



DEBATE PACK

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Debate on three e-petitions on the BBC

By John Woodhouse
Maria Lalic
Sue Holland

Summary

A Westminster Hall debate on e-petitions 234627, 234797 and 235653 on the BBC is scheduled for Monday 15 July 2019 at 4.30 pm. The Member leading the debate is Helen Jones MP.

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The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

1. Background

1.1 The future of the TV licence

A TV licence is needed to:

- watch or record programmes as they're being shown on TV or live on an online TV service;
- download or watch BBC programmes on iPlayer;

This applies to *any provider* used and *any device*, including a TV, desktop computer, laptop, mobile phone, tablet, games console, digital box or DVD/VHS recorder.¹

A licence isn't needed if you:

- never watch or record programmes on any channel as they're being shown on TV or live on an online TV service, and never download or watch BBC programmes on iPlayer – live, catch up or on demand.²

The legislative basis for TV licences

[Part 4](#) of the Communications Act 2003 (as amended) covers the licensing of television reception. Section 363 of the Act states:

(1) A television receiver must not be installed or used unless the installation and use of the receiver is authorised by a licence under this Part.

(2) A person who installs or uses a television receiver in contravention of subsection (1) is guilty of an offence.

(3) A person with a television receiver in his possession or under his control who-

(a) intends to install or use it in contravention of subsection (1), or

(b) knows, or has reasonable grounds for believing, that another person intends to install or use it in contravention of that subsection, is guilty of an offence...

What constitutes "use" of a television is defined in section 368(3):

(3) References in this Part to using a television receiver are references to using it for—

(a) receiving all or any part of any television programme, or

(b) receiving all or any part of a programme included in an on-demand programme service which is provided by the BBC

¹ TV Licensing [website](#); See also the FAQ "Don't have a TV? You could still need a TV Licence for other devices" available from [Do I need a TV licence?](#)

² TV Licensing website, [Telling us you don't need a TV licence](#)

The Act is supported by the Communications (Television Licensing) Regulations (SI 2004/692) (as amended). These define a “television receiver” as:

(...) any apparatus installed or used for the purpose of receiving (whether by means of wireless telegraphy or otherwise) -

(a) any television programme service, or

(b) an on-demand programme service which is provided by the BBC,

whether or not the apparatus is installed or used for any other purpose.

The Regulations also set out the various types of television licence, the criteria for obtaining them, the fees payable, and the different concessions available (including for people who are blind, people who are aged over-75, and people who live in residential care). The [TV Licensing](#) website gives further information on these areas.

A standard colour TV licence costs £154.50. Various payment options are available.³

The maximum fine for not having a licence is £1,000.⁴

Licence fee revenue

The TV licence fee is the main component of the BBC’s funding. Total licence fee income for 2017/18 was £3.83 billion.⁵

A January 2017 National Audit Office [report](#) estimated the cost of licence fee evasion to be between £251m and £291m in 2015-16.⁶

Alternatives to the licence fee

In February 2015, the Culture, Media and Sport Committee published a [report](#) on the future of the BBC. Chapter 6 looked at the funding of the BBC and the future of the licence fee. This noted that some people see the licence fee as “anachronistic given the changes in communications and media technology and services over the last decade” and that some “dislike paying for a service they use seldom or not at all.”⁷

A table on p71 of the report summarised the advantages and disadvantages of the licence fee:

³ TV Licensing website, [Ways to pay for a TV Licence](#)

⁴ *Communications Act 2003* s363(4)

⁵ Commons Library Briefing Paper, [TV licence fee statistics](#), CBP 8101, 10 January 2019, p3

⁶ NAO, [TV licence fee collection](#), January 2017, p22

⁷ Culture, Media and Sport Committee, [Future of the BBC](#), HC 315 2014-15, February 2015, p70

