



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

—

10 September 2007

Dear

**Freedom of information request – RFI2007000752**

Thank you for your request dated 25 April 2007 seeking further information about TV Licensing.

Your request is being dealt with under the Freedom of Information Act 2000 (“the Act”). However, I am sorry for the lengthy delay in responding to your request. This was due to a technical error in our IT system for processing FOI requests which led to your request being inadvertently overlooked. We recognise that we have failed to respond to your request within the 20 working days laid down by the Act, for which we sincerely apologise.

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 request you asked the following (I have numbered your questions for ease of reference):

1. *How much revenue do you make from the 0870 numbers you request members of the public to call?*

You may be interested to know that it has been found that cost of the average call to TV Licensing is less than the cost of a First Class postage stamp.

Neither the BBC nor TV Licensing receives profit from these telephone calls, although the national rate numbers help keep the costs of collection down and maximise licence fee revenue. However, TV Licensing (i.e. not the BBC) does receive a rebate from their use. The rebate that Capita receives from BT in its TV Licensing role in respect of calls made to 0870 numbers is offset against its operational costs and helps to ensure that the costs of collecting the licence fee are kept as low as possible. The rebate received for using these numbers in all cases is a tiny amount compared to the total phone costs incurred by TV Licensing.

In relation to the exact amount of the rebate received, I can confirm that the BBC does hold the information you requested. However, I am withholding this information under s43 of the Act. Section 43 states that information will be exempt under the Act if its disclosure under the Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).

The disclosure of this information would be likely to prejudice the commercial interests of the BBC since the information you have requested relates to a contract which Capita holds with a separate provider (BT) for the provision of these services. Capita have negotiated the terms of this contract, including the cost structures. Releasing this information would be likely to prejudice Capita's ability to negotiate favourable terms in the future. Further, if the BBC were to release this information, this would harm our relationship with Capita. This would in turn prejudice the commercial interests of the BBC as our commercial relationship would be harmed (as we would not be able to work together to most efficiently collect the licence fee).

This information is also exempt under s41 of the Act as the information was provided to the BBC in confidence and the public interest in releasing this information does not outweigh the public interest in maintaining the exemption.

I am satisfied in terms of section 2(2) of the Act that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. I have considered the public interest test in the section on why information has been withheld below.

It may interest you to know that TV Licensing uses non-geographic 0870 numbers and this is for a number of reasons. Such numbers allow calls to be routed to one of the call centres operating in the UK at the same standard rate unit cost. The call centres located in Bristol and Darwen (near Blackburn) handle the vast majority of the telephone calls received by TV Licensing. The use of 0870 telephone numbers allow calls from anywhere in the country to be routed to available advisors across the sites and this enables the call to be answered quickly and by the most appropriate advisor thus saving callers substantial amounts of time. 0870 numbers provide the best means of managing a call centre to enable callers to be quickly transferred to the appropriate agents in either of our call centres with the appropriate skill set to manage their call. It is for these reasons that we do not give out geographic telephone numbers.

Please find attached part of the BBC TV Licensing response to the Office of Communications (OFCOM) consultation on the use of such numbers (known as number translation service (NTS) numbers). I hope that this helps you with your enquiries and provides some useful background, especially in relation to the cost to the consumer of using 0870 numbers. I have additionally enclosed with this letter a breakdown of TV Licensing's costs of collection, which gives some further general information on the financial background of the TV Licensing operation. I hope this information is of interest.

2. *How many 0870 numbers do you have?*

TV Licensing receives calls from nearly 200 different 0870 numbers annually, although a project to rationalise and streamline this use is currently being undertaken. Please note that only some of these numbers are in use continually. Many others have not been actively promoted by TV Licensing for some time, but remain open for customers who retain their details and wish to call them. In these cases, the number of calls received annually is very small.

3. *How much do you make from each of them?*

Please see my answer to question 1 above.

4. *Please give the total for each year for the entire time you have been operating these numbers?*

Please see my answer to question 1 above.

5. *Is 0870 850 5522 just for students or is it for all members of the general public from whom you are trying to collect money?*

This particular 0870 number is currently only stated on communications which are sent to students. By assigning a specific number in this way, TV Licensing is able to monitor the response to a particular piece of communication, for example a specific leaflet. However, any calls received via this number will be routed to the TV Licensing call centre in the usual way. Any member of the general public could therefore use this number to contact the call centre.

6. *How much money do you spend sending out mailings to the general public and to students each year?*

TV Licensing sends a variety of different types of mailing to the general public as part of the administration of the licence system. These include to customers whose licence is due for renewal, who have recently cancelled their licence and standard mailings to customers who live at addresses which are listed on the TV Licence database as not being licensed. I will assume for the purposes of answering this question that you are referring to the third category.

Calculating the total sum you have asked for would include consideration of four factors:

- annual management costs
- annual materials costs
- annual postage costs
- the total number of enquiry letters sent annually to
  - the general public; and
  - students

Unfortunately, it is not possible to provide a figure for management costs since they are not quantifiable. These costs would be included in the salaries of the staff involved and these are not worked out by time – this is especially so as a number of staff would have provided varying degrees of input into each letter. Further, the staff costs of our contractors are not known to us and thus we do not hold this information. Even if our contractors could quantify the amount spent on producing this letter, this information would not be held on our behalf. Under section 3(2) of the Act, therefore, the information is not held by the BBC and is not covered by the Act.

In relation to materials costs, I can confirm that the BBC does hold the information you requested. However, I am withholding this information under s43 of the Act. Section 43 states that information will be exempt under the Act if its disclosure under the Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).

