EXPLANATORY MEMORANDUM TO

THE COMMUNICATIONS (TELEVISION LICENSING) (AMENDMENT) REGULATIONS 2025

2025 No. 133

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 Stephanie Peacock, Minister for Sport, Media, Civil Society and Youth at the Department for Culture, Media and Sport confirms that this Explanatory Memorandum meets the required standard.

2.2 Helen Martin & Jo Warner, Deputy Directors for BBC Policy at the Department for Culture, Media and Sport confirm that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Jack Redfern at the Department for Culture, Media and Sport (email: bbcteam@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) to increase the level of the television licence fee in line with the Consumer Price Index. The licence fee shall be increased from £169.50 to £174.50 for a colour licence, and from £57.00 to £58.50 for a black and white licence. These regulations also increase the sums payable by way of instalments under the instalment schemes set out in the 2004 Regulations.

Where does the legislation extend to, and apply?

4.2 The extent and application of this instrument is the United Kingdom, the Isle of Man, and the Channel Islands (save for the below exception).

4.3 Regulations 4(37) and (38) 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 Communications Act 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 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. 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 Following the freeze between 2022 and 2024, the Communications (Television Licensing) (Amendment) Regulations 2024 reinstated this process. This legislation upholds the Government's 2022 commitment to increase the television licence fee in line with the Consumer Price Index annually from 2024 until 2027.

5.4 In November 2024 the Government announced that the uplift would be calculated using the rolling average of CPI in the 12 months to October 2024. This produced an uplift rate of 2.96%.

5.5 These regulations therefore increase the level of the television licence fee with effect from 1 April 2025 to £174.50 for a colour licence and to £58.50 for a black and white licence.

What was the previous policy, how is this different?

5.6 Previous legislation set the licence fee at £169.50 for a colour TV licence and £57.00 for a black and white licence. In line with the policy commitment to increase the licence fee in line with inflation, this statutory instrument increases the colour TV licence fee to £174.50 and the black and white licence fee to £58.50.

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 2025 to £174.50 for a colour licence and to £58.50 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[2]. The consultation found that the majority of respondents did not want to see a change in the way the 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).

7.2 A further public consultation will be held by this date as part of the Government's review of the BBC Charter.

[1] https://www.bbc.com/aboutthebbc/governance/charter
[2] https://www.gov.uk/government/consultations/bbc-charter-review-public-consultation

8. Applicable Guidance

8.1 The Government is not intending to produce guidance alongside this SI. As with previous years, 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[3] will be updated by the time the increase comes into effect on 1 April 2025.

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 the small increase in licensing fee - of up to a maximum of £5.00 - will result in a negligible 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 from 1 April 2025 where relevant.

9.3 The above also applies to small or micro businesses and the public sector.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 There are no plans to 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 2026.

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

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 Stephanie Peacock MP, Minister for Sport, Media, Civil Society and Youth has made the following statement regarding Human Rights:

"In my view the provisions of The Communications (Television Licensing) (Amendment) Regulations 2025 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").