Television licence fee	
Advantages:	Disadvantages:
Simple and straightforward	It is regressive—all pay the same regardless of income or size of household
Secure and more predictable source of income which allows for long-term planning	No choice: it is compulsory for TV homes that do not use BBC services
Meant in theory to maintain the BBC's independence from commercial and political considerations	Homes that watch only catch-up TV online, listen to radio and/or use BBC online get a free ride.
Allows the BBC sufficient income to benefit from economies of scale	Expensive to collect ²⁶⁵
Universality—where BBC's services are available on a free-at-the-point-of-use basis	5.5% evasion rate ²⁶⁶
The charge is associated in people's minds with paying for BBC services	

Alternative mechanisms for funding the BBC include advertising and sponsorship, subscription, general taxation, or a mix of some or all of these. Public broadcasters in other countries are funded by a combination of licence fee or taxation and advertising (e.g. France, Germany and the Netherlands). The Committee looked at the alternatives before concluding:

There currently appears to be no better alternative for funding the BBC in the near term other than a hypothecated tax or the licence fee. However, the principle of the licence fee in its current form is becoming harder and harder to sustain given changes in communications and media technology and services, and changing audience needs and behaviours. Given this is the case, we do not see a long-term future for the licence fee in its current form.

We believe that the forthcoming round of Charter Review should not rush profound changes such as the abolition of the licence fee model but the BBC must prepare for the possibility of a change in the 2020s...

We conclude that a degree of subscription could be a possibility in the future if the BBC moved to a more personalised service and this could be in accordance with Lord Hall's vision for personalisation of BBC content consumption. However, careful thought would need to be given as to what content should remain universally available and free-to-air, and how this should be funded, protected from inappropriate influence and delivered to the public.⁸

Petition calling for the abolition of the TV licence

Petition Number [235653](#) claims that: "The quality of BBC programmes do not reflect the price of the TV license. It is far too expensive for the majority of people and should be abolished".

⁸ Ibid, p76

The petition closed on 20 June 2019 and received 246,734 signatures.

In response, the Government said:

The licence fee is payment for a licence to watch or receive television programmes. It is not a fee or charge for BBC services and is payable regardless of whether the licence holder ever watches the BBC. Licence fee revenue is not just used to fund the BBC, it is also used for other strategic public service objectives including broadband, local television and S4C.

The licence fee funding model was considered as part of Charter Review 2015-16. The BBC Charter Review consultation received over 192,000 responses and found the majority of the public do not want to see a change in the way that the BBC is funded: 60% thought the current licence fee model did not need to be changed, while only 3% of respondents supported a subscription model and 1.5% advertising.

The current system commands wider public support than any alternative model provides the BBC with a sustainable core income paid by all households who watch or receive television. As a result, the government committed to maintain the current licence fee funding model for the duration of the current Charter period.

The Government is therefore committed to ensuring the BBC continues to deliver high quality, distinctive content for all audiences. That is why we have guaranteed the licence fee level will increase with inflation until 2022.

On editorial matters, the BBC is operationally and editorially independent from government and the government cannot intervene in the BBC's day-to-day operations. As the BBC's independent regulator, Ofcom is responsible for ensuring the BBC delivers for audiences - including how the BBC meets its mission and public purposes.

1.2 Free TV licences for the over-75s

TV licences for the over-75s have been free since November 2000. The concession is received by around 4.5 million households. In 2021/22, the cost is expected to be £745 million.

In July 2015, a funding deal was agreed between the Government and the BBC. A key element of the deal was that the BBC would take over the funding of free TV licences for the over-75s. Responsibility for the cost of the concession transfers to the BBC in June 2020. The legislative basis for this is section 89 of the *Digital Economy Act 2017*.

On 10 June 2019, the BBC announced, after a [consultation](#), that the current scheme will end. From 1 June 2020, a free TV licence will only be available to a household with someone aged over 75 who receives pension credit.

For further detail, see the Library Briefing Paper, [Free TV licences for the over-75s](#).

