

**EXPLANATORY MEMORANDUM TO**  
**THE COMMUNICATIONS (TELEVISION LICENSING) (AMENDMENT) (NO. 2)**  
**REGULATIONS 2021**

**2021 No. 227**

**1. Introduction**

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

**2. Purpose of the instrument**

- 2.1 These Regulations amend the Communications (Television Licensing) Regulations 2004 (“the 2004 Regulations”) (S.I. 2004/692).
- 2.2 They amend the 2004 Regulations to make provision for the payment instalment scheme for the television licence, known as the Simple Payment Plan (SPP), to be available to eligible TV licence fee payers in the Isle of Man.
- 2.3 The SPP licence costs the same as the colour television licence, which will be £159.00 from 1st April 2021. It can be paid in monthly or fortnightly instalments in a pay-as-you-go model without the need for customers to pay for their first licence within six months (known as ‘frontloading’).
- 2.4 The SPP licence will be available to specific customers in the Isle of Man who meet the eligibility criteria set out in these Regulations. The eligibility criteria for Isle of Man customers will be the same as those for customers in the United Kingdom, with an adaptation to ensure that the criteria relating to debt advice charities is operable in the Isle of Man as well as the United Kingdom.

**3. Matters of special interest to Parliament**

*Matters of special interest to the Joint Committee on Statutory Instruments*

- 3.1 None.

*Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)*

- 3.2 As the instrument is subject to negative resolution procedure there are no matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business at this stage.

**4. Extent and Territorial Application**

- 4.1 The territorial extent of this instrument is the United Kingdom and the Isle of Man.
- 4.2 The territorial application of this instrument is the United Kingdom and the Isle of Man.
- 4.3 This instrument extends Part 4 of Schedule 2 to the 2004 Regulations, which was previously only extended to the United Kingdom, to the Isle of Man.

## **5. European Convention on Human Rights**

- 5.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## **6. Legislative Context**

- 6.1 The Secretary of State for Digital, Culture, Media and Sport has, under section 365 of the Communications Act 2003 (“the Act”), the power to make regulations setting the fee for the television licence and making provision for the payment of the licence fee by means of an instalment scheme.
- 6.2 The SPP was introduced on a trial basis under the Communications (Television Licensing) (Amendment) (No. 2) Regulations 2018 (“the 2018 Regulations”) (S.I. 2018/339), and was available to certain customers in the United Kingdom between April 2018 and September 2019. The Communications (Television Licensing) (Amendment) (No. 2) Regulations 2020 (“the 2020 Regulations”) (S.I. 2020/160) then made provision for the Simple Payment Plan to be available on an ongoing basis in the United Kingdom.
- 6.3 The 2018 and 2020 Regulations (and the amendments they made to the 2004 Regulations in relation to the Simple Payment Plan – see Part 4 of Schedule 2 to the 2004 Regulations) only extend to the United Kingdom. These Regulations now extend Part 4 of Schedule 2 to the 2004 Regulations to the Isle of Man.

## **7. Policy background**

### *What is being done and why?*

- 7.1 The independent TV licence fee enforcement review undertaken by David Perry QC in 2015 made a recommendation that the Department for Digital, Culture, Media and Sport should, in conjunction with the BBC, explore ways of amending the 2004 Regulations to allow simple and flexible payment plans for those with difficulties in paying the television licence fee.
- 7.2 The Government committed in its BBC White Paper *A BBC for the Future: a Broadcaster of Distinction* in May 2016 to bring forward regulations to allow the BBC to trial a more flexible payment plan for those facing difficulty in paying the television licence fee.
- 7.3 Therefore, the Government introduced the 2018 Regulations to put in place a Simple Payment Plan trial with a six month period during which the BBC (under the TV Licensing trademark) was able to enrol customers to the scheme. The BBC evaluated the outcome of the trial and the BBC Board recommended that the Government bring the SPP into ongoing operation. The Government agreed that the SPP had shown a positive impact, decreasing the number of people eligible to be taken forward for prosecution for TV licence fee evasion, and it supported the BBC's conclusion. Therefore, the Government used the 2020 Regulations to make ongoing provision for the SPP in the United Kingdom.
- 7.4 Four types of customer are currently eligible for the SPP licence: people who have been visited for enforcement purposes about a TV licensing offence and may therefore face prosecution; people who have sought advice from a debt advice charity about their financial obligations; people who have recently become unlicensed and

missed payments on their previous licence; and people who have held a SPP licence in the previous 12 months.

