



BRIEFING PAPER

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TV licence fee statistics

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Summary

This briefing provides statistics on the TV licence fee and general television viewing trends. Licence fee concessions and payment amounts are set by Parliament under [the Communications \(Television Licensing\) Regulations 2004](#).¹ As described in a BBC Trust publication:

“People must be covered by a licence to watch or record live TV on any device, including computers and smartphones”²

Currently annual **TV licence fee is £147** (for colour TV licence).

Key points

Licence fee revenues reached £3.8 billion in 2017

TV licence fee revenues grew from £3.5 billion in 2010/11 to £3.8 billion in 2016/17 (in cash terms). The share of DWP grant as proportion of total licence income remained stable at around 16%, since 2010/11.

Licence fee accounts for three-quarters of BBC funding in 2016/17

Total BBC income in 2016/17 was £4.95 billion. TV licence fee revenues accounted for around 76% of total income. Around 17% of licence fee income was reimbursed by the Department for Work and Pensions to cover the cost of free licences for over 75s.

95% of households own a TV in 2017

In January 2017, around 27 million or 95% of all households in the UK owned a TV set. The number of households owning a TV increased by 4.7 times over the last 60 years, from just under 6 million in 1956 when only 36% of all households had a TV.

Estimated TV licence evasion rate was between 6.2% and 7.2% in 2015/16

The BBC's Licence Fee Unit has estimated that overall evasion rate in 2015/16 was between 6.2% and 7.2%. The highest level was recorded in Scotland (10%) and Northern Ireland (9%). The evasion rate in England and Wales was around 6%.

The number of over 75s licences increased, but share was similar

During the period between 2010/11 and 2016/17 the cost of TV licences for over 75s accounted for around 16% of the licence fee income. In 2016/17 there were 4.4 million licences, an increase of around 13% compared to 2004/05.

TV Licence fee in the UK was the 7th highest compared to other countries

The UK had 7th highest TV licence fee compared to other countries in 2012/13. It was lower than in other countries with similar national broadcaster funding systems, such as Norway (1st), Denmark (2nd) and Switzerland (4th highest).³

Additional information

More information about the Parliamentary debate on the TV licence fee is available in the [Debate Pack for the Westminster Hall debate on E-Petition 170931](#).

Information about decriminalisation of TV licence fee evasion is available in the briefing - [TV licence fee non-payment: decriminalising the offence](#).

¹ TV licensing, FOI - [Who decides which groups get a concession on the licence fee?](#), accessed 05.09.2017

² BBC Trust, [TV licence fee collection](#), 23 January 2017, p. 12

³ IHS Technology (2013) [TV licence fee collection in Europe](#), 31 May 2013

1. BBC Funding and TV licence fee

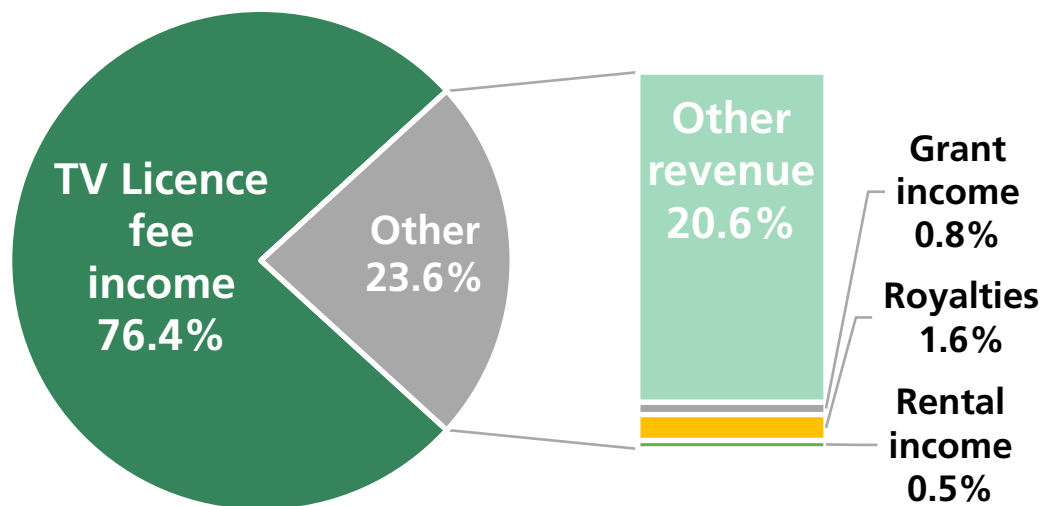
The TV licence fee is used to fund the BBC and other services including: Welsh broadcaster S4C and infrastructure projects such as delivery of superfast broadband.⁴

Data on BBC funding and TV licence fee revenues is available in the [BBC annual reports](#).

