



### **4.3 million households would face an extra £218 per year, if forced to watch TV only over the internet, new report finds**

- New report reveals that 4.3 million households, who solely rely on broadcast TV, could be forced to pay an additional £218 per year to switch to internet streaming.
- 31% of viewers are not able to afford more costs to access broadband and TV services.
- The full cost of any future switchover could be £2.1 billion upfront and £1 billion annually - with around £888 million of the ongoing costs likely to fall on some of the most vulnerable.
- The current model of hybrid TV services - terrestrial TV working alongside streaming - guarantees continued access and minimal cost burdens on our most vulnerable communities.
- Any benefits of a fully online TV system for viewers and broadcasters are unclear, but it is expected to bring only limited savings and to burden viewers and taxpayers with new costs.
- Campaigners call on the government to secure terrestrial broadcast TV beyond 2034 when current licences expire, and continue to deliver a hybrid model for TV distribution.

#### **[Monday 21<sup>st</sup> October]: 4.3 million vulnerable households would have to pay an extra £218 per year if forced to watch TV only over the internet, a new report finds.**

Campaigners are calling on the UK Government to commit to the long-term future of traditional terrestrial broadcast TV, as consultancy firm EY publishes new research revealing the risks and costs of delivering all TV over only the internet.

Free-to-air, terrestrial broadcast TV, which millions watch every day, is only secure until the early 2030s, when current licences expire. Some in the industry say the Government should lead a deliberate switch-off of terrestrial broadcast TV, in part as a way of forcing more people to go online.

With internet connections much less reliable than the terrestrial TV service, if everyone were forced to switch over to online TV viewing only, people would be paying more for a less reliable service.

Key findings from the report include:

- **59%** of viewers do not want to be forced to have a high-speed broadband internet connection to watch TV.
- **31%** of viewers say they cannot afford to pay more than they currently do to access broadband and TV services.
- **40%** of viewers said a switchover to IP-only would be bad or very bad use of government funding

As well as the ongoing costs of a fixed broadband connection, millions of households would also face the upfront costs of new TV equipment and installation support - with a total cost of £129 million.

Those most affected would be some of the most vulnerable in society, who rely on terrestrial TV the most. These include older people, those on lower incomes, people living with a disability and remoter rural communities.

The Broadcast 2040+ coalition, whose members include the Digital Poverty Alliance and the Rural Services Network, is urging the government to commit to a hybrid future for TV and radio services, ensuring continued universal access to terrestrial TV alongside streaming, so that no one is left behind.

#### **David Coulson, Partner, Economic Advisory at EY, said:**

*"If a switch were made to distribute TV exclusively over the internet, even by 2040 approximately 4 million homes would still need broadband and set-top-box upgrades.*



*"This is forecast to cost government and consumers over £2bn to set-up, plus a further £900m each year to cover ongoing broadband fees and to support vulnerable users."*

**A spokesperson from the Broadcast 2040+ campaign said:**

*"This report lays bare the hidden cost of any proposed switch-off of terrestrial TV. It would mean vulnerable people being asked to pay more, risk disconnecting millions from universal access to TV and burden the taxpayer with new financial liabilities."*

*"The report also makes clear that this costly disruption is not necessary. The UK's current hybrid model of TV, with terrestrial operating alongside online streaming as complementary services, works well and gives us the best of both worlds."*

*"Ministers will soon have to make a decision about the long-term future of terrestrial TV. We are urging them to guarantee this vital service to 2040 and beyond."*

**Elizabeth Anderson, CEO of the Digital Poverty Alliance, part of the Broadcast 2040+ coalition said:**

*"For the millions of people who live in or at risk of digital poverty, terrestrial TV provides a vital social lifeline. It guarantees universal access to quality TV content, free to air, to every home."*

*"A fixed highspeed broadband connection is something that many people cannot afford and even the most basic internet connection is one of the first things cancelled when people need to tighten their belts."*

*"Forcing people to take on new costs to watch TV risks excluding them from access to TV altogether."*

**Colin Browne, Chairman of the Voice of the Listener & Viewer, part of the Broadcast 2040+ coalition said:**

*"Universal access to quality broadcasting is a right. It is also essential to maintain the democratic and cultural traditions of the UK."*

