



Information Policy & Compliance

bbc.co.uk/foi

S. Damian

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18 November 2008

Dear Mr Damian,

Freedom of information request – RFI 2008 1182

Thank you for your request dated 2 November 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:

For each of the last five financial years how much has been spent by the BBC on all marketing expenses associated with encouraging people to pay their licence fee? Specifically please state how much of that total is made up by the production of films/adverts warning people of the dangers of not paying their licence?

The broad answer to your question is contained in the attached document *TV Licensing Costs of Collection* which you will see contains general information on communications costs, including reminders and information campaigns.



I can confirm that we hold the more specific information that you have requested on “marketing expenses” and the cost of advertising. 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).

As stated above, “TV Licensing” is a trading name used by companies contracted by the Licensing Authority (the BBC) to administer the collection of television licence fees and enforcement of the television licensing system. Details of specific information regarding advertising costs correlates closely with the total amount paid to the AMV Consortium. Releasing this would therefore be likely to prejudice the commercial interests of the BBC and the AMV Consortium as this relationship is in itself commercial and releasing the figures we hold would prejudice the AMV Consortium’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 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.
2. ensuring a high standard of debate around the licence fee collection, currently being generated in response to the BBC Trust’s open consultation (available at http://www.bbc.co.uk/bbctrust/consult/open_consultations/tv_licence.html), by placing as much information as possible into the public domain.

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

1. The attached document *BBC TV Licensing Costs of Collection*
2. The fact that the BBC has a duty to enforce the television licensing system and it is essential that effective deterrents against evasion are maintained for this purpose. Without an effective deterrent, evasion would invariably increase. This would be to the detriment of the honest majority of people who are properly licensed and to the overall amount of revenue available to the BBC.

3. The fact that 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.
4. The fact that 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 3.6% for the financial year 07/08. 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>). A key part of this success has been the use of detection as a significant deterrent element.

In this instance, the public interest is served by maintaining an effective deterrent to licence fee evasion and thus in turn protecting the BBC's revenue stream.

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 exemptions 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 Sanderson
Policy Adviser
BBC TV Licensing Management Team