Total BBC income in 2016/17 was £4.95 billion, 76% of which came from the licence fee revenues. Around 17% of TV licence fee income was reimbursed by the Department for Work and Pensions to cover the cost for residents aged 75 and over (See section 4 for more details).

Graph 1 shows that BBC received around £3.79 billion or 76% of total funding from the TV licence fee in 2016/17. The remaining 24% or £1.17 billion came from commercial and other activities (such as grants, royalties and rental income).⁵

Graph 1: BBC Income sources in 2016/17



Source: BBC Trust, [BBC Annual Report and Accounts 2016/17](#), p. 131

⁴ BBC Trust, [BBC Annual Report and Accounts 2016/17](#)

⁵ Ibid.

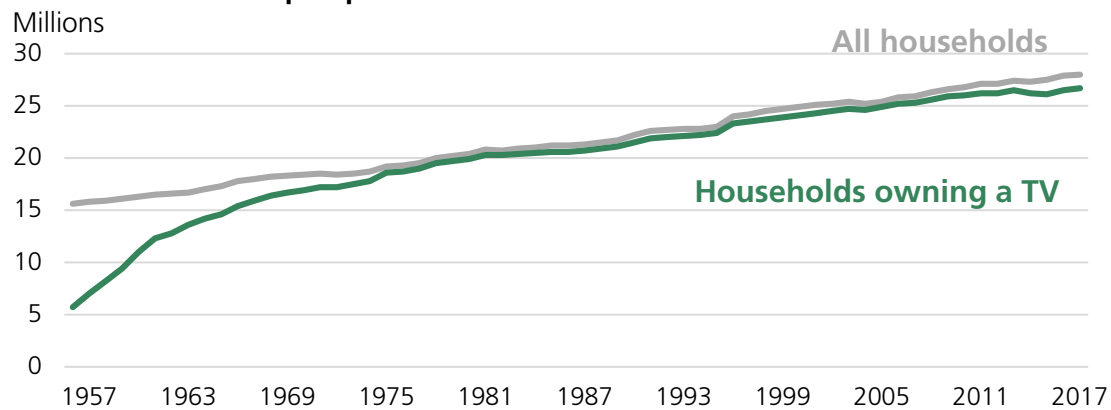
2. TV ownership and TV licence

2.1 Long-term rise and a recent fall in TV ownership

The Broadcasters' Audience Research Board (BARB) publishes data on TV ownership since 1956. This information can be accessed online in BARB website – [TV ownership section](#).

Graph 2a:

Television ownership in private domestic households 1956-2017



Source: [TAM, JICTAR, BARB](#)

In January 2017, around 26.7 million or 95% of all households in the UK owned a TV set. The number of households owning a TV increased by 4.7 times over the last 60 years, compared to 1956 when only 5.7 million or 36% of all households had a TV.

In recent years this proportion has fallen by just under four percentage points compared to 2005 when 98% of all households owned a TV receiver.

2.2 TV licence and TV ownership

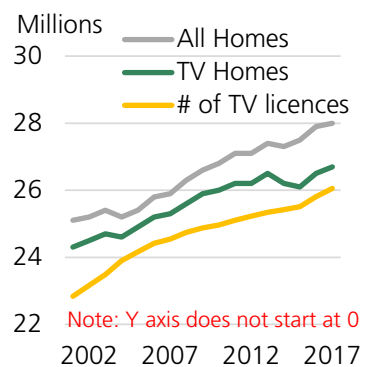
In 2016/17, there were around 26.1 million of TV licences in force. The number of TV licences was around 2% lower than number of homes owning a TV in 2017. This was 4% point decrease in difference compared to 2000/01 (caution should be taken when comparing these figures see Graph 2b notes).