Petition calling for free TV licences for the over-75s to continue

Petition Number [234627](#) calls for the continued funding of “free TV licences for the over 75s in the future” and claims that:

Removing them will only penalize the poorest old age pensioners, many who rely on their television for company and their main source of entertainment.

The petition closed on 17 June 2019 and received 171,980 signatures.

In response, the Government said:

The Government is clear that the future of the over 75 licence fee concession is the responsibility of the BBC from June 2020.

The Government recognises the importance of television to people of all ages, particularly for older people who value television as a way to stay connected with the world.

In the 2015 funding settlement, the Government agreed with the BBC that responsibility for the concession will transfer to the BBC in June 2020. In return the Government closed the iPlayer loophole and committed to increase the licence fee in line with inflation. The Government and the BBC agreed this was a fair deal. This reform was subject to public discussion and debated extensively during the passage of the Digital Economy Act 2017 through Parliament.

The future of the concession is the responsibility of the BBC. The BBC has announced that, from June 2020, only people who are aged 75 and above and in receipt of Pension Credit will continue to receive a free television licence. The BBC received views from over 190,000 people as part of their broader public consultation on the issue. It said the cost of the free TV licence concession for those over 75 would amount to £745m by 2021/22, which it said would threaten the future of services including BBC 2, BBC 4, BBC News Channel and Radio 5Live. It said restricting the concession to those on pension credit was ‘the fairest and best outcome’. The BBC estimates the costs of implementing the restricted concession at £250m in the first year.

Pension Credit is an income-related benefit which targets help at the poorest pensioners who have been unable to provide for their retirement. It provides a minimum income for people in retirement in addition to the State Pension. Approximately 900,000 people over 75 are currently in receipt of Pension Credit; this would rise to approx 1.5m people if all those entitled took it up.

The Government has expressed its disappointment with the BBC’s decision. It believes the BBC can, and should do more to support older people. It is the BBC’s responsibility to ensure its substantial licence fee income is used effectively to deliver fully for UK audiences. The Government has asked the BBC to look at further measures to support older people.

1.3 BBC impartiality

The BBC is an independent body governed by [Royal Charter](#) (Cm 9365, December 2016). The Charter is the constitutional basis for the BBC. It sets out the BBC’s object, mission and public purposes. It also outlines the Corporation’s governance and regulatory arrangements.

The Charter is accompanied by an [Agreement](#) (Cm 9366, December 2016). This gives further detail on topics outlined in the Charter.

Under the terms of the Charter and Agreement, the BBC is operationally and editorially independent of government. Article 3 of the Charter states:

3. The independence of the BBC

(1) The BBC must be independent in all matters concerning the fulfilment of its Mission and the promotion of the Public Purposes, particularly as regards editorial and creative decisions, the times and manner in which its output and services are supplied, and in the management of its affairs.

(2) Paragraph (1) is subject to any provision made by or under this Charter or the Framework Agreement or otherwise by law.

Article 5 states:

5. The BBC's Mission

The Mission of the BBC is to act in the public interest, serving all audiences through the provision of impartial, high-quality and distinctive output and services which inform, educate and entertain.

Article 6(1) on the BBC's public purposes states:

6. The Public Purposes

The Public Purposes of the BBC are as follows.

(1) To provide impartial news and information to help people understand and engage with the world around them: the BBC should provide duly accurate and impartial news, current affairs and factual programming to build people's understanding of all parts of the United Kingdom and of the wider world. Its content should be provided to the highest editorial standards. It should offer a range and depth of analysis and content not widely available from other United Kingdom news providers, using the highest calibre presenters and journalists, and championing freedom of expression, so that all audiences can engage fully with major local, regional, national, United Kingdom and global issues and participate in the democratic process, at all levels, as active and informed citizens.

(...)

The BBC's [Editorial Guidelines](#) are available online and include a [section on impartiality](#).

