



Information Policy & Compliance
bbc.co.uk/foi

23 January 2008

Dear Mr

Freedom of information request – RFI20080005

Thank you for your request received on 28 December 2007 seeking further information about TV Licensing. Your request is being dealt with under the Freedom of Information Act 2000 (“the Act”).

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 message you asked the following:

What about the cost of 0844 telephone numbers – Will you please advise, under the “freedom of Information act” what the cost of these calls are?

I feel it wholly unacceptable that I am “told” to phone a non standard telephone code where I am given no indication of the cost. – These charges should be documented on your letters, along with any indication of what you might receive from the provider.”

The maximum cost of calling TV Licensing’s 0844 numbers from a BT landline is 5p per minute. However, calls from other landline providers and mobile phones may vary. For this reason, costs



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of calls are not provided as a standard on TV Licensing literature as it could be confusing for some customers.

I would also highlight that phoning an 0844 number is not the only way of contacting TV Licensing. Methods such as post and e mail can also be used, and these are set out on the TV Licensing website at <http://www.tvlicensing.co.uk/aboutus/howtocontactus.jsp>. Please note that contacting TV Licensing via the website is free of charge.

In terms of providing an indication of monies received from the provider of 0844 numbers, neither the BBC nor TV Licensing receives profit from these telephone calls,. 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 0844 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.

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

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
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BBC TV Licensing Management Team