



Information Policy & Compliance
bbc.co.uk/foi

20 February 2008

Dear

Freedom of information request – RFI20080081

Thank you for your request received on 23 January 2008 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 request you asked the following (I have numbered your questions for ease of reference):

Since you are a government body, I would like to know how you are financed. Specifically, please tell me

1. . . . *your budget, . . .*

The broad answer to your question is contained in the enclosed document, *TV Licensing Costs of Collection*. This forms the basis of the budget for TV Licensing.

2. . . . *revenue sources, . . .*



INVESTOR IN PEOPLE

The revenue source for TV Licensing is the licence fee settlement. More information on this is also contained in the BBC's *Annual Report*, available at http://www.bbc.co.uk/annualreport/pdfs/bbcexec_eng.pdf

3. . . . *overhead, . . .*

The answers to this question are contained in the *TV Licensing Costs of Collection* document (see above).

4. . . . *success rate (ie ROI) as income generated from prosecution of evaders.*

While TV Licensing prefers people to correctly license their properties, they will prosecute evaders. I should clarify that this is in the furtherance of the BBC's duty under section 366 of the Communications Act 2003 to enforce the TV licensing system. Prosecutions do not generate income and a Return-on-Investment is not calculated. In accordance with section 1(1) of the Act, the BBC is therefore able to confirm that we do not hold the information you have requested, specifically recorded information concerning the Return-on-Investment rate as income generated from prosecutions.

5. . . . *and any other pertinent financial information.*

All pertinent financial information has been included in my responses above.

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

Further breakdown of the specific aspects of the collection contracts is not readily available as the fee structure for our main contractor Capita is based on licence sales and encompasses all aspects of the service provision across the call centres and the field operations.

The cost per licence reflects the average cost, most cost less, some cost more depending on the level of chasing required.

Fines collected are not given to the BBC or TV Licensing - they are a matter for the courts.