

Stakeholder response on BBC Consultation on licence fees for older people

From Gransnet (www.gransnet.com) - submitted by Cari Rosen, Editor, 11 February 2019

Please note that we are happy for this response to be published by the BBC/partner organisations

Gransnet users shared their views on the various proposals outlined in the consultation. While there was a range of views overall, the vast majority (over 80% of respondents) felt that option 3 (reforming the concession, so that a concession for older age groups would still apply, but in a different way from at present) was their preferred choice, although there was some disparity in how this should be achieved (i.e. via the options suggested in a) b) and c))

The participants who did NOT choose option 3 cited various suggestions to cover the cost, among them:

- Making the BBC operate in the same way as commercial broadcasters (note that many others cite the fact that there are no advertisements as one of the primary reasons that they like the BBC)
- Having advertisements, but also a paid-for ad-free version
- Adopt a more modern flexible charging system (*"it seems wrong that we can't watch anything on any channel unless we have a BBC licence"*)
- Reducing high earners' salaries to keep the licence free for all over 75s (staff and, especially, performers - this was a recurrent theme)
- Contribution from the Government

Reasoning from those who did not choose option 3 included fairness - *"nobody pays or everybody pays"* (option 2) / *"By the age of 75 you would have paid an enormous amount of money to the BBC, which is the only channel to charge a fee, and only being able to watch it a couple of hours a day when working. When you retire and have time to sit and watch, I think you have earned the right to do it for free"*. Also loneliness - *"keep it free. Loneliness is prevalent and a connection to the outside world via television [and radio] can help, at least partly, to alleviate this"* (option 1).

One respondent raised the fact that they are now retired and living on a small pension. If the concession is removed in June 2020 they will not have budgeted for it, nor will they be in a position to earn to cover it.

Others raised the point that viewers of all ages, not just over 75, may not be able to afford a licence and that any concession should be offered on means and not necessarily on age.

Means testing

The participants who did choose option three were split in terms of how the concession should be applied, but generally means-testing in some form was the preferred choice (around 75% of those who selected option 3).

"I can see that it is wrong for people to receive the licence for free when they are in a position to pay for it, but I would hate to think of someone living alone who couldn't turn the TV on because they couldn't pay the fee."

Several Gransnet users stated that they felt happy to carry on paying when they reach 75 because they can afford to. As one said, however, *“Many can’t, therefore my first choice is to allow a free licence to those over 75 who are on pension credit.”*

In terms of how the means testing should work, some suggested using the existing pension credit system would be the best solution, others that taxation was the best way to separate those who could/couldn’t afford to pay.

“My preference is for the value of the television and winter fuel ‘benefits’ to be added to pensions. Anyone who pays tax would be taxed accordingly. Those who don’t would receive the full amount. Paying for a licence could be the last straw for many with very tight budgets [but who are] ineligible for means-tested benefits. The television [and radio] is a tool against loneliness for many older people, their window on the world.”

Option 3a

A (smaller) number of other Gransnet users said that they preferred option 3a. (i.e. keeping a concession, but changing the way it is applied) - some because they felt that option 3c would be too expensive to administer. Their suggestions included

- Over 75s paying 50% of what those under 75% pay
- Following the example of countries who include the TV licence in the equivalent of council tax (so that many older people living on their own would qualify for whatever discount is applied)