Ofcom as BBC regulator

Ofcom is the BBC's external regulator. Information on Ofcom's role is available from its [website](#).

The BBC's [Operating licence](#) (October 2017) sets out the regulatory conditions that Ofcom considers appropriate for requiring the BBC to, among other things, fulfil its mission and promote the public purposes.

Ofcom's first [annual report](#) on the BBC was published in October 2018. This looked at the BBC's provision of news and current affairs. The report said that "in many respects" the BBC was performing well in this area. However, given the "complex news landscape", Ofcom would review the BBC's news and current affairs output and "how it can continue to be a trusted destination for audiences":

The BBC is required to provide impartial news and information to help people understand and engage with the world, as set out in public purpose. This role is central to the BBC's remit and it is recognised as a key function by individuals and UK society.

Today's news environment is complex. The growth of news online, and the way it is delivered over smartphones and social media, have led to rapid changes in how we consume news and in the number of sources available. There are also questions about the trustworthiness of some social media and other online news sources. These developments heighten the importance of the BBC as a trusted provider of news and current affairs.

In many respects, the BBC is performing well in this area. It is the most-used source of news across TV, radio and online platforms. It is also the most commonly followed news organisation on key social media sites. When we asked audiences to rate different aspects of the BBC's news, more than seven in ten rated the BBC highly for providing high-quality, trustworthy, and accurate news, that helped them understand what's going on in the world. More than eight in ten rate the BBC's current affairs TV programmes highly for providing high-quality commentary, investigative journalism, and for helping them understand what is going on in the world.

Given its growing importance in an increasingly complex news landscape, we will review the BBC's news and current affairs output and how it can continue to be a trusted destination for audiences.

This will inform our consideration of the BBC's delivery of purpose 1 over the Charter period. We will look at how the BBC is adapting to the changing news landscape to ensure it remains relevant to, and delivers news and current affairs for, all audiences.

In particular, we will look at how it seeks to provide both depth of analysis and range of content in its news and current affairs output across its TV, radio and online services. This is key to helping audiences engage fully with major local, regional, national and global issues and participate in the democratic process, and the BBC has a particular responsibility here, given its remit. In addition, the BBC's impartiality underpins its role as a trusted provider of news. In view of this, and the public's strong interest in the BBC's impartiality, we will look at the tools and techniques it is using to ensure it continues to deliver impartial news and current affairs in the changing news environment.⁹

The March 2019 terms of reference of the review are available from Ofcom's [website](#). Ofcom expects to publish its findings in autumn 2019.

Petition calling for public inquiry into BBC bias

Petition number [234797](#) calls for a public inquiry into BBC bias. According to the petition, the "impartiality of the BBC is in question and needs addressing so as to protect its charter".

The petition closed on 17 June 2019 and received 105,422 signatures.

⁹ [Ofcom's annual report on the BBC](#), October 2018, pp13-4, emphasis in original, footnotes removed

In response, the Government said:

The BBC has a duty to deliver impartial, accurate news coverage and content under its Charter. Perceived editorial bias at the BBC is a matter for Ofcom as the independent regulator, not government.

Impartiality is a key part of the BBC's mission set out in the BBC Charter. The BBC's mission is 'to act in the public interest, serving all audiences through the provision of impartial, high quality and distinctive output and services which inform, educate and entertain'. One of the BBC's public purposes is to ensure that news and current affairs content is impartial, provided to the highest editorial standards, and offers a range and depth of analysis and content not available elsewhere.

It is for the BBC Board, not government, to set editorial standards and ensure the quality and impartiality of all BBC's content. BBC Editorial Guidelines sets out that impartiality lies at the heart of the BBC's commitment to audiences. The BBC Director-General is the editor-in-chief with final responsibility for BBC editorial matters of the BBC.