A person does not have to own a TV set to be required to pay an annual TV licence fee. The BBC trust states that:

“People must be covered by a licence to watch or record live TV on any device, including computers and smartphones. A new law in force from September 2016 also requires those watching or downloading BBC content on iPlayer to be covered by a valid TV licence.”⁶

For more information about the factors determining whether a licence is required please refer to BBC Trust publication – [TV licence fee collection publication](#), figure 1 on page 13.

Graph 2b: Households owning a TV & number of TV licences



Note: Y axis does not start at 0

Sources: BARB; BBC accounts

Graph 2b notes:

1. TV licence data shows total number of licences in force, rather than number of households with a licence. Some households may require more than one licence (like student accommodation)
2. TV licence figures are estimates of the number of licences in force and do not include concessionary licences.
3. Reporting month for TV ownership and TV licence data is different

⁶ BBC Trust, [TV licence fee collection](#), 23 January 2017, p. 12

3. TV licence fee collection

3.1 TV licence fee revenues

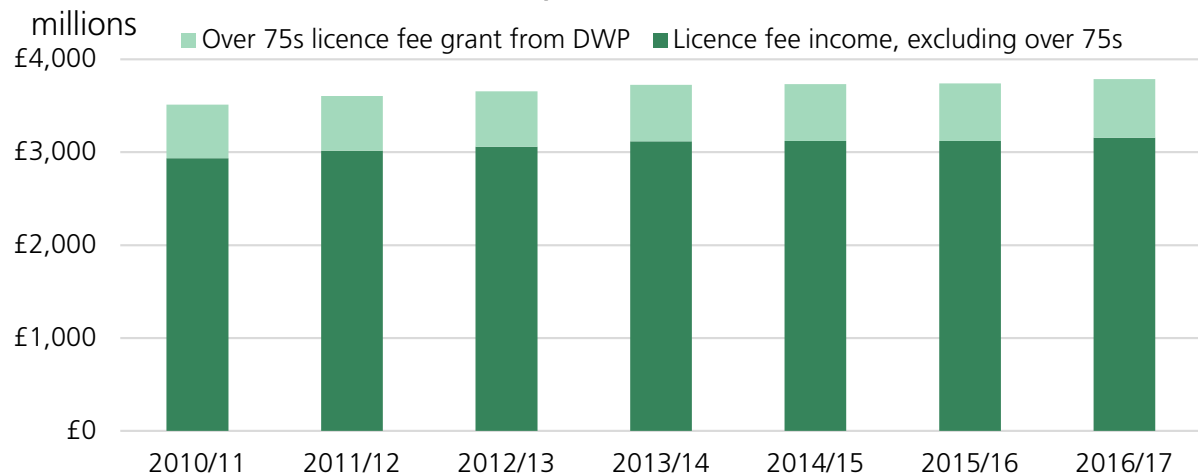
The TV Licence fee concessions and payment amounts are prescribed by Parliament under [the Communications \(Television Licensing\) Regulations 2004](#). As described in the BBC Trust publication: “People must be covered by a licence to watch or record live TV on any device, including computers and smartphones”⁷

The majority of TV viewers under the age of 75 are required to pay the annual TV licence fee (See section 4 for information on TV licence concessions). The Department of Work and Pensions is responsible for covering the TV licence cost for those aged 75 and over. The BBC receives this income as a grant. The total value of DWP annual contribution is calculated based on: “the full cost of the relevant licence (colour or black and white).”⁸

Information about TV licence fee revenues is available in the [BBC annual reports](#) and BBC Trust publication – [TV licence fee collection](#) (January 2017).

Graph 3 shows TV licence fee collection revenues and over 75s licence cost reimbursement value from the DWP. TV licence fee revenues have grown from £3.51 billion in 2010/11 to £3.79 billion in 2016/17 (in cash terms). The share of DWP grant as proportion of total licence income remained stable at around 16%, since 2010/11. In 2016/17, TV licence cost for over 75s was around £0.63 billion.

