

The year in figures

15/16



Foreword

Since the BBC took on responsibility for collection of the Licence Fee 25 years ago, television and the way we watch it has changed greatly. People can now watch their favourite programmes on the move, at a time which suits them.

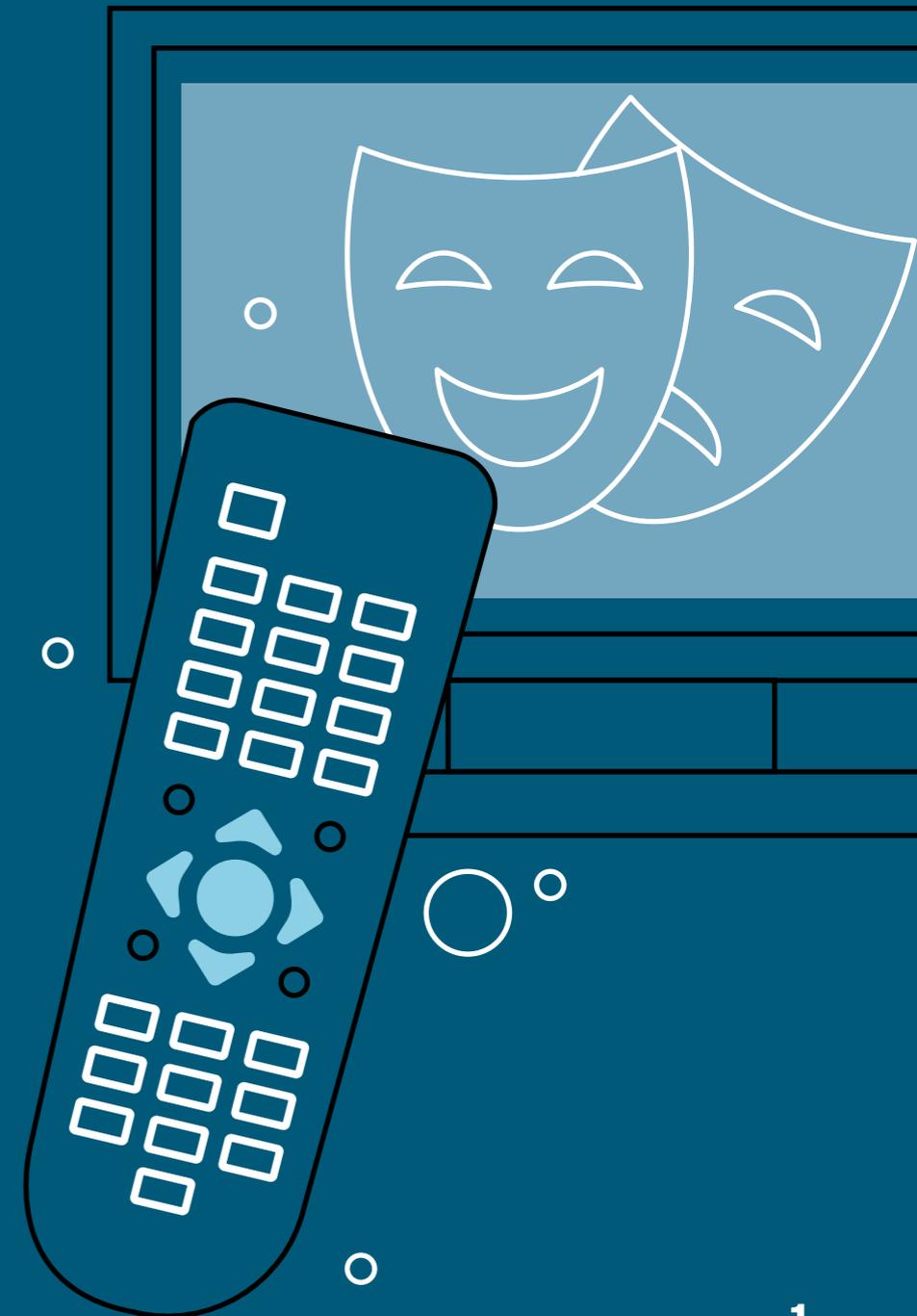
TV Licensing's role is to collect the Licence Fee in the most cost-efficient way, deliver the best value for the licence payer and ensure as much money as possible goes towards funding the BBC's programmes and services.

Regardless of channel, device, or how people receive their TV signal, a TV Licence is needed to watch or record programmes at the same time as they are shown on TV, or live on an online TV service.

Although new technology has made alternative viewing methods popular, 95 per cent of us continue to watch live TV. There are 25.6m licences in force - more than ever before.

TV Licensing has been changing too – to ensure we keep abreast of new technology, seek value for money in all aspects of our work and help our customers become and stay licensed as easily as possible.

This year, in the run up to Charter Renewal, there's been a great deal of debate surrounding both the BBC and the Licence Fee. The Perry Review, which examined our enforcement strategies, recommended Licence Fee evasion should not be decriminalised. The review concluded the way TV Licensing operated was broadly fair, proportionate and provided good value for both Licence Fee payers and taxpayers.



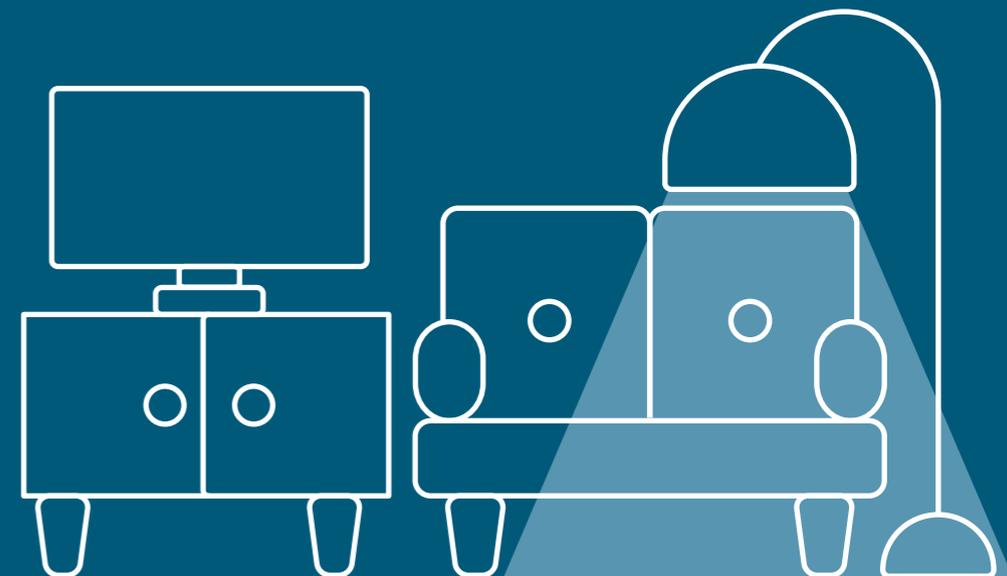
Foreword continued

The government's recent White Paper said the Licence Fee would rise in line with inflation for the first five years of the Charter period, from 2017/18 to 2021/22. The government also committed to modernise the Licence Fee to include BBC on demand programmes by closing the so-called iPlayer loophole. This change is expected to come into effect in autumn 2016. These changes will help give the BBC funding certainty and ensure fairness for those already paying for a TV Licence. The government additionally plans to update legislation to allow the BBC to trial alternative payment schemes, which would allow clearer and more flexible payment plans, especially for those facing difficulty in paying the Licence Fee. The White Paper further notes the BBC has confirmed that from April 2017, refunds would be monthly rather than quarterly.