The disclosure of this information would be likely to prejudice the commercial interests of the BBC since the BBC has entered into a contract with AMV Consortium which sub-contracts the print and production of our mailings to a company called Orchestra Group Ltd. Revealing these costs would reveal Orchestra's costs and as this relationship is in itself commercial, releasing the figures we hold would prejudice AMV Consortium's and Orchestra's commercial interests, and thus in turn, the BBC's commercial interests.

I am satisfied in terms of section 2(2) of the Act that in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. I have considered the public interest test in the section on why information has been withheld below.

I can, however, provide some information concerning the postage costs for these letters. These are determined by the number of letters being sent out in that particular batch. The postage tariffs are pre-determined by Royal Mail and range from 14.9p to 21p. We minimise the costs of mailing by sending stock letters third class wherever possible (as opposed to first or second class) and by sending these letters out in monthly batches (rather than daily or weekly and so on). The basis for this is that the price is lower for a larger batch. Thus, the exact price is dependent on when the letter was sent rather than the type of letter.

Finally, I can inform you that TV Licensing sent 24,791,166 enquiry letters between April 2006 and March 2007 to addresses of the general public recorded as not having a licence. Of these, 1,437,420 were sent to students.

7. *How much money do you spend, both in clerical costs, administrative time and mailing, including the cost of any contracts with postal operators for bulk mailings, sending out initial requests for payment each year?*

Please see my answer to question 6 above.

8. *What proportion of the cost of an 0870 call by a member of the general public goes to you?*

Please see my answer to question 1 above.

9. *How many inspectors have you sent to university locations for initial investigation of possible violations by students?*

I can confirm that we do hold the information you have requested. However, I am withholding the information under subsections 31(1)(a), (b), (d) and (g) of the Act, which relates to law enforcement, specifically that disclosure would, or would be likely to prejudice:

- the prevention or detection of crime;
- the apprehension and prosecution of offenders;
- the assessment or collection of a tax or duty or imposition: and
- the exercise by a public authority of its functions.

Disclosing the number of visits carried out to university locations could disclose trends, the knowledge of which would prejudice our ability to prevent or detect crime in relation to evasion of the television licence payment.

I am satisfied in terms of section 2(2) of the Act that in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. I have considered the public interest test in the section on why information has been withheld below.

10. *What has been the total cost of all inspections of university student accommodation throughout the entire term of your existence as TV Licensing [tm] and broken down on an annual basis?*

We pay a set amount to our contractors to carry out specified functions, such as carrying out visits. Thus we do not quantify the cost of a visit in this way. The BBC does not hold this information. The BBC contracts the visiting function to Capita and matters relating to Capita's internal costing are not held on behalf of the BBC and are therefore not covered by the FOI Act (as per section 3(2) of the FOI Act).

11. *How many students have you prosecuted for violation?*

In order to determine the number of students prosecuted for violation, we would need to check the address on paper prosecution records against TV Licensing's database to determine the address type. I estimate that carrying out this activity would take more than two and a half days. Under section 12 of the Act, we are allowed to refuse to handle a request if it would exceed the appropriate limit. The appropriate limit has been set by the Regulations (SI 2004/3244) as being £450 (equivalent to two and a half days work, at an hourly rate of £25). I am therefore unable to provide you with information on how many students have been prosecuted for violation.

However, I can provide you with some information on the number of people prosecuted generally. These figures are in the table below.

Year	Number prosecuted ('000)
1995/96	215
1996/97	154
1997/98	109
1998/99	98
1999/2000	89
2000/01	151
2001/02	135
2002/03	149
2003/04	129
2004/05	145
2005/06	176
2006/07	154

12. *How many of those prosecutions have been successful; please give either a proportion or a total figure?*

In practice, TV Licensing has a 99.9% conviction rate for cases of TV licence evasion which are prosecuted in England, Wales and Northern Ireland. Prosecutions in Scotland are carried out by the Procurator Fiscal and not TV Licensing, hence we are not aware of the number of actual convictions in Scotland.

13. *How many students at Oxford University have you prosecuted, either successfully or unsuccessfully, in a magistrates court local to Oxford? If any, please list the cases by number and court.*

Please see my answer to questions 11 and 12 above.

#### **Why information has been withheld**

I am required under s 2(2) of the Act to assess whether the public interest in maintaining the exemptions outweigh the public interest in disclosing the information.

The following factors are in favour of disclosure:

1. ensuring that public funds are being appropriately applied, that is:
  - a. ensuring that the TV Licensing system is being efficiently run; and
  - b. ensuring that value for money is being obtained.

I consider that the above public interest factors in favour of disclosure are served by the following:

1. The BBC is required to satisfy the National Audit Office ('NAO') as to the value for money of the collection and enforcement arrangements and is accountable for the economy, efficiency and effectiveness of such arrangements. NAO's most recent audit is published at [http://www.nao.org.uk/publications/nao\\_reports/06-07/0607183.pdf](http://www.nao.org.uk/publications/nao_reports/06-07/0607183.pdf).
2. The BBC has reduced the cost of collection from 6.2% of the total licence fee collected in 1991/2, when it took over from the Home Office, to 4.1% for the financial year 06/07. This demonstrates that the TV Licensing system is being efficiently run. This and further related information is available in the BBC's annual report (see [www.bbc.co.uk](http://www.bbc.co.uk)), the TV Licensing Annual Review

and the *About TV Licensing* document (see <http://www.tvlicensing.co.uk/aboutus/index.jsp>).

3. The attached report given to OFCOM's consultation on the use of these numbers, outlines general cost information and TV Licensing's rationales for using such numbers which helps explain more about the use of these numbers.

There is hence a greater public interest in ensuring the effective collection of the licence fee than in disclosing the information you have sought. I am therefore satisfied, in terms of section 2 of the Act, that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest (outlined above) in disclosing the information.

### **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**