- Statistics also claim that on average older people spend at least 80% of their time in their home and have mobility problems.

I am grateful for the opportunity to respond to the consultation on licence fees for older people and this response will address the background issues I have identified as key to any decision made.

The BBC could not continue to produce the quality programmes which they produce with a cut of a fifth in their budget.

- 50% concession for all over 75 households, in line with the current discount for people with visual impairments. It estimates the cost to the BBC would be around £400m in 2021/22 which is 56% of the cost of reinstating the present concession, the extra 6% is due to administration. (BBC) Using the figure of £745m (2020 costs). This would save about \$345m (subtracting the £400m from £745m).
- Increase the age threshold to 80 years to align with other pensioner benefits such as the over 80s increase in fuel payments. People over the age of 80 are more likely to live alone so this could help target the concession at those who are more reliant on TV for company. (BBC) using the figure of £745m (2020 costs) this would save about £536m. **People in Derbyshire, already have a average life expectancy of £79.1; for males is also below 80 years at 79.8years. (East Midlands Advisory Forum on Ageing)**

IT is true that that the life expectancy rates have increased since parliament took the decision to provide free TV licences to the over 75s. However the latest figures produced by the **ONS show a significant and alarming decline in this increase since 2011**. Among women in the UK it has dropped from an average of 12.9 weeks every year in 2005 – 2010 to a shocking 1.2 weeks in 2011 to 2015.

- Another proposal is to means test the eligibility for a free TV licence, linked possibly to Pension Credit. Having worked closely with the DWP in recent years, there are millions go unclaimed by those of pension age who do not (will not) claim for pension credit. The cost of means testing is thought to cost the BBC more than paying the benefit. I can say categorically that for taxing those with high incomes to include any benefits in their taxable income has not been tried.

## **REFORMING THE SCHEME.**

**A series of smaller measures/changes brought together could be introduced:**

- 1. Any new scheme must protect the needs of the £3.9m who live alone and rely on TV as their sole form of company. Those who have their needs assessed by local authorities and are also known to their GP practice would be able to pick up on many in this cohort of older people. If known to be housebound they should then have the opportunity to apply for a free or heavily discounted TV licence. Like those who apply for Orange Badges.**
- 2. Studies have shown that many of the patients attending their local surgery, attend because they are lonely and believe they have symptoms of a more serious nature. The Dorset study proved this. Further studies questioning GPs, show that many patients attend their surgery because of a lack of company.**
- 3. By not giving free TV licences to the over 75s who live with someone else such as spouse or partner who is not eligible on the grounds of their age, it is thought this could save the BBC about £150m**
- 4. Raising the age threshold a couple of years before being eligible.**
- 5. Those in qualifying accommodation e.g. sheltered housing, residential care, pay £7.50, the majority are likely to also be over 75 years. This should remain.**
- 6. Transferring the cost to the BBC of subsidising TV licences to older people may force the BBC to consider sponsorship for their programmes, this in turn would take away the freedom of the BBC to produce some of their excellent programmes on the grounds of reduced appeal to watchers.**
- 7. Taking away free TV licences for those who live alone and rely on TV for their sole company will 'shunt' the cost back to the Government i.e. to the NHS GP practices; hospital admissions; Social Care Services (DCLG); the DMCS, and DWP just at a time when social prescriptions are beginning to take root.**
- 8. No one department in Government should bear the cost of subsidising the Free TV Licences, contributions from Government Departments should be levied across the Departments who will be affected most by older people who lose their free TV licence, for each to share the cost.**

**Shelagh Marshall OBE (on behalf of members from those mentioned below)**

**Chair, Future Years, Yorkshire and Humber Forum on Ageing.**

**Lead/ Chair, Age Action Alliance, Loneliness and Isolation Working Group.**