The BBC agreed to take on the cost of funding free TV Licences for those aged 75 and over, which will be phased in from 2018/19. The government has agreed the BBC will be able to ask for voluntary payment of the Licence Fee from those aged 75 and over who are entitled to a free licence. We are working with government to implement the legal aspects of this agreement.

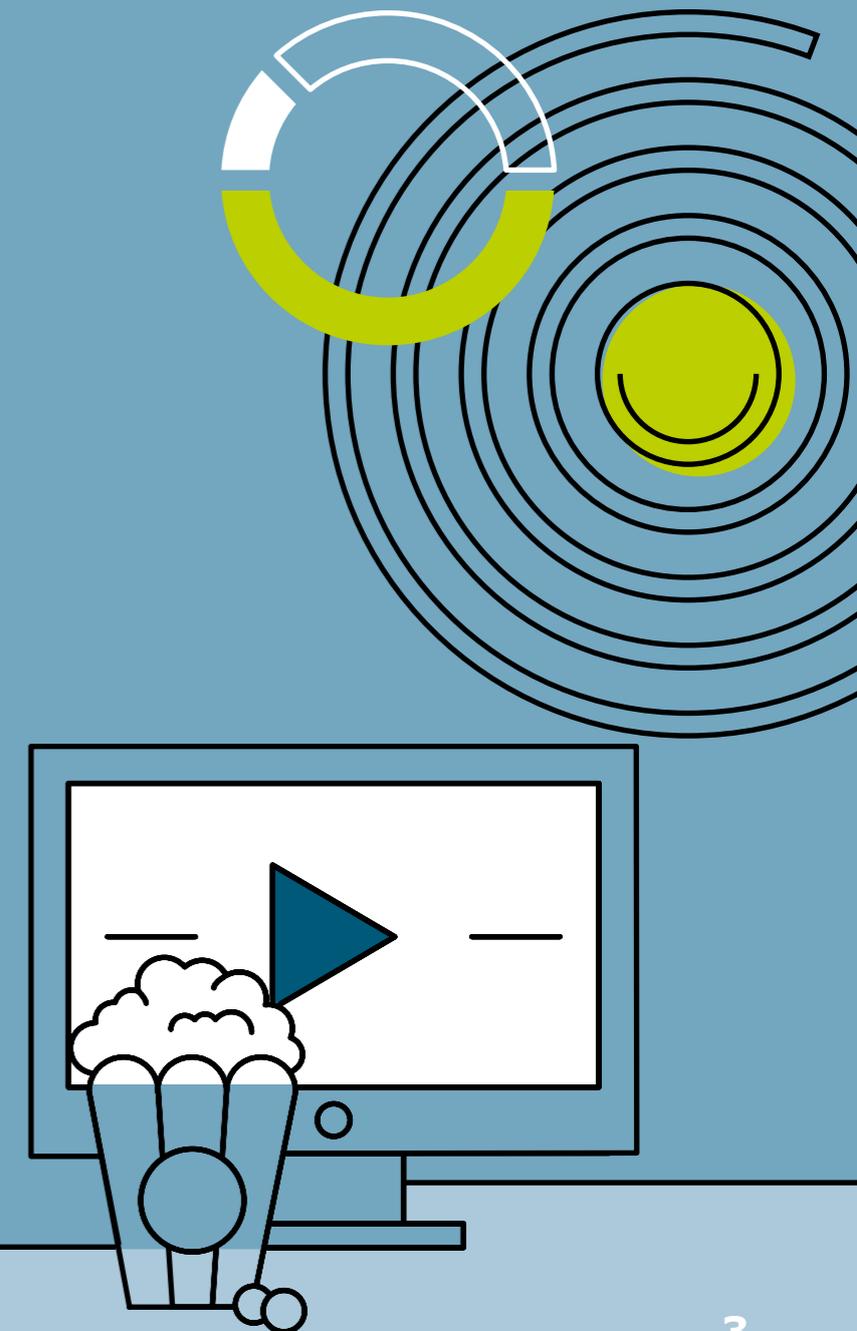
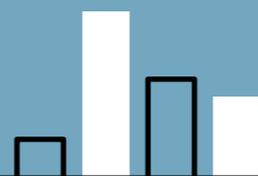
Licences in force

25.6m



How did we do this year?

The number of licences in force continues to grow each year. While this is in part due to the ongoing development of new homes and one of the lowest evasion rates in Europe, it also reflects the fact the majority of people still enjoy live TV and require a licence.



Licences in force

24.6m

2006/07



24.7m

2007/08



24.9m

2008/09



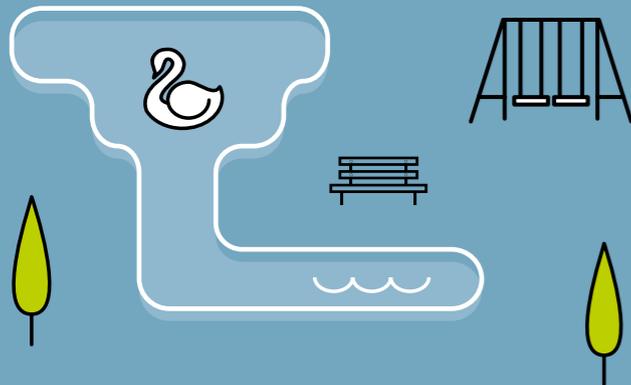
25.0m

2009/10



25.1m

2010/11



25.2m

2011/12



25.4m

2013/14



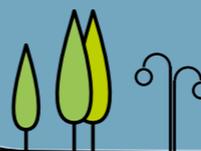
25.3m

2012/13



25.5m

2014/15



Licences in force this year

25.6m

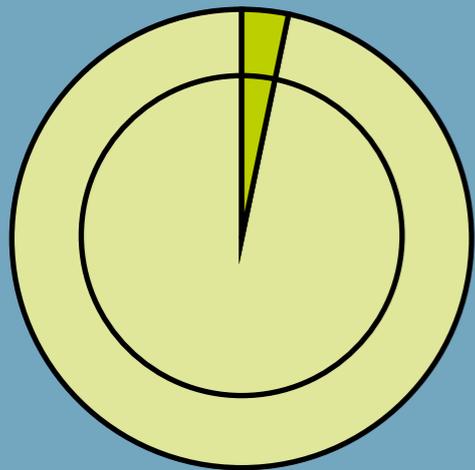
In 2015/16,
Licence Fee income was

£3,743m



Cost of collecting the fee

Our role is to maximise Licence Fee revenue – and despite rising costs in some areas – we’ve worked hard to collect the Licence Fee in the most efficient way, finding savings wherever we can. In the past year, our collection costs were just 3p for every £1 collected.



3p per £1
Collection costs

£83.8m

Collection costs including call centres, enquiry officers, detection and over-the-counter services

£1.6m

Depreciation of new systems

£15.8m

Communications including reminder letter and information campaigns

£10.3m

Postage

£3.1m

Administration and contract management

Total collection costs

= £114.6m

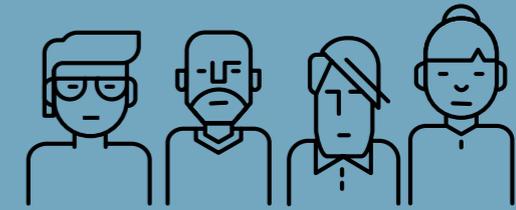
Evasion

In 1991, when the BBC took over responsibility for the Licence Fee, evasion was 12 per cent. Every unpaid licence equates to potential income lost for BBC programmes and services, so it's important we continue to work to ensure everyone is aware of licensing requirements.