The BBC is independent of government and regulated by Ofcom. It is for Ofcom to hold the BBC to account on a range of areas, including perceived BBC bias. The BBC must comply with the Ofcom Broadcasting Code which contains rules for broadcasters on due impartiality and due accuracy and undue prominence of views and opinions. Ofcom sets the BBC operating licence which contains conditions it considers necessary for requiring the BBC to meet its mission and public purposes.

2. Media

2.1 Press releases

Digital, Culture, Media and Sport Committee

[Committee to examine BBC's proposed TV licence fee changes for over 75s](#)

20 June 2019

BBC

[BBC puts fairness and supporting those most in need at the heart of decision on over 75s licence fees](#)

10 June 2019

2.2 Articles and blogs

Civitas

[Crowdfunding to challenge BBC bias](#)

05 July 2019

Times

[BBC blames austerity for end of free licences for over-75s](#)

19 June 2019

Times

[Licence fee pain will fall on vulnerable, admits BBC](#)

12 June 2019

BBC

[BBC must do more for older people after TV licence fee change, government says](#)

11 June 2019

BBC

[BBC Board decision on licence fees for older people](#)

10 June 2019

BBC blog

[The future of free television licences for over 75s](#)

By Sir David Clementi, BBC Chairman & Tony Hall, Director General of the BBC

10 June 2019

iNews

[BBC News must ignore false claims of Brexit bias and re-establish its authority](#)

04 June 2019

The Observer

[Is BBC news broken? And if so, how do we fix it?](#)

26 May 2019

Guardian

[BBC impartiality has taken hit, director general admits](#)

28 March 2019

The Week

[BBC bias: is the broadcaster really impartial?](#)

26 March 2019

Financial Times

[Mark Thompson: BBC should not pay for free licences for over-75s](#)

17 March 2019

Prospect Magazine

[Could Brexit break the BBC? The tensions, the bewildering question of 'balance'—and how to get it right](#)

05 March 2019

Telegraph

[The supposedly impartial BBC should hang its head in shame at its relentless bias](#)

23 February 2019

BMG Research

[Is the BBC biased? BMG reveals public perceptions of broadcaster impartiality in the UK](#)

16 May 2018

Press Gazette

[Ofcom to review depth of analysis and impartiality of BBC news and current affairs output](#)

26 October 2018

Cable.co.uk

[BBC Charter Review: new study reveals startling lack of public support for BBC in current form](#)

6 September 2017

openDemocracy

[The BBC is neither independent or impartial: interview with Tom Mills](#)

25 January 2017

Radio Times

[BBC boss: the licence fee is here to stay](#)

23 November 2016

BBC

[No long-term future for BBC licence fee, MPs say](#)

26 February 2015

BBC blog

[Why the licence fee is the best way to fund the BBC](#)

14 July 2014

3. Parliamentary Business

3.1 Ministerial Statements

[Response to Opposition Day Debate: Over-75s Licence Fee Concession](#)

Made by Jeremy Wright, The Secretary of State for Digital, Culture, Media and Sport (Jeremy Wright)

4 July 2019

3.2 Debates

[TV Licences for Over-75s](#)

HC Deb 8 May 2019 cc575-621

[Ofcom: Impartiality](#)

HL Deb 29 October 2018 cc1188-98

[TV Licence Fee](#)

HC Deb 20 November 2017 cc257-96WH

3.3 Parliamentary Questions

[Television: Licensing](#)

Asked by: Lord Foulkes of Cumnock

To ask Her Majesty's Government what information and advice they intend to provide to carers who work with people who are over 75 to help them to pay for a TV licence from June 2020.

10 July 2019 | Written questions | House of Lords | HL16800

Answered by: Lord Ashton of Hyde | Department: Department for Digital, Culture, Media and Sport

[TV Licences for Over-75s](#)

Asked by: Gavin Newlands

If he will support the maintenance of free TV licences for the *over-75s*

Answered by: Jeremy Wright | Department: Digital, Culture, Media and Sport

04 July 2019 | Oral questions - 1st Supplementary | House of Commons | 662 c1327

[Television: Licensing](#)

Asked by: Jones, Gerald

To ask the Secretary of State for Digital, Culture, Media and Sport, what assessment he has made of the potential effect of the withdrawal of free TV licences for over-75s on the (a) well-being and (b) isolation of elderly people.

