

# **VLV REPORT INTO BBC FUNDING**

**BBC Public Funding and top slicing**

**2010/11 – 2021/22**

**RESEARCH DATA**

**2 March 2020**

Year	2010/11	2018/19 <sup>2</sup>	estimated <sup>1</sup> 2019/20	estimated 2020/21 <sup>3</sup>	estimated 2021/22
<b>Income</b>	-				
Licence Fee Revenue	3100 <sup>4</sup>	3222 <sup>5</sup>	3325 <sup>6</sup>	3325 <sup>7</sup>	3325 <sup>8</sup>
Government Funding: BBC Monitoring and World Service (FCO)	266 <sup>9</sup>	88 <sup>10</sup>	73 <sup>11</sup>	73 <sup>12</sup>	73 <sup>13</sup>
Government funding: Over 75s TV licences <sup>14</sup> (DWP)	579 <sup>15</sup>	468 <sup>16</sup>	247 <sup>17</sup>		
Additional income due to over 75's paying for Licence Fee				417 <sup>18</sup>	500 <sup>19</sup>
Gross Public Funding for BBC before top-slicing	<b>3945.4</b>	<b>3778</b>	<b>3645</b>	<b>3815</b>	<b>3898</b>
<b>Additional (top-sliced) costs imposed by government</b>	-				
BBC World service	314 <sup>20</sup>	278 <sup>21</sup>	278 <sup>22</sup>	278 <sup>23</sup>	278 <sup>24</sup>
BBC World Service extra services since 2016 <sup>25</sup>		85 <sup>26</sup>	73 <sup>27</sup>	73 <sup>28</sup>	73 <sup>29</sup>
BBC Monitoring <sup>30</sup>		6 <sup>31</sup>	6 <sup>32</sup>	6 <sup>33</sup>	6 <sup>34</sup>
S4C/Local TV	32 <sup>35</sup>	75 <sup>36</sup>	75 <sup>37</sup>	75 <sup>38</sup>	75 <sup>39</sup>
Broadband Rollout	55 <sup>40</sup>	20 <sup>41</sup>	10 <sup>42</sup>		
Loss of income due to decriminalisation of Licence Fee					200 <sup>43</sup>
Total costs additional to BBC public services	<b>401</b>	<b>464</b>	<b>442</b>	<b>432</b>	<b>632</b>
Balance to spend on UK services after top slicing	<b>3545</b>	<b>3314</b>	<b>3203</b>	<b>3383</b>	<b>3267</b>
% of budget compared with 2010	100	93.5	90.4	95.4	92.1
Inflation-adjusted income <sup>44</sup> (divided by 1.292)		2565	2479.3	2618.3	2528.0
% of budget compared with 2010 (inflation-adjusted)		72.4	69.9	73.9	71.3
<b>Commercial Income</b>					
other income (BBC Studios/WorldWide etc)	1479.6 <sup>45</sup>	1110 <sup>46</sup>	1456 <sup>47</sup>	1456 <sup>48</sup>	1456 <sup>49</sup>

**Sources:** BBC Annual Reports and Financial Statements 2010/11 onwards and the BBC Annual Plan 2019/10.

# NOTES

---

<sup>1</sup> From BBC Annual Plan 2019/20

<sup>2</sup> 2018/19 figures are included because as yet 2019/20 figures cannot be confirmed until BBC Annual Report is released in the summer of 2020

<sup>3</sup> Estimates are included for 2020/21 and 2021/22 to show how decriminalisation of licence fee evasion might impact on the BBC

<sup>4</sup> Pg F36 Financial statements 2010/11

<sup>5</sup> BBC Annual Report 2018/19 page 209

<sup>6</sup> BBC Annual Plan 2019/20. £3573m minus £247m from DWP for over 75's free TV Licences

<sup>7</sup> Estimated same as 2019/20 income

<sup>8</sup> Ibid.

