



Information Policy and Compliance  
[bbc.co.uk/foi](http://bbc.co.uk/foi)

Via email:

7 June 2007

Dear Mr '.....'

**Freedom of information request – RFI2007000464**

Thank you for your request by e mail under the Freedom of Information Act 2000 (“the Act”) dated 16 May 2007, seeking further information about TV Licensing. I have answered your question below.

*Every other company offers a discount for paying by DD. You charge me ?5.  
What additional costs do you incur when I pay by DD and how do you justify the additional charge?*

Please note that “TV Licensing” is a trading name used by companies contracted by the BBC to administer the collection of television licence fees and enforcement of the television licensing system. The majority of the administration of TV Licensing is contracted to Capita Business Services Ltd, with the administration of our cash related payment schemes contracted to Revenues Management Services Ltd (RMS). PayPoint Network Ltd and PayPoint Collections Ltd are contracted to provide over-the-counter services. The marketing and public relations activities are contracted to the AMV Consortium. The consortium is made up of the following four companies: Abbott Mead Vickers BBDO Ltd, Fishburn Hedges Boys Williams Limited, PHD Media Limited and Proximity London Ltd. The BBC is a public authority in respect of its television licensing functions and retains overall responsibility.

Firstly, I should explain that the additional charge of £5 for paying for a television licence by Direct Debit only applies to our quarterly payment scheme. I should also highlight that the amounts we are required to charge for TV Licence fee instalments are a matter for Government and we have no discretion to charge anything else.



INVESTOR IN PEOPLE

The £1.25 per quarter premium payable with quarterly instalments is in fact an integral part of the TV licence fee paid by this method, which is specified in Regulations and approved in Parliament. We always advise people of the premium whenever they take this payment option and it is stated on the Payment Plan which accompanies your new licence each year.

Unlike utility and other consumer bills, which are usually paid for in arrears, the TV Licence fee is a fixed annual fee to permit the use of television receiving equipment to receive television programme services, and is charged in advance.

We make the licence fee easier to pay by spreading the cost over the year through a range of instalment payment options. In the case of quarterly Direct Debit, the small premium accounts for the fact that the licence will be paid in arrears. I must stress that this premium is not an administration fee and therefore does not reflect any 'additional costs' incurred by us.

As you may be aware, none of our other Direct Debit or cash instalment payment methods, all of which are prescribed in Regulations, include any premium charge. For further information about other ways to pay for your television licence, please see [www.tvlicensing.co.uk](http://www.tvlicensing.co.uk).

### **Appeal rights**

If you are not satisfied with this response you have the right to an internal review by a BBC senior manager or legal adviser. Please contact us at the address provided, explaining what you would like us to review and including your reference number. If you are not satisfied with the internal review, you can appeal to the Information Commissioner. The contact details are: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF, telephone 01625 545 700 or see <http://www.ico.gov.uk/>

I hope this response is helpful.

Yours sincerely,

Natalie Saunderson  
Policy Adviser  
**BBC TV Licensing Management Team**