

STATES OF JERSEY



TELEVISION LICENCES FOR PERSONS OVER 75

Lodged au Greffe on 16th June 2009
by Deputy M. Tadier of St. Brelade

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

- (a) to agree that all persons aged 75 years and over living in domestic accommodation should be eligible for free television licences from 1st January 2010 and to request the Minister for Social Security to take the necessary steps to amend the current means-tested scheme to implement this proposal; and
- (b) to request the Chief Minister, in consultation with the Minister for Treasury and Resources, to make adequate provision in the Draft Annual Business Plan 2010, and to then make appropriate provision in future Annual Business Plans, to meet the cost of the scheme.

DEPUTY M. TADIER OF ST. BRELADE

REPORT

The question of whether or not over-75s in Jersey should receive free TV licences is not a new one. The arguments for and against are well-rehearsed, and it is not my intention to repeat them all here.

It has been said in the past that it is 'not fair' that a millionaire should receive a free TV licence when they can well afford to pay for one, with this ethos being applied more generally as an argument in favour of *means-testing*. Whilst this argument does hold a superficial attraction, it should be pointed out that the States have already set other precedents against means-testing, of which two readily spring to mind –

- **Child Care Provision**

Last year, the States voted to support free child care for all 3–4 year-olds, for up to 20 hours per week. This was not means-tested, and quite rightly so.

- **States Members' Pay**

From 1st January 2004, means-testing was rejected in favour of equal pay for all, with all elected Members being paid what was judged to be a living salary to carry out their official duties. Again, I believe this was the correct decision.

However, this is not simply a matter of equality or consistency. For me, this is about how we value and treat OAPs and acknowledge the contribution they have made and continue to make in to our Island community. It also acknowledges that the needs and sensibilities of our elderly residents are often different from that of the working population. Many over-75s will live alone and the TV and radio, whilst, of course providing information and entertainment, can be a vital link to the outside world; for others it is a friend and comforting presence in the midst of their homes.

Speaking to the local representative of AGE CONCERN, she voiced *her* concern that the elderly were being 'attacked from all sides.'

As pensioners come under increasing financial pressure, due to a combination of increasing fuel and energy costs, low interest returns on savings and the added burden of GST, one has to ask the question: what kind of message we are sending to these people, asking them to pay for a service which, if living in the U.K., would be given to them for free?

Already, this year, the States has shown that it has a social conscience when it comes to looking after the most vulnerable in our society. I am confident that once again, we will send a strong message of support out to the elderly in Jersey that they *are* valued.

This proposition is a way of acknowledging the contribution that these members of our society have made, and aims to *give something back*, without discriminating on financial grounds or using the tiresome excuse of the *current economic climate*, as a convenient way of avoiding of our moral responsibilities.

I invite members to consider the following factors in their deliberations and ask members to support this proposition.

- U.K. Residents over 75 years old currently benefit from free TV licences.
- A TV licence costs £142.50* for colour and £48.00* for black and white (*excl. GST).
- All 75 year-olds have contributed and continue to contribute to our Island on many different levels.
- Child Care for 3–4 year-olds in Jersey is not means-tested.
- Means-testing can lead to arbitrary outcomes, with those falling just outside the threshold feeling somehow ‘cheated’.
- Wealthy residents will have contributed more, in terms of *actual* taxation, whilst some low-earners may never have paid tax. It seems strange, therefore, that the latter should get a free licence and not the former.

Financial and manpower implications

Advice from the relevant officer at the Social Security Department suggests that the total fee for implementing this would be an additional £559,450. I attach the breakdown of the estimate for members’ attention below. I would point out, however, that the actual figure would be significantly less than the stated amount, as many eligible to claim are unlikely to do so.

“The table below summarises the costs of an extended/universal scheme. Two assumptions have been made in these calculations. Firstly, that we do not pay for second homes and secondly, that we do not pay for part years.

<i>Benefit for households</i>	<i>£669,750</i>
<i>ARC licence costs</i>	<i>£6,600</i>
<i>Staff costs</i>	<i>£38,000</i>
<i>Stationary, marketing</i>	<i>£10,000</i>
<i>BBC Licensing Authority (est.)</i>	<i>£40,000</i>
<i>Total</i>	<i>£764,350*</i>

**Current budget for 2009 is £204,900”.*