<sup>9</sup> BBC Annual Report Financial Statements 2010/11 page 32

<sup>10</sup> BBC Annual Report 2018/19 page 208

<sup>11</sup> Estimated by the BBC in the hope the grant will be renewed in 2020 government Spending Review

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> From DWP to cover free TV licences for the over 75s

<sup>15</sup> BBC Annual Report and Financial Statements 2018/19 page F36

<sup>16</sup> BBC Annual Report 2018/19 page 209

<sup>17</sup> BBC Annual Plan 2019/20

<sup>18</sup> Estimated by the BBC. 10 months income from June 2020

<sup>19</sup> Estimated by the BBC. 12 months income.

<sup>20</sup> BBC Annual Report and Financial Statements 2010/11 page F33

<sup>21</sup> 1<sup>st</sup> April 2014 BBC World Service funded for the first time by the BBC as a result of 2010 BBC funding settlement

<sup>22</sup> BBC Annual Report 2018/19 estimated £243m (page 61) but BBC assumes flat cash of £278m/annum by averaging costs out

<sup>23</sup> BBC assumes same average expenditure as 2018/19

<sup>24</sup> Ibid.

<sup>25</sup> BBC agreed to provide extra World Service Services from 2016 which the FCO pays for in a separate grant. The agreement runs until 2020 and is due to expire soon.

<sup>26</sup> BBC Annual Report 2018/19 records this as £93m but BBC says it is £85m

<sup>27</sup> BBC Annual Plan 2019/20 has total costs of the World Service of £325m in this year (which include the line above) but BBC says they have averaged these costs out, therefore allowing £73m/annum for additional World Service services funded by the FCO

---

<sup>28</sup> Assuming the grant is renewed and cost of services remain the same as 2019/20

<sup>29</sup> Ibid.

<sup>30</sup> BBC agreed in 2010 Financial Settlement for costs of BBC Monitoring to be covered by the Licence Fee from 1<sup>st</sup> April 2013

<sup>31</sup> BBC Annual Report 2018/19 page 61

<sup>32</sup> Based on previous years

<sup>33</sup> Ibid.

<sup>34</sup> Ibid.

<sup>35</sup> BBC Annual Report and Financial Statements page F38

<sup>36</sup> BBC Annual Report 2018/19. In 2018/19 for the first time broadband rollout, Local TV, S4C costs were combined into one budget line. BBC assumes flat cash of £75m/annum averaged out for S4C/Local TV costs in this year.

<sup>37</sup> Assumed same as 2018/9 by the BBC

<sup>38</sup> Ibid.

<sup>39</sup> Ibid.

<sup>40</sup> BBC Annual Report 2018/19 page F38

<sup>41</sup> Figure from the BBC

<sup>42</sup> BBC Annual Plan 2019/20 page 26

<sup>43</sup> This is the estimated reduction in income to the BBC if decriminalisation of licence fee evasion goes ahead. VLV believes this cost will be higher and it does not include the rise in the cost to the BBC to collect licence fee payments which is predicted.

<sup>44</sup> We have computed the 'real' inflation-adjusted income of the BBC using the Bank of England's inflation adjustment calculator

<https://www.bankofengland.co.uk/monetary-policy/inflation/inflation-calculator>

<sup>45</sup> BBC Annual Report and Financial Statements 2010/11 page F15

<sup>46</sup> BBC Annual Report 2018/19 page 208

<sup>47</sup> BBC Annual Plan 2019/20 page 32

<sup>48</sup> Assumed the same as 2019/20

<sup>49</sup> Ibid.

**More information** is available on the VLV website at <http://www.vlv.org.uk/media-centre/vlv-press-releases/> or contact Sarah Stapylton-Smith at the VLV office: 01474 338716 (9.30am to 3.30pm, Tuesday and Wednesday) or [sarah.stapyltonsmith@vlv.org.uk](mailto:sarah.stapyltonsmith@vlv.org.uk).