

K01879

MR GRAY
Prime Minister's Office

MISC 128

CONCESSIONARY TELEVISION LICENCES

- Mr. Langdon*
Thank you. I agree, on the basis decided at X. Perhaps you could check me shortly before the papers are expected.
RRc6
25/2
1. At the meeting on 15 October 1986 (MISC 128(86) *attached* 1st Meeting) MISC 128 took a number of immediate decisions on the TV licence fee in the light of the Peacock Report. One of those decisions was to continue with the concessionary scheme for pensioners unchanged. Although the scheme was riddled with anomalies, the Group believed that abolishing or substantially reducing it would be politically very difficult, whilst all proposals for expanding it (including Peacock's own proposal) were very expensive.
2. The Home Office are now faced with a court judgement that interprets the relevant regulations in a way that would enable all local authorities to secure concessionary licences for all pensioners and disabled people in council housing. That would cost about £100m in lost licence revenue, as against the present cost of about £25m. The Home Office, in consultation with the Treasury and DHSS, have therefore prepared a range of options for stabilising the position, at various costs.
3. The immediate handling question is whether this issue should be processed in MISC 128 or H Committee. It is not very urgent, and it could be put on the next MISC 128 agenda if the Prime Minister wished. On the other hand, it is a discrete issue that does not have wider implications for broadcasting policy and H would be a perfectly appropriate forum.
- X / 4. On balance, I would recommend that it goes to H, but with care being taken to see that the papers are circulated in good enough time for the Prime Minister to communicate her views to the Lord President before the meeting if she so wishes.

A J L

A J LANGDON

24 February 1988