Answered by: Jeremy Wright | Department: Department for Digital, Culture, Media and Sport

04 July 2019 | Written questions | House of Commons | 271553

[BBC: Brexit](#)

Asked by: Lord Pearson of Rannoch

To ask Her Majesty's Government what assessment they have made of the Civitas publication *The Brussels Broadcasting Corporation?* and of the BBC's coverage of Brexit, set against its new Charter and guidelines

Answered by: The Parliamentary Under-Secretary of State, Department for Digital, Culture, Media and Sport (Lord Ashton of Hyde) (Con)

30 January 2018 | Oral questions - Lead | House of Lords | 788 cc1412-5

[BBC: Subscriptions](#)

Asked by: Tomlinson, Justin

To ask the Secretary of State for Digital, Culture, Media and Sport, what discussions he has had with the BBC on the introduction of subscription for non-core services provided by that corporation.

Answered by: Margot James | Department: Department for Digital, Culture, Media and Sport

22 January 2018 | Written questions | House of Commons | 122747

[BBC: Political Impartiality](#)

Asked by: Whittaker, Craig

To ask the Secretary of State for Culture, Media and Sport, with reference to the proposals in his Department's White Paper, *A BBC for the future*, published in May 2016, what discussions he has had with

the BBC on challenging a perceived culture of political bias at the corporation.

Answered by: Mr Edward Vaizey | Department: Department for Culture, Media and Sport

24 May 2016 | Written questions | House of Commons | 37600

3.4 Early Day Motions

[TV licences for over-75s](#)

EDM 2046, 4 February 2019

[BBC licence fee agreement](#)

EDM 2502, 18 June 2019

[BBC television licence fees](#)

EDM 2483, 13 June 2019

[Free television licences for pensioners](#)

EDM 2339, 29 April 2019

4. Organisations and further reading

[BBC Trust Statement: TV Licence Fee for 2019](#), HC 2304 2017-19, 2 July 2019

Ipsos Mori, [Age-Related TV Licence Policy](#), 11 June 2019

Ofcom, [Terms of reference: Review of BBC news and current affairs](#), 05 March 2019

Ofcom, [Ofcom's annual report on the BBC](#), 20 December 2018

MBG Research, [Is the BBC biased? BMG reveals public perceptions of broadcaster impartiality in the UK](#), 16 May 2018

Office for Budget Responsibility

[BBC licence fee receipts and expenditure](#)

2018

Committee of Public Accounts, [BBC licence fee](#), HC 1037, 26 April 2017

National Audit Office, [TV licence fee collection](#), 23 January 2017

[BROADCASTING Copy of Royal Charter for the continuance of the British Broadcasting Corporation](#), Cm 9365, December 2016

[BROADCASTING An Agreement Between Her Majesty's Secretary of State for Culture, Media and Sport and the British Broadcasting Corporation](#), Cm 9366, December 2016

Institute of Economic Affairs, [In Focus: The Case for Privatising the BBC](#), 28 April 2016

Select Committee on Communications, [BBC Charter Review: Reith not revolution](#), HL 96, 24 February 2016

Chapter 5: Process for setting the level of the Licence fee

Department for Culture, Media & Sport, [A BBC for the future: a broadcaster of distinction](#), Cm 9242, 12 May 2016

Institute of Economic Affairs, [In Focus: The Case for Privatising the BBC](#), Edited by Philip Booth, April 2016

Culture, Media and Sport Committee, [Future of the BBC](#), HC 315, 26 February 2015

Chapter 6: Funding

[TV licence fee](#), TaxPayers' Alliance

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