Thanks to this work, evasion today is currently between six and seven per cent*, which means the overwhelming majority of homes and businesses – between 93 and 94 per cent – are correctly licensed.

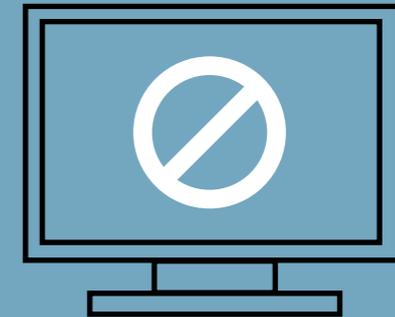
A minority still try to avoid paying the Licence Fee and on behalf of those who do pay, we will take action against people who deliberately evade the fee. Anybody found evading could face prosecution and a fine of up to £1,000.

On average, we catch more than 800 evaders every day. Between April 2015 and March 2016 we caught almost 300,000 people watching TV without a licence. We only prosecute when it is in the public interest to do so, and 99 per cent of the cases we take to court result in conviction.



Average number of evaders caught daily

+800



We caught almost

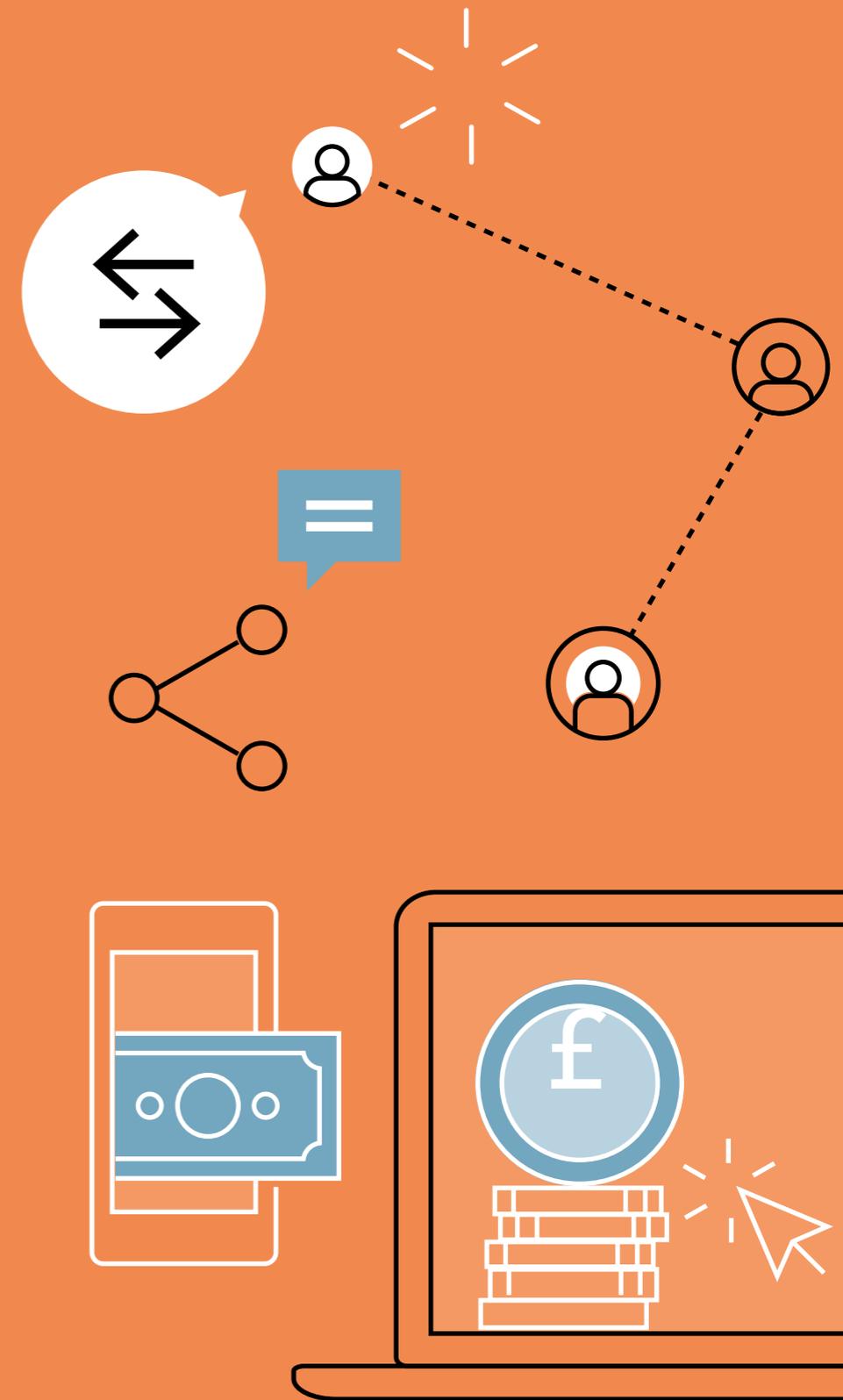
300k

People watching TV without a licence

* From 2013/14 onwards the rate of evasion has been reported as a range to reflect it is calculated using a number of input figures, some of which are estimates. Changes of less than one per cent are not statistically significant. In 2015, the Broadcasters' Audience Research Board (BARB) changed the way in which its Establishment Survey defines TV households. This has led to an increase in BARB's estimate of total TV households and in the proportion of all households reported as having a TV set (TV penetration or TVP). The estimated TVP rate has increased from 95.15% in March 2015 to 95.82% as at December 2015. Note that the TVP rate for March 2016 was not available at time of publication. This change has contributed to the evasion rate now being estimated at 6-7% in 2015/16.

