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Sent by email: Stakeholder.Responses@bbc.co.uk

7 February 2019

Sir David Clementi
Chairman, BBC Board
BBC Broadcasting House
Portland Place
London W1A 1AA

Dear Sir David,

Re: BBC Consultation on Free TV Licence Fee for over 75s

Introduction

The National Pensioners Convention is the largest campaigning organisation in the UK working with, and for pensioners, to ensure a financially secure and dignified life in retirement.

Whilst we are aware of the formal consultation process that is currently taking place, its format does not allow for us to adequately present our concerns and some of the issues that arise. Specifically, the form is too long, repetitive and is structured in such a way as to illicit the answers the Corporation may want to hear, rather than properly allowing the public to express their views.

We are therefore submitting this letter instead and hope you will consider it as part of the wider responses you receive.

Background

The concessionary TV licence was introduced by the Labour government in its first term in office, and the move was welcomed at the time by the BBC, who saw it as “imaginative and innovative”. In fact, like a number of other additional benefits that were introduced for pensioners during that period – it was seen by government as an alternative to raising the level of the basic state pension and reintroducing a more meaningful system of indexation. In addition, it was – and continues to be seen – as an important mechanism for addressing the growing problems of loneliness, isolation and deteriorating mental health among the country’s older population. As such, the BBC therefore has to recognise that these serious issues would have to be addressed before any reform of the TV concession could take place.

The importance of the concession

For many years the free TV licence has been part of the Department for Work and Pensions (DWP) remit, and quite rightly has been seen as part of government’s wider welfare role in tackling social isolation amongst the older generation. The BBC has no such obligation or responsibility to tackle this issue – it is the responsibility of the government.

In this respect, you will no doubt be aware of the current challenges facing the older population in the UK:

- Half of all individuals 75 and over are disabled and find it difficult to be active
- 1 in 4 say the TV is their only companion
- 18% of all individuals 75 and over live in poverty, compared to 11% of the population as a whole, and the figure is now rising. The UK state pension is the least adequate in the developed world
- At least half of all pensioners have an income of less than £12,000 a year, with millions more receiving incomes of just above that level
- There are around three times as many single, older women as men, and they would be disproportionately affected by any change
- It is estimated that losing part (or all) of this concession will mean a further 50,000 individuals being forced into poverty
- Life expectancy and health inequality in the UK is a serious cause for concern. In some parts of the country, life expectancy is now falling for the first time in a century

In any democracy, access to information is crucial to enable citizens the opportunity to be informed and make decisions - a basic human right. For those individuals who may lose their free licence under your reforms, and simply not be able to pay the fee there would be total isolation and no access to the wider world and daily life.

Means-testing by age or income is totally unacceptable. All the evidence shows that the cost far outweighs any savings means-testing may eventually bring. There is a false assumption that those not in receipt of Pension Credit are better off, but in reality having an income just above the qualifying threshold can mean that you are liable to pay additional costs without any support. In such circumstances, an individual's net income may actually result in them being worse off after they have paid these additional expenses.

Intergenerational Fairness

There is little doubt that over the last few years, an inaccurate and simplistic view of all older people as being wealthy, whilst younger generations struggle, has been gaining prominence. In fact, the BBC's consultation echoes such a narrative. However, there is considerable evidence to show that the income inequality within generations is far greater than that between generations. It is also often overlooked that the current concession has to be claimed, rather than given automatically. It would be interesting to therefore find out whether a number of well known, older BBC presenters and talent had made such a claim.

Nevertheless, the argument regarding one generation subsidising another, is also misleading. If as at present, the concession continued to be financed through general taxation, tax paying pensioners would certainly be making a contribution.

As recognised in the consultation information, the younger generation do not use the TV in the same way as older people. They can download from the internet without even switching on to the BBC. However, this change in viewing habits is not the fault of those over 75s, and if the Corporation is keen to maintain support from the wider population for its unique funding position, this is clearly an area that needs addressing. By contrast, 67% of all those over 65 years of age have no access to the internet, and the BBC must continue to cater for their needs as well.

Of further concern is a recent report in the Sunday Times that the Corporation has altered the timescale for renewing such licences. Until now, licences have been renewed automatically every three years, but that term is now being cut to 12 months, so that any reform of the system, or the scrapping of it, could be accomplished more quickly. The change was apparently made last year without any announcement, and I would be grateful if you could therefore respond with further details and an explanation.

The BBC's role

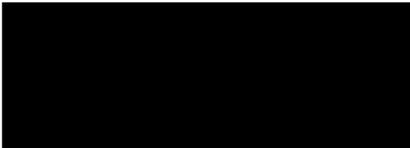
Some research among our members showed that individuals felt that the BBC has lost its impartiality. It is particularly ageist in that the NPC has been refused an invitation to sit on Question Time panels when debating issues of pensions and other areas affecting older people. The reasons given to us were spurious to say the least. The programme on the 17th January was especially appalling in that clearly one panel member was subjected to the most unacceptable behaviour by the presenter – a poor role model for viewers.

The BBC should take a critical look at itself internally before it makes a decision that affects the most vulnerable of the elderly population. It needs to look at other areas of its expenditure, such as the salaries paid to some of its top employees and on-screen talent; legal fees associated with a number of high profile cases, the rising costs of upgrading of the EastEnders set and the way in which the Corporation pays independent production companies and the use of personal service contracts.

Conclusion

Our campaign is to therefore return financial responsibility for this concession to the government, as part of the universal pensioner benefits given in lieu of a decent, living state pension. The BBC can help by putting the same arguments to the government and working to resolve the funding shortfall in a different and more imaginative way.

Yours sincerely



Jan Shortt
General Secretary