Graph 3:
Gross TV licence fee revenue collection, 2010/11 to 2016/17



Source: [BBC Annual Report and Accounts 2010/11 - 2016/17](#)

Starting from 2018/19, the BBC will take responsibility for funding free TV licence fees of those over 75. The broadcaster will have to cover full cost of TV licences for over-75s from 2020-21.⁹

⁷ BBC Trust, [TV licence fee collection](#), 23 January 2017, p. 12

⁸ TV Licensing, [Licences facts and figures](#), accessed 04 October 2017

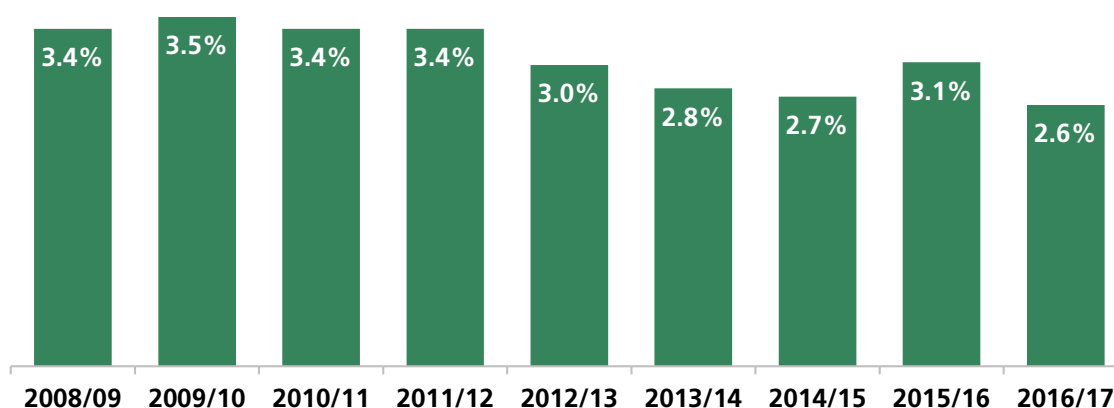
⁹ BBC news, [BBC to fund over-75s' TV licences](#), July 2015

3.2 TV licence fee collection cost

Information about TV licence fee collection cost is available in the [BBC Annual Report and Accounts](#) publications and

Graph 4 shows the licence fee collection cost as proportion of total licence fee revenues.¹⁰ The licence fee collection costs accounted for 2.6% of total income from TV licensing in 2016/17. This was almost one percentage point lower compared to 3.5% in 2009/10.

Graph 4: TV licence fee collection cost as % of licence fee income, 2010/11-2016/17



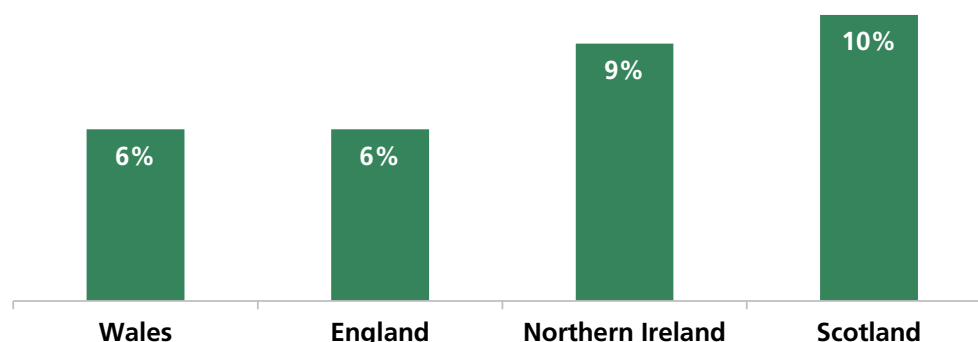
Sources: data for 2008/09-2014/15 TV licensing FOI response - [How is TV Licensing funded and what is the cost of collecting the TV Licence fee?](#); for 2015/16-2016/17 [BBC Annual Report and Accounts 2015/16 - 2016/17](#)

3.3 Licence fee evasion

The BBC's Licence Fee Unit has estimated TV licence fee evasion rate using Broadcasters' Audience Research Board (BARB) data. Figures published in the BBC Trust report – [TV Licence Fee Collection](#) indicates that overall evasion rate in 2015/16 was between 6.2% and 7.2%.

Graph 5 shows a crude estimate of licence fee evasion rate by nation. In March 2016, the highest level of 10% was estimated in Scotland followed by 9% in the Northern Ireland. The TV licence evasion rate in England and Wales was around 6%.

