



NUJ response to the DCMS consultation on decriminalising TV licence evasion

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1. Decriminalisation of the licence fee will inevitably affect the income of the corporation; the BBC estimates it would lead to a loss of £200m, media consultant Enders Analysis has suggested the shortfall could top £500m. The latest round of BBC cuts will result in the loss of 2,000 journalist jobs. Hardest hit has been the English regions, where 450 posts are being cut and savings of £25m will have to be made by 2022. BBC News had already announced 450 job cuts, but that figure has risen to 520 because of extra costs incurred during Covid-19.
2. By 2019-20, the BBC had made annual savings of £618 million. In 2020 it increased its annual savings target to £1 billion by 2021-22. The latest National Audit Office report on the finances of the BBC showed a £310m decline in licence fee income between 2017-18 and 2019-20. Its revenue is under further strain by being forced to pay for the welfare benefit of free licences for over-75s on pension credit – at a cost of £250m by 2021/22.
3. The BBC has spent an additional £125 million on its excellent response to Covid-19 and has been heaped with praise for its offering. People flocked to the BBC for news and advice they could trust. Local radio's Make A Difference campaign led to 800,000 listeners helping the vulnerable in their communities. The One Show included health and well-being advice alongside keeping fit and healthy eating tips. The corporation offered families forced to school their children from home more BBC Bitesize content and a daily educational programme for different key stages or years and for the latest lockdown learning on TV for children without laptops. It broadcast religious services and BBC Culture in Quarantine provided a rich offering of online arts, music and theatre. This was public sector broadcasting at its best.
4. These cuts must be put in the context of the BBC's role in the wider creative industry. The BBC generates £2 in economic value for every £1 of the licence fee it receives. The £157.50 licence fee amount equates to £3.02 a week or £13.13 a month, for which the BBC provides nine national TV channels plus regional programming; 10 national radio stations; 40 local radio stations plus dedicated Nations radio services; one of the UK's most popular websites; the radio app BBC Sounds; and BBC iPlayer. In the last financial year 95 per cent of the BBC's controllable spend went on content for audiences and delivery, with just 5 per cent spent on running the organisation. It also runs the Proms and national orchestras; 91 per cent of UK adults use BBC television, radio or online each week.

5. The NUJ was extremely concerned about the context in which the decriminalisation consultation opened. Downing Street (Dominic Cummings) sourced briefings resulting in a quote in a Sunday Times splash which said: "We are not bluffing on the licence fee. We are having a consultation and we will whack it. It has got to be a subscription model. They've got hundreds of radio stations; they've got all these TV stations and a massive website. The whole thing needs massive pruning back."
6. The NUJ's initial response to the announcement of the inquiry into decriminalisation was a statement by Michelle Stanistreet, NUJ general secretary: "This quick and dirty consultation over decriminalisation of the BBC licence fee is a deliberate and ideologically motivated act of sabotage on the part of the Tory government. It will undermine the core ethos of public service broadcasting and the principle of universality at a stroke. Likening the BBC to Netflix and raising Blockbuster video from the dead are meaningless red herrings that bear no comparison. Nor is this anything to do with care for the tiny proportion of individuals who end up with fines for non-payment for a service that reaches 91 per cent of the British public every week. It's about dismantling the BBC and its values as we know it, with no care for the catastrophic impact it will have on jobs and the breadth and quality of programming and journalism that emanates from the BBC. If there is to be a debate on whether the licence fee is the best model of funding, let's have that, and explore credible alternatives that enable public service broadcasting to flourish. This consultation and the implementation of decriminalisation – which the next two months of going through the motions is designed to facilitate – will not achieve that, and nor is it intended to."
7. If people do not pay their licence fee, the service cannot be cut off in the way electricity or other utilities can be. The Perry review on the same issue reported just six years ago. David Perry QC made a forensic study of a range of different options – including a fixed penalty scheme, a civil monetary penalty or to decriminalise and enforce as a civil debt – and concluded that the current regime represented a "broadly fair and proportionate response" to the problem of evasion and provided good value for money for licence fee payers and taxpayers. He said the present system was an effective deterrent and moving to a civil system would increase evasion and would be more expensive to recoup. He recommended a move towards a simpler system to assist in improving public understanding of what the licence fee covers and ways to make it easier to pay it. The reality is that imprisonment is available in certain limited circumstances where a fine is unpaid and where the offender either wilfully refuses to pay or is guilty of culpable neglect. One in three fines are less than £100. Figures released in response to parliamentary questions show that in 2018, no-one was imprisoned for the non-payment of a magistrates' court fine arising from a conviction for not paying for a TV licence; this number was five in 2017, 21 in 2016, and 23 in 2015. According to a June 2019 response, since 2014 no one over the age of 75 has been imprisoned for non-payment. People sent to prison are often those who have not paid a number of fines, including non-payment of the licence.

8. The issue of loss of revenue if decriminalisation occurs has led to concerns in Wales about the knock-on effect on the funding of S4C, the main provider of broadcast news in Welsh which is to be fully funded by the licence fee agreement.
9. John Whittingdale, media and data minister, said it would be politically impossible to move from a licence fee to subscription model: "There are large parts of the country that haven't got broadband or indeed choose not to pay for it. You are turning round to all those households that don't have fast broadband and saying, 'You can't get the BBC anymore.' Politically that would be utterly impossible. It is just not possible to make the BBC a voluntary subscription service for as long as it is broadcast on Freeview. We are some way off being able to switch off Freeview and put it all online."