



Cabinet Office

Oik Coonceil ny Shirveishee

Minister for Policy and Reform

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Dear Mr President, Mr Speaker, Honourable Members

During the sitting of the House of Keys on 10 November, in relation to Question 1 from the Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse:

If he will make a statement on free television licences for people aged 75 and over?

I committed to providing further information as part of my answers to supplementary questions from Mr Moorhouse and Mr Callister.

The Treasury has advised that there are approximately 5,500 households in the Island with a person aged 75 or older.

From 2002, when the Isle of Man joined the scheme that the UK started in 2000, until 2018 the Isle of Man Government fully funded the cost of TV licences for all over 75s in the Island. In the years 2018/19 and 2019/20, broadly in line with changes in the UK, the BBC funded approximately one third and two thirds of the cost, with the Treasury funding the balance. For the period April to December 2020 the BBC has fully funded the cost of TV licences for over 75s in the Island, whilst the BBC consulted on new arrangements for the Isle of Man.

Based on the estimated number of households in the Island that include a person who is age 75 or older and the current cost of a colour TV licence of £157.50, for the year 2021 the approximate total cost of TV licences for our over 75s is £866,000. When Treasury checked the numbers recently it found that 538 Island residents over the age of 75 (who are not resident in care homes) were entitled to income support; the value of the licences for this cohort amounts to approximately £85,000 and will be funded by the BBC – in addition the BBC will fund licences for those residents who reach age 75 in 2021 if they receive income support. Treasury estimates that 25 to 30 Island residents reach the age of 75 each month, although not all of these will be eligible for a free TV licence (for example, because their partner is already over 75 and getting a free TV licence or because they live in a care home).

Treasury also estimates that the number of existing over 75s who do not receive income support together with residents who will reach the age of 75 during 2021 who do not receive income support (and who are not in a care home or in a household with someone who is already over the age of 75) to be approximately 5,150. Therefore the cost to Treasury will be approximately £811,000.

In relation to the application process, I can confirm that any Island resident who will reach the age of 75 before the end of this calendar year should apply directly to TV Licensing for a free TV licence and the licence will be sent to them by TV Licensing. From the beginning of next year the process will change: Treasury will write to pensioners shortly before their 75th birthday and eligible pensioners who want a free TV licence will be asked to contact Social Security's Pensions Team who will then forward their details to TV Licensing, and TV Licensing will then send the person a free TV licence.

Yours sincerely

[Signature redacted]

Hon R Harmer MHK
Minister for Policy and Reform