Graph 5: TV licence evasion estimates by nation, March 2016



Source: BBC Trust, [TV licence fee collection](#), 23 January 2017, p. 21

¹⁰ Please note that total licence fee income include DWP licence fee reimbursement for over 75's

4. TV licence fee concessions

4.1 Types of concessions

The TV licence fee concessions regulated by [the Communications \(Television Licensing\) Regulations 2004](#). Information about types of concessions is available on [TV licensing website Freedom of Information section](#). The main groups eligible for concessions include (please use the hyperlinks for more information):

- [People who are aged over 75](#)
- [People who are blind \(severely sight impaired\)](#)
- [People who live in qualifying residential care homes and are disabled or over 60](#)
- [Businesses that provide units of overnight accommodation \(e.g. a hotel\)](#)

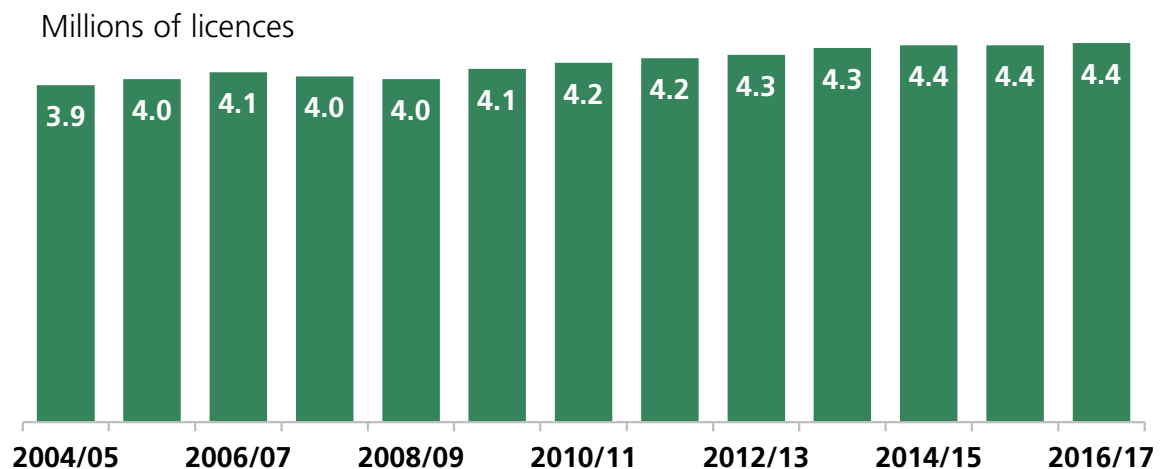
4.2 TV Licence for over 75s

During a period between 2010/11 and 2016/17 the cost of TV licences for over 75s accounted for around 16% of TV licensing revenues.

The BBC has published data on the number of free TV licences for residents aged 75 and over in an FOI request.¹¹ The latest figures are available in [BBC Annual Report and Accounts](#) publication.

Graph 6 shows the number of free TV licences issued for people aged 75 and over. In 2016/17 there were 4.4 million licences, compared to 3.9 million in 2004/05. This was an increase of around 13% compared to 2004/05.

Graph 6:
Number of free over 75 TV Licences in force, 2004/05-2016/17



Sources:

Data for 2004/05- 2014/15: FOI response published on [tvlicensing.co.uk](#)

Data for 2015/16-2016/17: [BBC Annual Report and Accounts 2016/17](#), p. 132

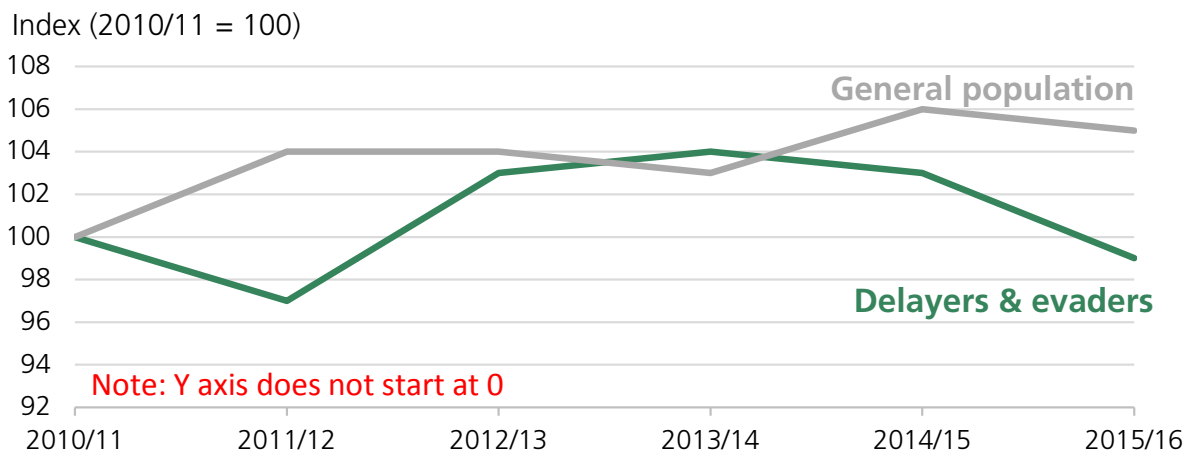
¹¹ The BBC response to FOI: "[How many free, over 75 TV Licences are in force?](#)", this information is available on [TVlicensing.uk](#) website.