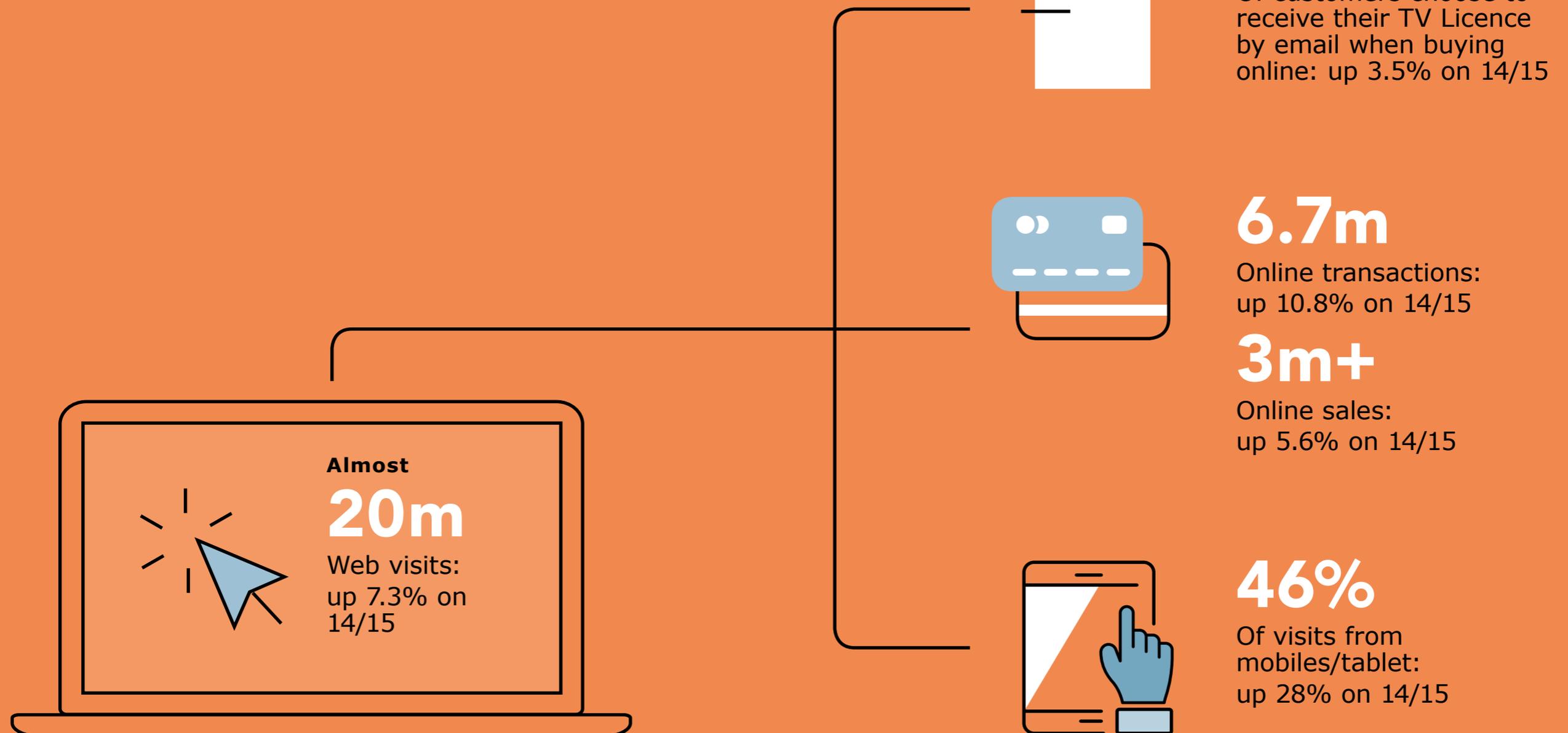
How did our customers contact us?

We want to make it easy for our customers to contact us and have streamlined our website to make it simple for people to buy a licence or change their details online whenever it is convenient for them. This year, customers carried out almost 7 million transactions on our website, up almost 11 per cent on last year.



Our website

As visits to our website have increased, there has been a consequent decline in calls to our contact centres. This year, our customer service team answered 5.5 million phone calls – a reduction of 5.7 per cent on the previous year, reducing costs and freeing up our agents to deal with more complex customer queries.



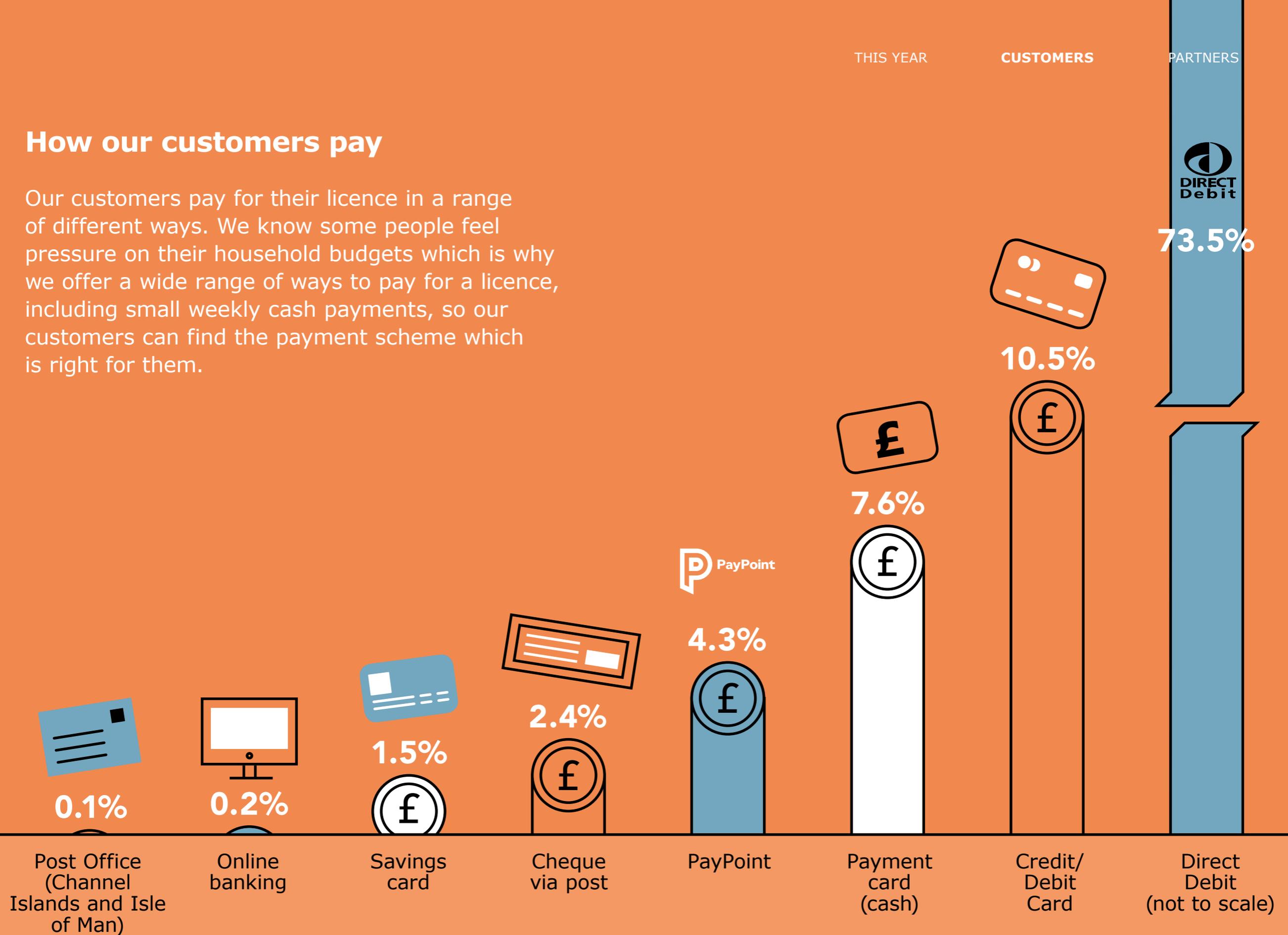
THIS YEAR

CUSTOMERS

PARTNERS

How our customers pay

Our customers pay for their licence in a range of different ways. We know some people feel pressure on their household budgets which is why we offer a wide range of ways to pay for a licence, including small weekly cash payments, so our customers can find the payment scheme which is right for them.



The proportion of customers using Direct Debit has risen to an all-time high of just over 73 per cent.