*"Terrestrial TV and radio services keep us all connected, especially our most vulnerable communities."*

*"This new report makes it clear that the current hybrid model of TV, which provides a choice of terrestrial and streaming, is popular with audiences. We would like the Government to ensure that citizens continue to have a choice in how they watch TV."*

**Kerry, Booth, chief executive of the Rural Services Network said:**

*"The Rural Services Network strongly believes in ensuring access and choice for all, particularly for those in rural and vulnerable communities. Many of these households rely solely on terrestrial TV, not just due to affordability, but also because of inadequate digital infrastructure in rural areas."*

*"An internet-only TV model would create a digital divide, leaving many at risk of increased social isolation—especially older people and those living alone—who use TV as a lifeline for information and social connection."*

*"It is imperative that the government adopts a balanced approach that preserves traditional broadcasting and safeguards the well-being of rural communities."*

**ENDS.**



## Notes to Editors:

- The full report, *The costs and risks of switching to internet distribution for all broadcast TV*, can be found [here](#). The report was commissioned by Arqiva, a broadcast infrastructure company and a member of the Broadcast 2040+ coalition.
- The report estimated the cost of a switch-over to IP-only TV distribution. This is broken down into:
  - **£2.1 billion of one-off costs** (in addition to planned fixed broadband network upgrades), which is made up of:
    - £129 million for in-home equipment and installation support;
    - £412 million for a consumer awareness campaign;
    - £1,571 million of full fibre connections costs to connect and upgrade unconnected households.
  - **£1 billion of ongoing costs per year**, accounting for:
    - £888 million of incremental fixed broadband rental costs for customers who would otherwise not take it;
    - £130 million of incremental content delivery, for additional traffic broadcast over the internet;
    - £25 million of ongoing support costs for vulnerable consumers.
- The report estimates that in 2040, there will be 4.3 million households without high-speed broadband. A full switchover to IP-only TV viewing would cost £888 million in additional annual fixed broadband subscription costs for these households. That means:
  - **£18.17 per month per household**
  - **£218 per year per household**
- Vulnerable groups would have to pay more for fixed broadband connections and more up-to-date TVs. Indirectly, the cost could fall onto taxpayers if the government were forced to step in to pay for fixed broadband connections and support for vulnerable viewers.
- The report found that a switch to IP-only TV distribution ranked last in terms of the number of survey respondents who consider this a good use of government money, with improving public services, improving social care, and investing in road infrastructure considered among the best uses of government money.
- The benefits of distributing all TV via the internet only are questionable - with limited savings for broadcasters due to the costs of distributing all TV over the internet. Broadcasters would need to pay an estimated £130 million in costs related to the incremental data they must transmit in order to deliver all of the live TV that is set to be broadcast. EY estimate that around 70% of these incremental CDN costs (£89 million) would be incurred by the public service broadcasters.
- EY found that a switchover of all TV viewing to internet streaming could represent a 9x increase in the amount that households contribute to the cost of TV content distribution.
  - **£888 million** = the annual incremental fixed broadband rental costs for those who would otherwise choose not to take it.
  - **£100 million** = the current contribution households make to broadcast TV distribution via the TV licence fee.
- In May 2024, Ofcom published its '[Future of TV Distribution: Early market report to Government](#)' which highlighted three options for the future of TV - with a hybrid future being one of them. The Broadcast 2040+ campaign supports this pathway as it will ensure the continuation of universal and accessible terrestrial broadcast TV and radio services to 2040 and beyond, alongside online streaming.
- Internet connections are significantly less reliable than the terrestrial TV service. According to [research by Uswitch](#), 21 million customers experienced broadband outages of three hours or more between summer 2022 and 2023. Some of the UK's biggest cities faced the worst broadband outages between the summers of 2021 and 2022:



- **Nottingham** experienced on average more than 70 hours of downtime
  - **Southampton** experienced almost 46 hours
  - **Manchester** and **Bristol** both faced more than 38 hours of broadband connection problems.
- In contrast, the broadcast network provides near complete reliability. In the most recent year for which data is available, its reliability was 99.968% (see [Arqiva annual report](#), p.35).