- 7.5 Both the trial of SPP licences under the 2018 Regulations and the ongoing operation of the Simple Payment Plan under the 2020 Regulations applied only to the United Kingdom, and did not apply to the Crown Dependencies of Jersey, Guernsey and the Isle of Man. However, within the BBC's Royal Charter, the United Kingdom is defined as "*the United Kingdom of Great Britain and Northern Ireland, together with the Channel Islands and the Isle of Man*". The relevant BBC-related provisions of the Communications Act 2003 have also been extended to the Isle of Man by Order in Council, and the 2004 Regulations generally extend to the Isle of Man. As a result, Isle of Man residents are subject to the same TV licence requirements as residents of the United Kingdom, but at present are not provided with the same service in relation to the SPP.
- 7.6 The Government intends to make these Regulations in order to address this issue, and bring parity of treatment to licence fee payers across the UK and the Isle of Man. The Government has also written to the respective governments of Jersey and Guernsey to offer that officials work with them to extend the SPP to their own jurisdictions; however, neither have requested that the UK government pursue an extension at this time.
- 7.7 The eligibility criteria for Isle of Man residents are largely the same as the criteria for United Kingdom residents. However, in order to make the scheme operable in the Isle of Man, the eligibility criterion relating to a person who has sought advice from a debt advice charity has been amended so that Isle of Man residents will be eligible for an SPP licence if they have sought advice from such a charity that is registered under the law of the Isle of Man. They will also be eligible if they have sought advice from the Isle of Man Office of Fair Trading (a Statutory Board of the Isle of Man Government), which offers a free debt counselling service to Isle of Man residents.

## **8. European Union (Withdrawal) Act/Withdrawal of the United Kingdom from the European Union**

- 8.1 This instrument does not relate to withdrawal from the European Union / trigger the statement requirements under the European Union (Withdrawal) Act.

## **9. Consolidation**

- 9.1 There are no plans for consolidation.

## **10. Consultation outcome**

- 10.1 The Perry Review of TV Licensing Enforcement considered these issues in a consultation in 2014 and recommended that the BBC and Government explore alternative payment methods. The Government also considered the licence fee funding model and other BBC funding issues during BBC Charter Review in 2015-16. This was concluded in December 2016 with the granting of the new Royal Charter.

## **11. Guidance**

- 11.1 BBC TV Licensing is independent of Government. It will ensure that eligible customers in the Isle of Man are made aware of the SPP licence and given the opportunity to pay their licence through the scheme.

## **12. Impact**

- 12.1 There is no, or no significant, impact on business, charities or voluntary bodies.
- 12.2 There is no, or no significant, impact on the public sector.
- 12.3 An Impact Assessment has not been prepared for this instrument because it is expected that there will be no significant impact on charities or the public sector, and no impact on businesses or voluntary bodies.

## **13. Regulating small business**

- 13.1 The legislation does not apply to activities that are undertaken by small businesses.

## **14. Monitoring & review**

- 14.1 The approach to monitoring of this legislation is to not review or monitor the instrument. The BBC and its agents under the 'TV Licensing' trademark owned by the BBC are responsible for the collection and enforcement of the television licensing regime including the Simple Payment Plan.

## **15. Contact**

- 15.1 Emily Adams at the Department for Digital, Culture, Media and Sport, telephone: 0207 211 6006 or email: [emily.adams@dcms.gov.uk](mailto:emily.adams@dcms.gov.uk) can be contacted with any queries regarding the instrument.
- 15.2 Simon Blake, Deputy Director for Television Policy, at the Department for Digital, Culture, Media and Sport can confirm that this Explanatory Memorandum meets the required standard.
- 15.3 The Secretary of State for Digital, Culture, Media and Sport can confirm that this Explanatory Memorandum meets the required standard.