Improving our payment plans: helping people stay licensed for longer

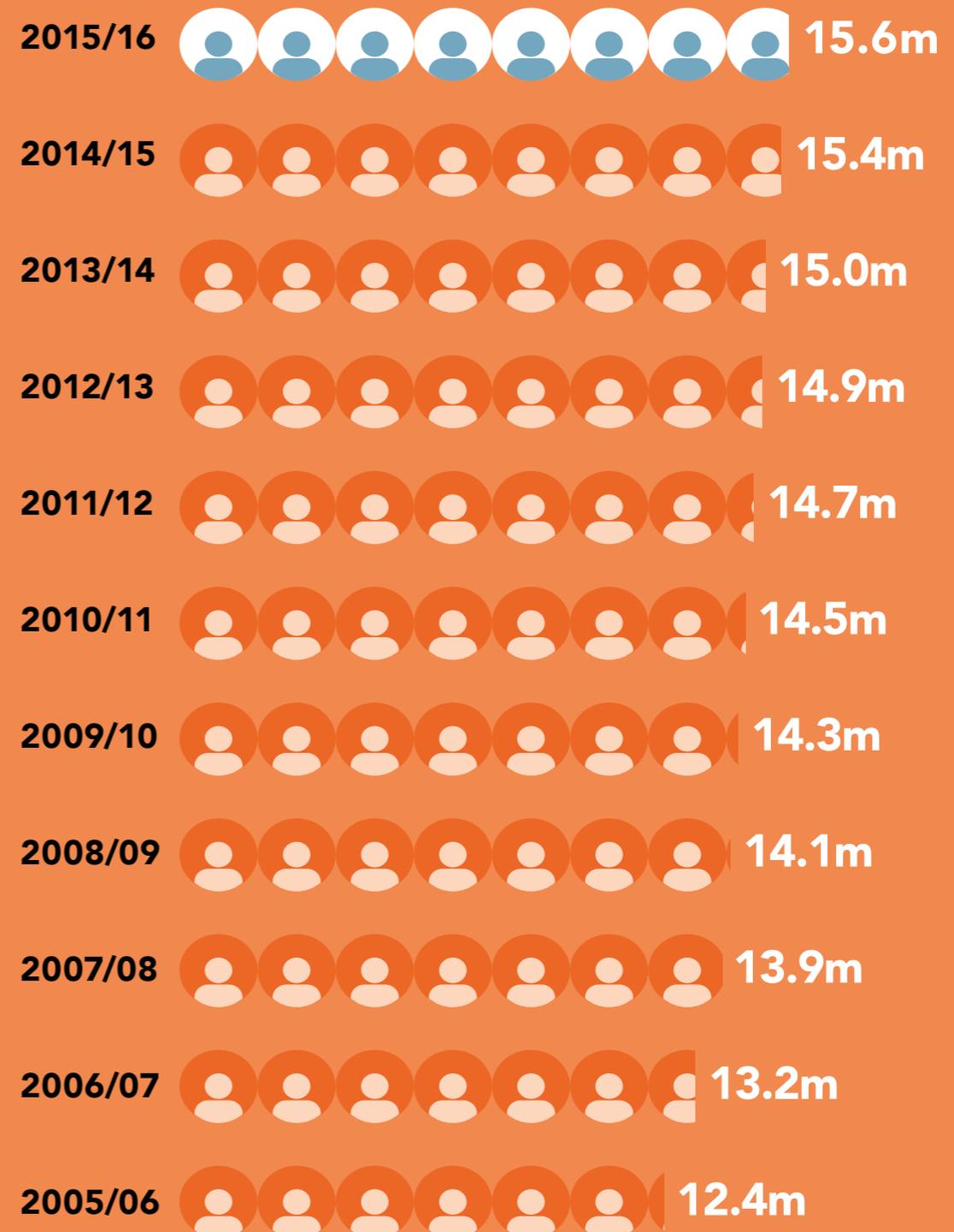
We do everything we can to help people to stay licensed and constantly look for ways to help households paying for their TV Licence. We have provided more opportunities for our Direct Debit customers to stick to their payment plan and remain licensed if they miss scheduled payments.

Now, if a customer misses two Direct Debit payments and does not catch up, they will remain licensed but their account will be transferred to our debt collection agency. This allows them to pay smaller amounts towards their account, maintain their payment plan and remain licensed. Previously, customers who missed Direct Debit payments would have their licence cancelled, putting them at risk of prosecution and a fine of up to £1,000 if they continued to watch or record live TV.

The changes mean more people stay licensed for longer so can continue to enjoy TV legally. As a result, we have helped over 88,000 Direct Debit customers to stay licensed in 2015/16. A similar scheme already existed for customers on cash instalment schemes.

Number of customers paying by Direct Debit

Year



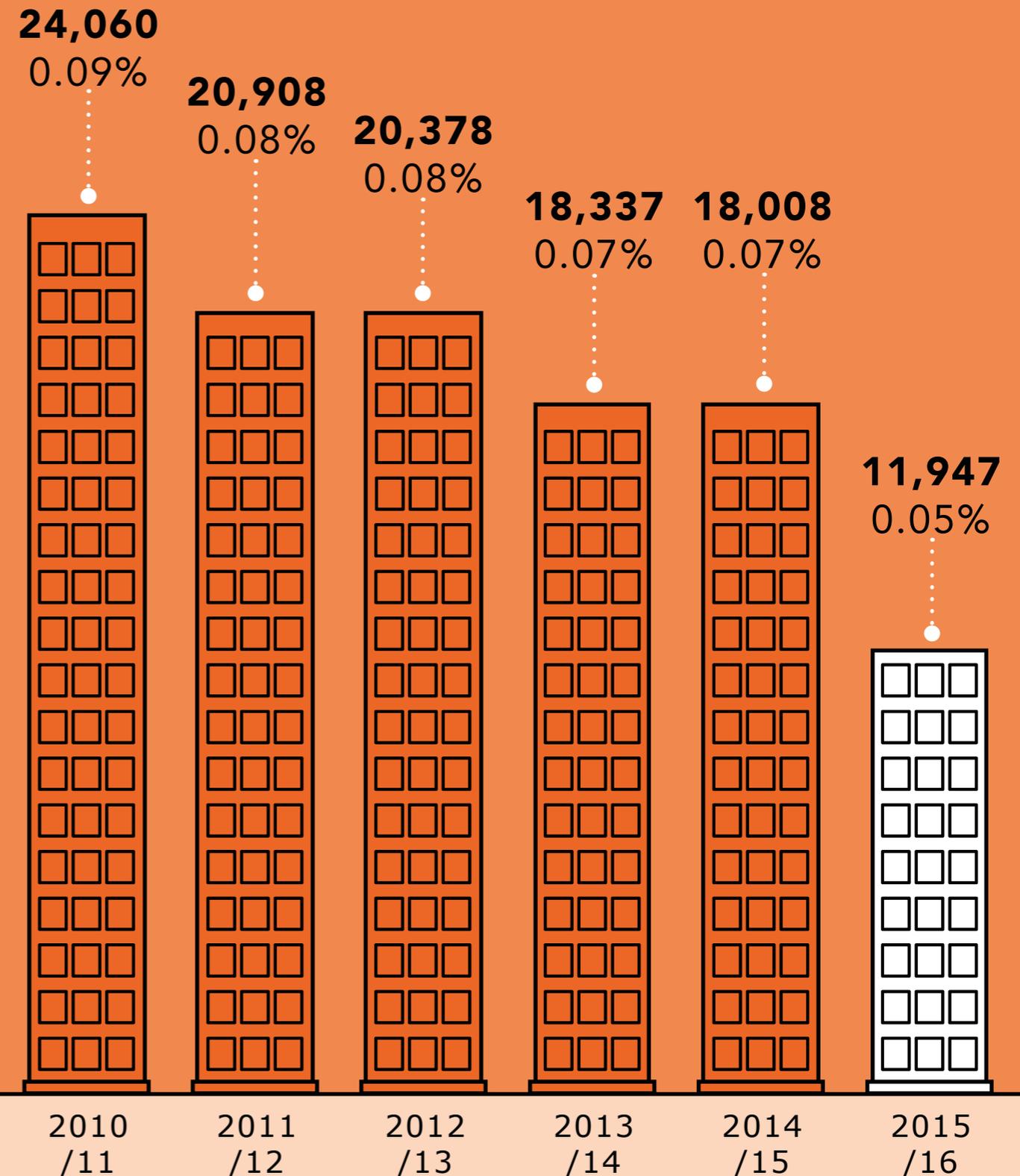
Customer complaints

We always aim to offer a good standard of service to licence payers. Our staff receive excellent training and aim to resolve customer queries on first contact.