5. Public opinion

5.1 Attitudes towards TV licensing

In 2010/11, [TV licensing](#) has developed an index which allows monitoring attitudes towards TV licensing. Data collection for this index was commissioned from Harris Interactive. These estimates were produced using surveys of general population and TV licence evaders. Please refer to – TV licence fee collection publication – section 2.17 for more details about data collection methodology.

Graph 7:
Reputation indices for the general population, and delayers and evaders, June 2010 to March 2016



Source: BBC Trust, [TV licence fee collection](#), 23 January 2017, p. 26

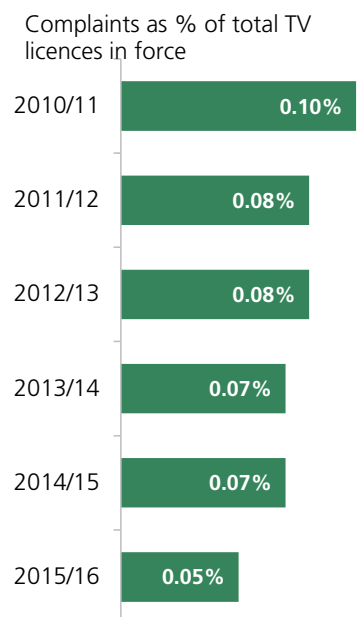
Graph 7 shows the index of attitudes towards the TV licensing. Data suggests that TV licensing was more positively viewed among the general population in 2015/16 compared to 2010/11. Delayers and evaders, however, had more negative attitudes in 2015/16 than six years before. Delayers & evaders' views towards TV licensing has been more positive than those of general population in 2013/14. It has since become more negative than in 2010/11. This was a decrease from index score of 104 in 2013/14 to 99 in 2016/17.

5.2 Complaints about TV licensing

The number of complaints to TV licensing can give an indication about overall satisfaction and attitudes towards TV licensing. The BBC Trust has published data on consumer complaints related to TV licensing in [TV Licence fee collection](#) publication.

Graph 8 displays data on share of complaints as percentage of total TV licences in force. This data indicates that proportion of complaints decreased by half from 0.10% in 2010/11 to 0.05% in 2015/16. There were around 11,950 complaints received in 2015/16.

Graph 8: Complaints to TV Licensing, 2010/11 – 2015/16



Source: BC Trust, [TV licence fee collection](#), 23 January 2017, p. 27

6. Changing viewing habits

This section provides a short overview about changes in TV viewing habits over time.