### About EY

Ernst & Young Global Limited, trade name EY, is a multinational professional services partnership. EY is one of the largest professional services networks in the world. It primarily provides assurance, tax, information technology services (including managed services in areas like Cybersecurity, Cloud, Digital Transformation and AI), consulting, and advisory services to its clients.

### About Broadcast 2040+

The Broadcast 2040+ campaign brings together 35 organisations with one key ask: that the UK government provide a public commitment to safeguarding broadcast TV and radio to 2040 and beyond. Under the government's current policy, these services are only guaranteed until the early 2030s. This lack of certainty about the long-term future of broadcast services is likely to have a detrimental impact on the millions of people who rely on them, including vulnerable older people who are less likely to have a superfast broadband connection, the digital skills to use streaming apps, or the budget to afford subscription costs.

To date, members of the Broadcast 2040+ campaign include:

- |   |   |
|---|---|
| 1. Age Concern North Norfolk                          | 18. County Durham Community Foundation  |
| 2. Age UK   | 19. Cumbria Community Foundation        |
| 3. Age UK North Tyneside                              | 20. Digital Poverty Alliance            |
| 4. Age UK North Yorkshire Coast and Moors             | 21. Fix Radio                           |
| 5. Age UK Shropshire Telford and Wrekin               | 22. Focus4Hope                          |
| 6. Age UK North Yorkshire and Darlington              | 23. Frontier Smart Technologies         |
| 7. Age UK Mid Mersey                                  | 24. LTVN (Local TV Network)             |
| 8. Arqiva   | 25. National Federation of the Blind UK |
| 9. BEIRG (British Entertainment Industry Radio Group) | 26. PBS America                         |
| 10. Better Media                                      | 27. Rural Services Network              |
| 11. Boom Radio UK                                     | 28. Silver Voices                       |
| 12. British Broadcasting Challenge                    | 29. Sunrise Radio                       |
| 13. CAI (Confederation of Aerial Industries)          | 30. Talking Pictures TV                 |
| 14. Children's Media Foundation                       | 31. Campaign to End Loneliness          |
| 15. Churches 4 Positive Change                        | 32. Together TV                         |
| 16. Citizens Advice Cornwall                          | 33. UCB (United Christian Broadcasting) |
| 17. Communicorp UK                                    | 34. VLV (Voice of Listener and Viewer)  |
|   | 35. World DAB                           |

The campaign champions the long-term future of UK broadcasting and is calling for a firm commitment from the government to deliver a hybrid future of TV, to protect these services to 2040 and beyond.

In February 2023, the campaign supported over-60s campaign group Silver Voices' launch of a Parliamentary petition calling on the government to guarantee access to broadcast TV (Freeview) and radio beyond 2040. It received over 29,000 signatures with representatives from every constituency in the UK.



Other previous moments from the campaign include:

- **EY Report TV Distribution After 2034:** Earlier this year, EY published a report into the future of TV distribution after 2034. It predicted that by 2040 there will be 5.5 million premises across the UK without a high-speed broadband subscription. The report examined the key barriers to broadband take-up noting cost and connectivity are major factors, and by 2040 the uptake of high-speed broadband is only set to increase by 10%. [Full report here.](#)
- **Silver Voices research:** In 2022, Silver Voices, an over 60s campaign group and founding member of the Broadcast 2040+ campaign, published the landmark report Safeguarding Universality: The Future of Broadcast TV and Radio. The report examines in detail how the UK public feel about broadcast TV and radio services. The research found that over 80% of respondents believe broadcast TV and radio should be protected well beyond 2040, with respondents' answers ranging between 2051 and 2079. This is far in advance of the UK Government's current commitment of 2034. [Full report here.](#)
- **Ipsos research:** Launched in 2022, Ipsos research revealed the significant negative impact of the potential loss of broadcast TV and radio, particularly for those who are vulnerable. 9 in 10 people (90%) across Great Britain want to see continued support for broadcast services. [Full report here.](#)
- For more information about the Broadcast 2040+ campaign, see here: <https://www.broadcast2040plus.org/>
- For press enquires please email : [contact@broadcast2040plus.org](mailto:contact@broadcast2040plus.org)