This year, TV Licensing received 11,947 complaints – a decrease of a third from the previous year's figure of 18,008 and the 7th consecutive year complaint volumes have dropped. We've achieved this by looking at the root cause of complaints to identify improvements.

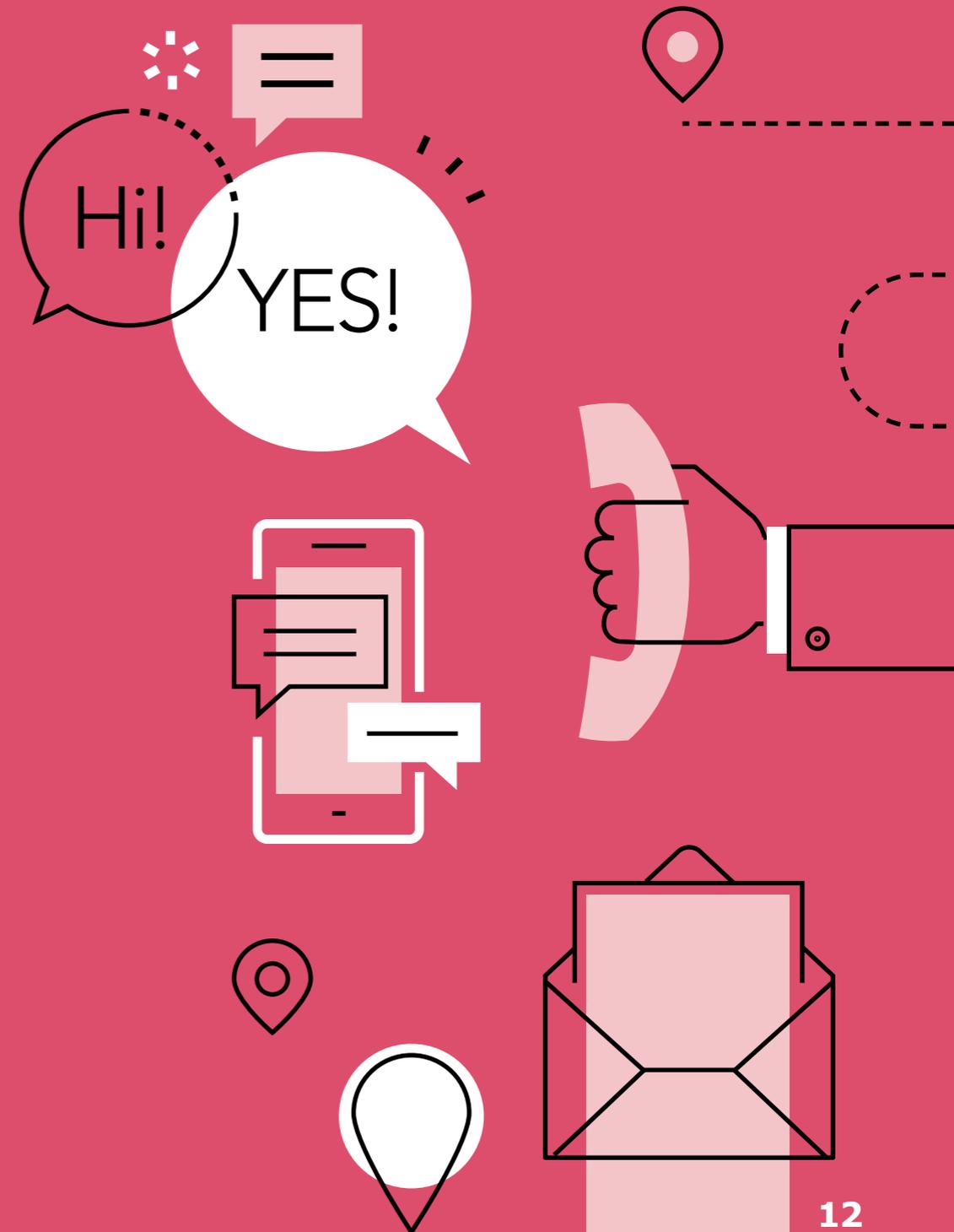
The number of complaints we receive is very low. This year, it was equivalent to 0.05 per cent of all licences in force.

Volume of complaints
As a % of licences in force



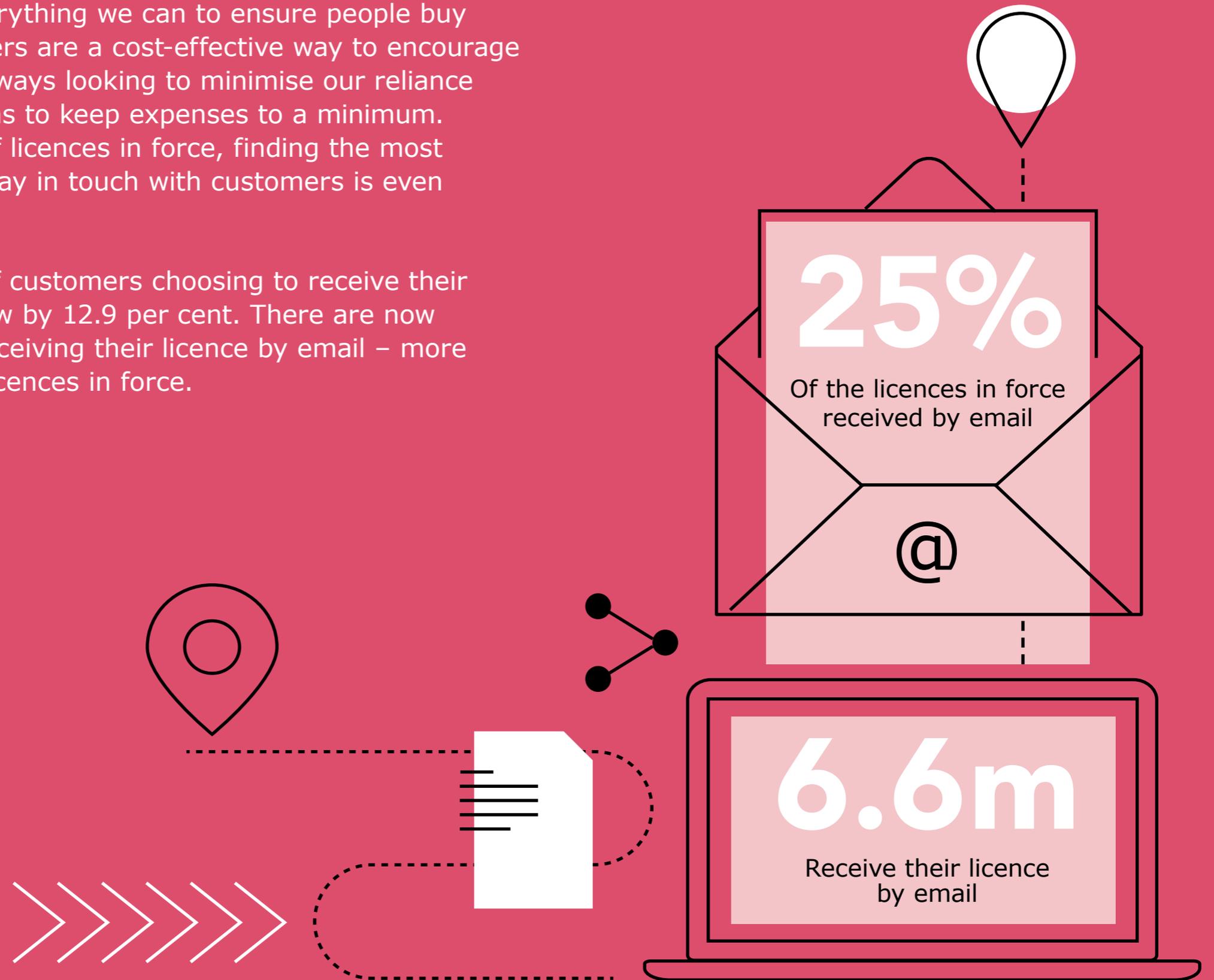
How did we contact our customers?