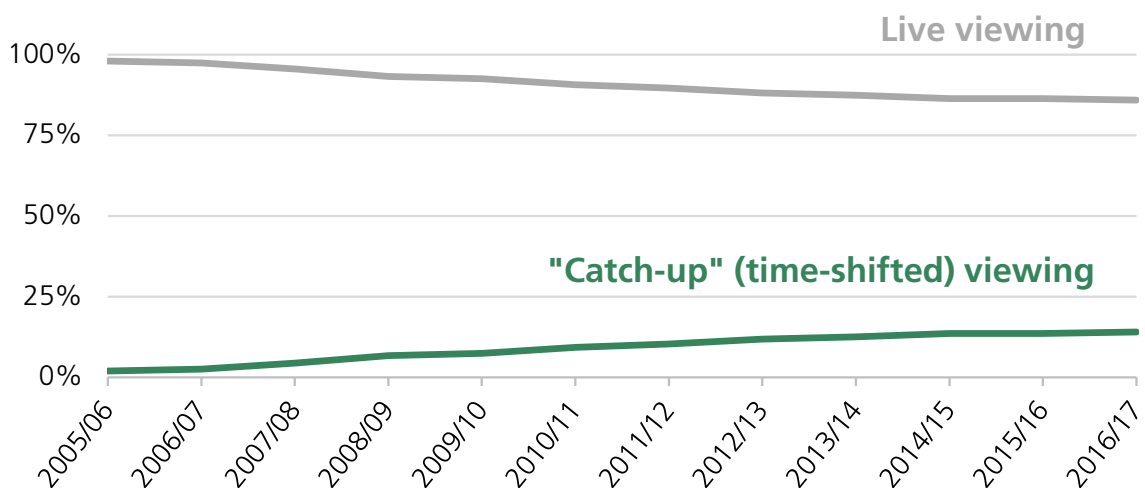
6.1 Fewer live TV viewers

The proportion of viewers choosing “catch-up” TV versus live broadcast increased rapidly over the last decade.

Live versus “Catch-up” TV viewing data is available on The Broadcasters’ Audience Research Board (BARB) website - [Catch-up & live TV compared](#) section.

Graph 9 shows live vs time-shifted TV viewing as proportion of total viewers. In September 2017, around 14% watched “catch-up” television. This is almost 12 percentage point increase compared to around 98% viewers watching live TV in September 2006.

Graph 9:
Live vs time-shifted TV viewing, 2006/07 - 2016/17



Note: figures are as at September each year, based on earliest September estimates available on BARB website (recording date varies between 1 and 8 September)

Source: BARB, [Catch-up & live TV compared](#)

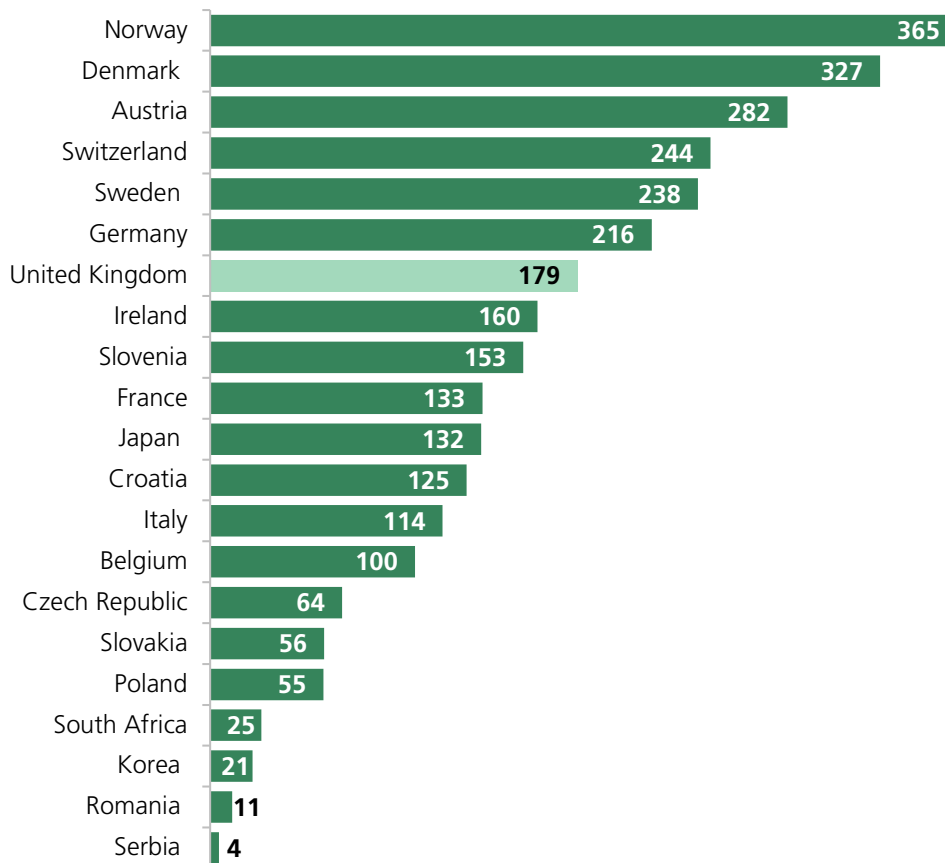
7. International comparison

The UK’s model when advertisement or subscription fee is not a part of funding is also present in Denmark, Sweden and Norway. These are the only countries in Europe that have such funding model.¹²

The BBC has published comparable IHS Technology data on TV licence fees in different countries as at 2012/13.

