

Submission to BBC consultation on licence fee concessions for over 75s
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1. I am submitting brief comments as an independent academic and commentator on communications policy at the University of Westminster..
2. The Frontier Economics report spells out very clearly the profound impact of the BBC taking on the full cost of this concession. The loss of £745m would dramatically change the scale and scope of the BBC to the point where it would become unrecognisable – and quite possibly unable to fulfil its Charter requirements. Over time, it would inevitably shrink to a pale imitation of the cultural institution it represents today – beginning, ironically, at the very moment that the UK aspires to become more “global” as it withdraws from the European Union. It would eventually decline into an equivalent of America’s PBS or Australia’s ABC, a semi-marginalised organisation which no longer had relevance to the everyday lives of viewers, listeners and online users.
3. Not only would this be detrimental to democracy (there would be an inevitable decline in both quality and quantity of reliable news and information across BBC platforms), it would also damage the creative industries which rely on BBC investment to produce the kinds of locally produced first run content which British viewers and listeners demand.
4. This is not what UK viewers want. All the evidence suggest that, in an era of mistrusted news sources and over-the-top American giants such as Netflix and Amazon, British citizens hold the BBC in as much affection as ever and wish to see it continue as a mainstream content-producer across all platforms at the heart of British cultural and democratic life. If such a dramatic cost-cutting decision is to be made, it can only be made by Parliament on the basis of clearly articulated manifesto commitments which spell out the proposed decision and its inevitable impact.
5. All of the options for reforming the concession are problematic. Discounting the cost of the fee for over 75s would still remove over £400m from the BBC’s revenues, involving significant cuts and severely impairing its ability to deliver a universal, high quality service. It would still be regressive, providing those readily able to afford the licence fee with an unnecessary discount – however welcome it might be.
6. Raising the age threshold suffers from precisely the same drawbacks – removing an ever greater sum while still providing a “free” service to many of those perfectly able to pay. It will also do little to alleviate a growing sense of resentment amongst the less well-off younger generations already feeling disadvantaged in housing and pensions policy compared to their parents and grandparents over 60.
7. Means-testing is the least objectionable of the three reform options, offering a non-regressive option which targets those least able to pay whilst minimising damage to the BBC. If the BBC felt obliged to accept some responsibility for adopting an over 75s concession, this would be the only acceptable choice – not only in terms of affordability for poorer pensioners but also in terms of fairness to younger licence payers still required to pay whatever their means.

8. However, I do not believe it is appropriate for the BBC to be forced to adopt a welfare policy that belongs to government and ultimately to Parliament. It is not the BBC's responsibility to determine who should pay the licence fee and under what circumstances. It is a dangerous precedent which exposes the BBC to further government abuses in future: why should over 75s be privileged – the very people who use the BBC most extensively – while those on benefits continue to pay the full rate and subsidise older generations? Once the principle is accepted, any future government may feel entitled to impose further welfare demands on the BBC.
9. My preferred option is therefore to reinstate the over 75s licence fee in its entirety, restoring both universality and fairness. I recognise that pensioner poverty is a serious problem, and it was for precisely this reason that the concession was originally introduced – subsidised by other tax-payers through general taxation. That is the only appropriate way to fund this concession, and responsibility for its implementation should be returned to government.
10. Should the government refuse to accept it, licence payers and BBC users should be left in no doubt that it is the government – and categorically not the BBC – which has decided to impose this financial burden on hard-pressed pensioner households. Ultimately, the BBC must resist government attempts to make it a welfare body rather than a properly resourced engine of British creative endeavour.

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