As the majority of customers pay via Direct Debit, we contact them once a year or less. Where we have email addresses and customer consent to use them, we will prioritise digital channels wherever we can, as this is the most cost-effective way of reaching customers. Other communication methods include SMS, phone, post and visiting addresses. When we need to communicate with unlicensed addresses we will always call or write to addresses before visiting.



It's only right we do everything we can to ensure people buy a licence and, while letters are a cost-effective way to encourage people to pay, we are always looking to minimise our reliance on paper communications to keep expenses to a minimum. With a record number of licences in force, finding the most cost effective ways to stay in touch with customers is even more important.

This year, the number of customers choosing to receive their TV Licence by email grew by 12.9 per cent. There are now 6.6 million customers receiving their licence by email – more than 25 per cent of all licences in force.



In 2015/16, 721,000 customers gave us their consent to receive important TV Licensing information by email. Overall, almost 8.3m customers receive our information by email – helping us keep the cost of collection as low as possible.

The growing “e-licence” trend

	March 2015	March 2016
Volume	5,831,298	6,584,685
As a percentage of licences in force	22.9%	25.8%

Customers receiving information by email

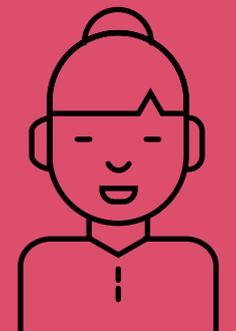
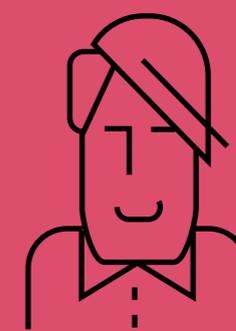
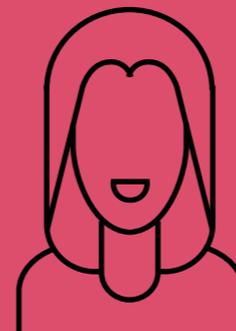
	March 2015	March 2016
Volume	7,564,291	8,285,480
Year on year percentage growth	12.1%	9.5%

Reducing our reliance on paper

To help us reduce our reliance on paper, we let customers know in the letters that we send that they can receive both their licence and important TV Licensing updates by email. We also signpost this on our website and use targeted online banner advertisements to encourage customers to make the switch.

+721,000

Customers gave consent to receive important TV Licensing information





Our team of enquiry officers focus their visits on unlicensed addresses. Their role is to ensure everyone who watches live TV is correctly licensed and not breaking the law.

This year, our officers visited 3.3 million addresses to check licensing requirements. Our enquiry officers are effective – last year more than 800 people were caught each day. Those who did not have a licence when visited still need to buy one if needed.

Enquiry officers can offer help and advice on the various ways to pay. If the person caught is a first-time offender and there are no aggravating circumstances involved, TV Licensing will drop the case where the individual buys a licence before the case comes to court.

Supporting our people in the media – our enquiry officer campaign

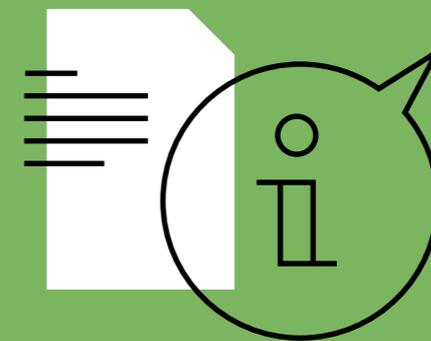
We know most enquiry officers conduct their job professionally, empathetically and politely in a challenging work environment, yet attacks on our officers have been on the rise. In 2014, 72 officers were victims of physical assaults. This was more than double the number of recorded incidents since 2012.

In 2015, we designed a media campaign to highlight the isolated behaviour of attackers, whilst providing reassurance to officers. Using video diaries and audio clips as well as YouTube films, the campaign highlighted this growing problem.

The story received widespread coverage and was seen by almost 40 per cent of adults, conveying the message that officers are simply doing their job and deserve to be treated with respect.

How did we work with partners?

TV Licensing is committed to helping everyone understand the law, regardless of their language or background. Our partnerships are vital in helping us communicate licensing requirements, concessions and the many payment methods on offer to communities across the UK.





This year we have worked with more than 460 organisations offering advice or support services to the community to ensure they have the TV Licensing information they need for their clients. National organisations we are in regular contact with range from Citizens Advice and Age UK through to Mencap, RNIB, StepChange Debt Charity, Christians Against Poverty and the Money Advice Trust. We also work with regional and local organisations across the country such as councils, housing associations and community centres.

We are grateful to all those we work with for their co-operation and are pleased these organisations find our work helpful. Feedback from our partners was very positive. Respondents gave 4.3/5 for the statement "The TVL campaign team provides a valuable service to community organisations and charities" and 4.9 when asked if, following briefings, they now had a better understanding of TV Licensing policy, ways to pay and concessions.

