

**Peter Heaton-Jones MP** – email response

To whom it may concern,

Please find below my response to the consultation:

I am grateful for the opportunity to take part in this consultation. I will briefly set out my position here for the purposes of the formal process, but I have separately arranged to meet the Head of Public Affairs to discuss this matter in more detail. In doing so, I declare an interest: I worked for the BBC over a twenty year period until 2006. Now, as an MP, I continue to take a close interest in the Corporation and its affairs.

I say from the outset, I am a consistent supporter and defender of the BBC and of its current funding arrangements. I have spoken in Parliament to oppose suggestions that the licence fee should be reduced or 'top sliced', or that the Corporation should be forced to take advertising. I would like my comments to be seen in that context.

My strong view is that all over-75s should continue to receive free licence fees, and that the BBC should *and can* absorb the cost without any reduction in services. Over-75s have consistently been promised that they will continue to receive a free TV licence. When the BBC concluded its charter renewal negotiations with the government, it agreed that responsibility for this provision would pass to the Corporation. It cannot now shirk its responsibility. If the BBC believed it was not deliverable, it should not have accepted the agreement in the first place; an agreement which results in increases to the BBC's income in every year for its duration.

I fundamentally disagree with the BBC's assertion that cuts in programmes and services would be an inevitable result of the Corporation funding, in full, this concession. The BBC's total income in the last financial year was in excess of five billion pounds (nearly four billion of which came directly from licence-payers). The annual cost of providing this concession would be approximately £700 million. The BBC can and must be able to absorb this cost without reducing programmes and services. Indeed I find the threatening tone of the BBC's statement to be entirely inappropriate.

Any commercial organisation with a guaranteed income of more than five billion pounds would be able to fund this concession without any cuts to programmes and services. It would do so through efficiency savings and better financial management. Having worked for the BBC for so long, and staying closely in touch with the Corporation since then, I know there is plenty of scope for both. I agree that the question of stars' salaries is a complete red herring; but it is one which helps the BBC in clouding the issue of where the real savings are to be found. The BBC must carry out a root-and-branch reorganisation of its financial management and a thorough review of its expenditure on resources, both human and otherwise.

In conclusion, the BBC must accept its responsibility to fully fund free TV licences for all 75s, and should not threaten any reduction in services and programmes as a result. I would be grateful for this submission to be included in the formal consultation, and I look forward to discussing it further in person at a later date.

**Peter Heaton-Jones MP**

Conservative, North Devon

Parliamentary Private Secretary – Lord Chancellor & Secretary of State for Justice