Graph 10 illustrates the TV licence fee rate around the world. The TV licence fee in the UK was ranked 7th highest compared to other countries in 2012/13. It was lower than in other countries with similar national broadcaster funding systems, such as Norway (1st), Denmark (2nd) and Switzerland (4th highest).¹³

Graph 10:
Annual TV licence fees across the world, 2012/13 (Euros)



Source:

BBC news, Tim Masters (2014) [‘How is TV funded around the world?’](#), 14 March 2014.

¹² BBC news, Tim Masters (2014) [‘How is TV funded around the world?’](#), 14 March 2014.

¹³ IHS Technology (2013) [‘TV licence fee collection in Europe’](#), 31 May 2013,

8. Appendix tables

Data associated with graph 2 and other visualisations used in this publication is available for download as Excel spreadsheet on parliament.uk website:

[TV licence fee statistics – House of Commons Library briefing](#)

Data for graphs 3 and 4:

TV licence fee revenues and collection cost, 2010/11 to 2016/17

(not adjusted for inflation (£millions))

Year	Over 75s licence fee grant from DWP	Licence fee income, excluding over 75s	licence fee collection cost
2010/11	£579	£2,934	£124.4
2011/12	£588	£3,018	£126.1
2012/13	£597	£3,059	£111.4
2013/14	£608	£3,118	£102.2
2014/15	£613	£3,122	£101.4
2015/16	£622	£3,121	£114.6
2016/17	£630	£3,157	£82.2

Source: [BBC Annual Report and Accounts 2010/11 - 2016/17](#)

Data for graph 5:

TV licence evasion rate estimates by nation, March 2016

	TV licence evasion rate
Wales	6%
England	6%
Northern	9%
Scotland	10%

Source: BBC Trust, [TV licence fee collection](#), 23 January 2017, p. 21

Data for graph 6:

Number of free over 75 TV Licences are in force, 2004/05-2016/17

Financial year	Number of over 75 licences
2004/05	3.9
2005/06	4.0
2006/07	4.1
2007/08	4.0
2008/09	4.0
2009/10	4.1
2010/11	4.2
2011/12	4.2
2012/13	4.3
2013/14	4.3
2014/15	4.4
2015/16	4.4
2016/17	4.4

Sources:

Data for 2004/05- 2014/15: [FOI response published on tvlicensing.co.uk](#)

Data for 2015/16-2016/17: BBC [Annual Report and Accounts 2016/17](#), p. 132

Data for graph 7:

Reputation indices for the general population, and delayers and evaders, June 2010 to March 2016

Year	Delayers & evaders	General population
2010/11	100	100
2011/12	97	104
2012/13	103	104
2013/14	104	103
2014/15	103	106
2015/16	99	105

Source: BBC Trust, [TV licence fee collection](#), 23 January 2017, p. 26

Data for graph 8:

Complaints to TV Licensing, 2010/11 – 2015/16

Year	Complaints as % of TV licences in force
2010/11	0.10%
2011/12	0.08%
2012/13	0.08%
2013/14	0.07%
2014/15	0.07%
2015/16	0.05%

Source: BBC Trust, [TV licence fee collection](#), 23 January 2017, p. 27

Data for graph 9:

Live vs time-shifted TV viewing as at September, 2006/07 - 2016/17

Year	Time-shifted viewing	Live viewing
2005/06	2%	98%
2006/07	3%	97%
2007/08	4%	96%
2008/09	7%	93%
2009/10	7%	93%
2010/11	9%	91%
2011/12	10%	90%
2012/13	12%	88%
2013/14	13%	88%
2014/15	14%	86%
2015/16	14%	86%
2016/17	14%	86%

Note: figures are as at September each year, based on earliest September estimates available on BARB website (recording date varies between 1 and 8 September)

Source: BARB, [Catch-up & live TV compared](#)

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