Number of organisations
we have worked with

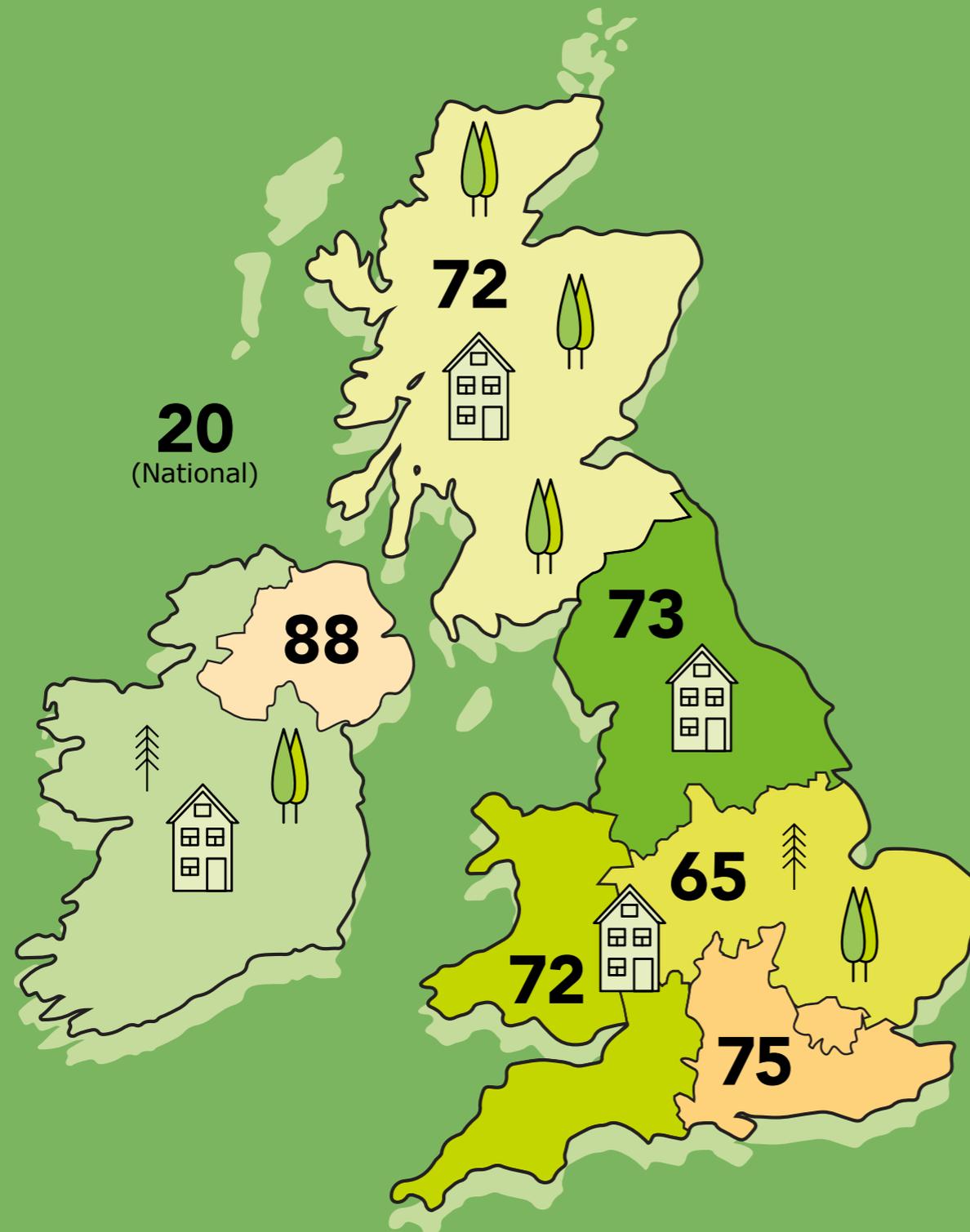
+460

Our community relations programme

The number of organisations
we've worked with

465

Total



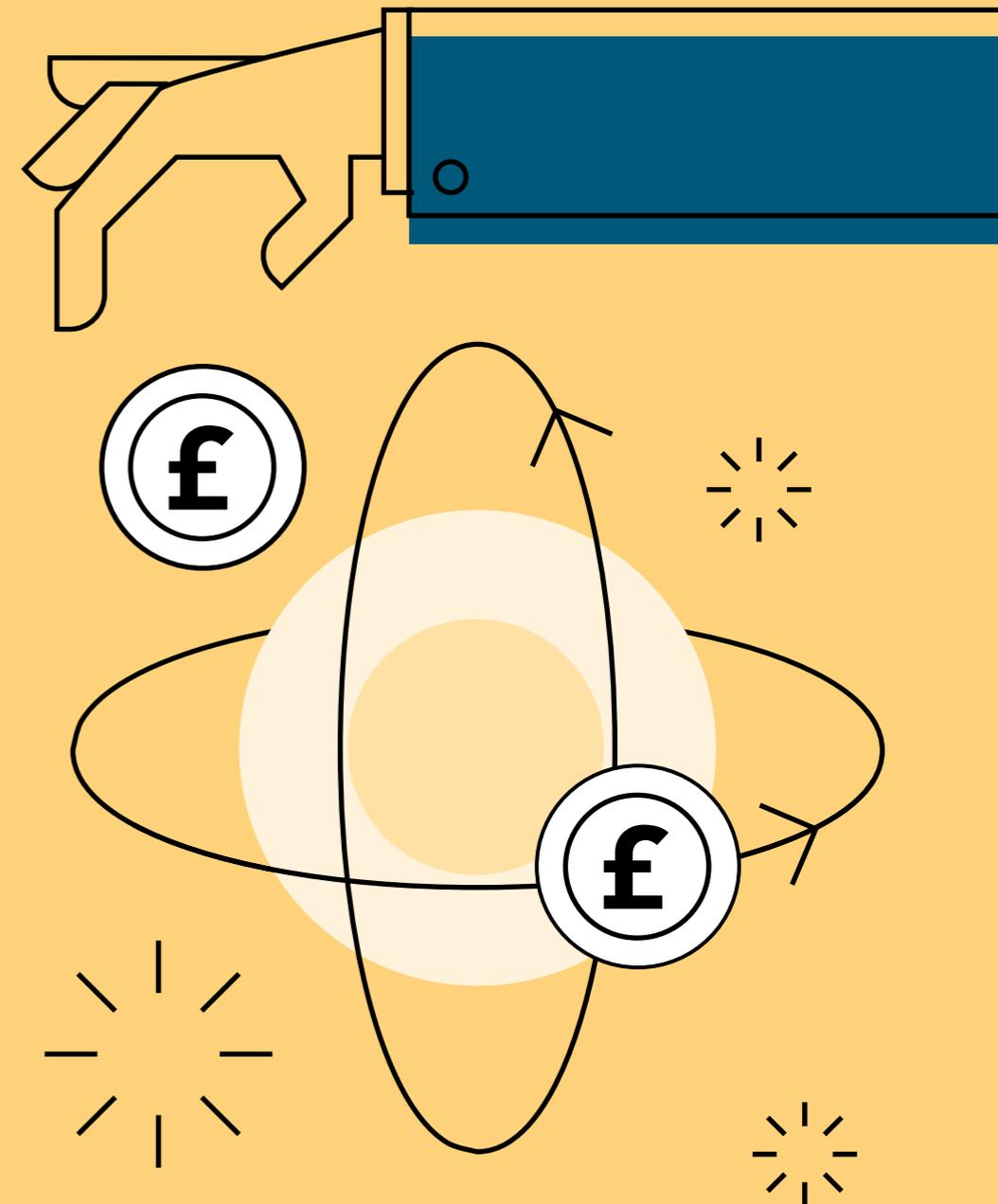
Number of organisations by region

Number of organisations by category

Accessibility	66
Business	19
Community	28
Housing	31
Local Authority	40
Minority Ethnic and Migrant Community	57
Money Advice	213
Other	11

How the Licence Fee was spent

You can find out how the Licence Fee was spent in 2015/16 by going to the [BBC website](#).



About the TV Licence

Everyone in the UK who watches or records TV programmes as they are shown on TV needs to be covered by a TV Licence. This applies no matter what device is being used, whether a computer, tablet, smartphone or anything else. The government sets the level of the Licence Fee. It is frozen at its current level of £145.50 until 31 March 2017, which is 40p per day. A black and white TV Licence is £49.

Click [here](#) to read this document in Welsh.

For further information on TV Licensing, please visit www.tvlicensing.co.uk/info

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