EXPLANATORY MEMORANDUM TO

THE COMMUNICATIONS (TELEVISION LICENSING) (AMENDMENT) REGULATIONS 2024

2024 No. 150

1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Culture, Media and Sport and is laid before Parliament by Command of His Majesty.

2. Declaration

2.1 The Rt Hon Lucy Frazer KC MP, Secretary of State at the Department for Culture, Media and Sport confirms that this Explanatory Memorandum meets the required standard.

2.2 Mark Griffin, Deputy Director for Television and Broadcasting Policy, at the Department for Culture, Media and Sport confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Jack Redfern at the Department for Culture, Media and Sport (email: jack.redfern@dcms.gov.uk) can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 These Regulations amend the Communications (Television Licensing) Regulations 2004 ("the 2004 Regulations") (S.I. 2004/692). They amend the 2004 Regulations to increase the level of the television licence fee in line with the Consumer Price Index from £159.00 to £169.50 for a colour licence, and from £53.50 to £57.00 for a black and white licence, and increase the sums payable by way of instalments under instalment schemes set out in those Regulations.

Where does the legislation extend to, and apply?

4.2 The extent of this instrument is the United Kingdom, the Channel Islands and the Isle of Man. The territorial application of this instrument is the United Kingdom, the Channel Islands, and the Isle of Man (regulations 4(48) and (49) and Schedule 2 do not apply to the Channel Islands). As these Regulations contain only amendments to the 2004 Regulations, the territorial application of the amendments is governed by the 2004 Regulations.

5. Policy Context

What is being done and why?

5.1 Section 365 of the 2003 Act grants the Secretary of State the power to determine the level of the television licence fee, though in practice the licence fee level is set by the

Government in consultation with the BBC, as set out in clause 43 of the BBC Charter.[1]

5.2 Licence fee funding settlement negotiations took place in 2021/22 in accordance with clause 43 of the BBC's Royal Charter. The Government agreed with the BBC that the television licence fee level would be frozen for two years before rising in line with inflation for the remainder of the settlement period.

5.3 This decision was confirmed in writing in a letter to Tim Davie, Director-General of the BBC, and Richard Sharp, then-Chair of the BBC, on 21 January 2022.[2] The Secretary of State also delivered an oral statement on 17 January 2022 giving details of the settlement.[3]

5.4 The two-year freeze has now expired and the licence fee is due to rise in line with inflation from April 2024.

5.5 Between 2017 and 2022, the Government used secondary legislation to increase the cost of the licence fee in line with inflation on an annual basis. The Communications (Television Licensing) (Amendment) Regulations 2024 reinstates this process, and upholds the Government's 2022 commitment to increase the television licence fee in line with the Consumer Price Index until 2028.

5.6 In December 2023 the Government announced that the uplift would be calculated using the September CPI spot rate. This produced an uplift rate of 6.7%.

5.7 These Regulations therefore increase the level of the television licence fee with effect from 1 April 2024 to £169.50 for a colour licence and to £57.00 for a black and white licence.

What was the previous policy, how is this different?

5.8 Previous legislation set the licence fee at £159.00 for a colour TV licence and £53.50 for a black and white licence. This statutory instrument increases both fees by 6.7%.

6. Legislative and Legal Context

How has the law changed?

6.1 These Regulations amend the Communications (Television Licensing) Regulations 2004 to increase the level of the television licence fee with effect from 1 April 2024 to £169.50 for a colour licence and to £57.00 for a black and white licence.

Why was this approach taken to change the law?

6.2 This is the only possible approach to make the necessary changes.

7. Consultation

Summary of consultation outcome and methodology

7.1 There are no plans for consultations on this legislation. The licence fee funding model itself was considered as part of the BBC Charter Review in 2015.[4] The consultation found that the majority of respondents did not want to see a change in the way the

[1] https://www.bbc.com/aboutthebbc/governance/charter
[2] https://www.gov.uk/government/publications/bbc-and-s4c-final-2022-licence-fee-settlement-letters/letter-from-secretary-of-state-to-bbc-on-final-determination-of-the-2022-licence-fee-settlement
[3] https://www.gov.uk/government/speeches/dcms-secretary-of-states-oral-statement-on-the-licence-fee-settlement
[4] https://www.gov.uk/government/consultations/bbc-charter-review-public-consultation

BBC is funded: 60% thought the current licence fee model did not need to be changed. The Government committed to maintain the current model for the duration of the Charter (until 31 December 2027).

8. Applicable Guidance

8.1 The Government is not intending to produce guidance alongside this SI. As with previous years, the TV Licensing will ensure that licence fee payers are made aware of the increase to the television licence fee and methods of payments. Existing guidance on the TV Licensing website[5] will be updated by the time the increase comes into effect on 1 April 2024.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because it is expected that there will be a low level of impact per business.

Impact on businesses, charities and voluntary bodies

9.2 The impact on business, charities or voluntary bodies is that the new level of the licence fee will be payable where a new television licence is required on or after 1 April 2024.

9.3 The legislation has no additional regulatory impact on small or micro businesses.

9.4 The impact on the public sector is that the new level of the television licence fee will be payable where a new television licence is required on or after 1 April 2024.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring of this legislation is to not review or monitor the instrument. The BBC and its agents using the 'TV Licensing' trademark owned by the BBC are responsible for the collection and enforcement of the television licensing regime.

10.2 The instrument does not include a statutory review clause.

10.3 Under the agreement of the BBC 2022 licence fee settlement, the licence fee will rise with CPI inflation for the remainder of the settlement period. Therefore this SI will be superseded in 2025.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 The Secretary of State for Culture, Media and Sport has made the following statement regarding Human Rights:

[5] https://www.tvlicensing.co.uk/pay-for-your-tv-licence/ways-to-pay

"In my view the provisions of The Communications (Television Licensing) (Amendment) Regulations 2024 are compatible with the Convention rights."

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").