



Information Policy & Compliance

bbc.co.uk/foi

23 July 2007

Dear Mr

Freedom of information request – RFI2007000579

Thank you for your request under the Freedom of Information Act 2000 (“the Act”) seeking further information about TV Licensing. Your message has been passed to me for response.

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 (which undertakes the majority of the administration of the TV Licensing system), 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.

In your letter you raised a number of issues which I would like to address, before turning to your specific Freedom of Information request.

Firstly, you mentioned that the Post Office service was greatly appreciated by elderly people such as yourself. I appreciate this point and I would like to explain why the BBC made its decision to move to PayPoint.

When the contract came up for renewal the BBC’s objective was to find the most convenient and accessible way for licence fee payers to pay for their licences. The BBC determined that PayPoint offered the best value for money as well as a good range of over the counter services.



INVESTOR IN PEOPLE

During the tendering process the BBC took into account that the Post Office network is in decline and that no guarantees could be given as to how many branches would remain open. PayPoint currently has more outlets than there are Post Office branches, providing around 17,000 outlets, many open seven days a week and for long hours than the Post Office. Having said this, it is not expected that this change will have a significant impact on the long term future of the Post Office as the TV Licensing contract accounted for only 2.11% of the turnover of Post Office Ltd's business.

You also stated that you "find the constant reminders to get the licence almost offensive." Please be assured that we have no intention to harass. As I'm sure you can appreciate, TV Licensing has a duty to ensure that everyone who needs a licence has one and letters are an effective way of reaching those who may need a licence. We aim to minimise contact with all customers once they are licensed.

Turning now to your specific Freedom of Information request, you asked the following:

One Freedom of Information Act enables me to find out how much the BBC saves by its decision to withdraw the provision of the licence by the Post Office.

A number of factors led to the decision to move television licensing over-the-counter services from the Post Office to PayPoint.

As stated above, when the contract with the Post Office came up for renewal, the BBC's objective was to seek the best possible way for licence fee payers to be able to pay for their licences in a convenient and accessible way and also to provide the best value for money for licence fee payers. The tendering process was carried out by the BBC's management and the selection of PayPoint approved by the BBC Board of Governors. The Board's responsibility is first and foremost to licence fee payers and in taking their decision they determined that PayPoint offered the best value for money as well as a good range of over-the-counter services.

The savings to the licence fee payer are expected to be more than £100 million over the life of the six year contract, savings which will be put directly into programmes and services.

The BBC also took into account that the number of people buying their licence 'over the counter' has declined steadily as more people pay by Direct Debit and other methods, such as online. For the year to January 2006, half a million fewer licences were purchased in the Post Office than in the previous 12 months. Over 59% of licence payers currently pay by Direct Debit.

You may also wish to know that, in addition to the new PayPoint service, there are many other ways to pay for your TV licence. Many people are choosing to pay by Direct Debit, while others choose to pay via our website, by putting a cheque in the post, or by using a debit or credit card over the phone.

Finally, I would like to take this opportunity to remind you that if you are 75 or over you are entitled to a free Over 75 TV Licence for your principle residence. If you are aged 74 and will turn 75 before your TV Licence is due to expire, you qualify to buy a Short-Term TV Licence. For further information on both these circumstances, please see our website at <http://www.tvlicensing.co.uk/information/agedover74s.jsp> or call 0870 241 6468.

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,

' ' **Policy Adviser**
BBC TV Licensing Management Team