Citizens Advice response to the BBC Trust’s consultation on how the TV licence fee is collected

November 2008
Introduction

The Citizens Advice Bureaux (CAB) network is the largest independent network of free advice centres in Europe, providing advice from over 3,200 outlets throughout Wales, England and Northern Ireland. We provide advice from a range of outlets, including GPs’ surgeries, hospitals, community centres, county courts and magistrates courts, and mobile services both in rural areas and to serve particular dispersed groups.

The Citizens Advice service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination.

The service aims:
- To provide the advice people need for the problems they face; and
- To improve the policies and practices that affect people’s lives.

In 2007-2008 the CAB service in England and Wales dealt with 5.5 million enquiries in total. Of these we estimate that 95,000 related to communication and utility issues, of which 1,783 problems were about TV licensing issues. The number of estimated problems dealt with by bureaux in the last three years is provided below.

Chart 1

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<th>Year</th>
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<td>2005-6</td>
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<td>2006-7</td>
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Figures for Quarter 1 and Quarter 2 2008-9 reveal that the level of TV licensing problems reported by bureaux remains broadly level, with 798 problems dealt with in the first half of the year.

In terms of the profile of clients who came to bureaux with problems with TV licensing (1,484 clients in total), our data reveals that in 2007-8:

- 79% of clients described themselves as white, 5% as Asian or Asian British, 6% as Black or Black British, 2% as Chinese or other ethnic group and 1% as mixed race;
- of the 497 clients who provided information about their income level 44% had an income below £400 pcm, 23% had an income between £400-599 and a further 23% had an income between £600-999. Thus, two thirds of the clients (67%) who provided data about their income had incomes of less than £600 pcm.
- of the 1,142 clients who provided information about any disability, 35% described themselves or someone in their household as having a disability;
- of the 920 clients who provided information about the composition of their household 77% were single (55% were single, 28% were single with dependent children and 4% were single with non-dependent children).

Responses to specific questions

**Question 1. Do you feel it is clear when a TV licence is needed? Is there anything more which could be done to help people understand?**

We consider that in general it is fairly clear when a TV licence is required. However, we think that more could be done to make clear that there is an obligation to buy a TV licence to people who are newly arrived to the UK. For these people, who may include recently arrived economic migrants or asylum seekers, this requirement may be rather unusual, contrasting greatly with circumstances in the country in which they formerly lived.

Cases reported by bureaux reveal a lack of understanding among such groups about the need to purchase a TV licence, and the severe penalties which can ensue for non-payment. This can often result in cases being mistakenly pursued for non-payment and even taken to court:

A Latvian man with poor English sought advice from a CAB in the West Midlands about the repercussions from a visit by TV Licensing officials. The client explained that he lived in a multi-occupied property and did not own a television, nor did he have access to any television in the premises. On 2 May 2008, a television licence inspector called at the client’s home and entered the first room on the ground floor, where he saw a TV set. When the client came down from his room to investigate he was immediately questioned by the TV Licensing official under caution. The
client stated that he did not understand the nature of the questions and
found the TV Licensing official’s attitude aggressive. The client signed a
form, though he did not understand its contents, and has since received a
summons to appear in a magistrates’ court for non-payment of a TV
licence.

A CAB in the South West reported a case in which their client, a
Sudanese asylum seeker with very limited English, received a summons
for failure to possess a TV licence. The client had recently moved into a
shared house when an official from TV Licensing called, asking for a
person whom the client did not know. The client allowed the TV Licensing
officer into his room and said he had no TV. The client found it hard to get
rid of the official so asked what he should do if he did decide to get a TV.
The client was asked to sign a form and was told that he would receive
information in a few days. The client signed without knowing what was on
the form. He then received information and a payment card for Cash Easy
Entry. Since the client didn’t know what it meant he asked his health visitor
on her next visit. The health visitor rang TV Licensing about this and
complained about the behaviour of their officer. TV Licensing said this
would be taken very seriously and she was assured that matter would be
resolved and the .Cash Easy Entry scheme cancelled. Subsequently,
however, the client received a summons at the local magistrates court for
non-payment of the TV Licence. The client was very confused and upset
by the summons. To get the matter sorted by his local CAB he had to
miss three days of English lessons.

Another CAB in South-East Wales reported that their client, an asylum
seeker, came to see them because he had received a bill for £139 for a
TV licence. The client shared accommodation with five other people, and
when he moved in to his accommodation there was already a TV in the
common room. The client did not speak English, so had tried to resolve
the matter with the accommodation provider but it had proved impossible
to speak to them about the matter.

We think that TV Licensing should make far greater efforts to engage with
organisations who deal with groups of asylum seekers or newly arrived migrants,
or provide support to them. They should seek to disseminate information about
the need to buy a TV licence in the UK, and about the punitive measures which
can be taken in relation to non-payment. At present some material is provided
on TV Licensing’s website in a variety of languages but this will, in general, be
inaccessible to asylum seekers who are extremely unlikely to have access to a PC
or internet. Also, a strategic decision should be taken over whether it is in
interests of licence payers generally for TV Licensing to actively pursue groups
such as failed asylum seekers who have no means to pay for a licence, or any
fines which may be levied, since they subsist on vouchers which can be
redeemed only in certain shops.

In addition, we consider that TV Licensing officials should be under a stronger
obligation to ensure that people understand what they are being asked about,
and forms that they are asked to sign, when they receive a visit to their home. One way to do this might be to mandate officials to provide people with information in their own language about why they are visiting their home, their rights and what they may be asked to do. This should also include the option of calling a translation service to provide support. Failing this, there should be an interim period of perhaps two weeks in which people can access external support to enable them to understand what they are charged with and to challenge this, if appropriate.

**Question 2. Did you know about the different ways of paying for your TV licence?**

**Question 3. Is this range of payment methods suitable for you? If not, how would you like to pay?**

Our advisers are aware of the various options to pay for a TV Licence, and information about this is included in our on-line information source for advisers, Advisernet. At regular intervals we engage with TV Licensing who review the material to ensure that it is up to date. We are grateful for this assistance.

Many of our clients live on low incomes, and a substantial number of them do not have access to a bank account or do not wish to make payments from their account. Consequently, many of them make use of the Cash Easy Entry scheme. In theory, the Cash Easy Entry Scheme is a useful way for clients on low incomes or benefits and unable to make payments by direct debit to pay for their TV licence. However, due to the way the payments are set up, it means that the poorest clients end up paying more initially, often at a level which is unaffordable and therefore unsustainable.

A CAB in South London reported that a 44 year old single woman who was unemployed and in receipt of income support, was struggling to afford a TV licence. The bureau was helping the client with several consumer debts when it became apparent that the client did not have a valid TV licence. The CAB contacted TV Licensing to arrange for the client to make payments through their Cash Easy Entry Scheme. A payment schedule was set up whereby the client would have to make payments of £5.50 per week for the first 11 weeks, reducing to £5 per week and then eventually to £2.50 per week. This was the only option available to the client since, due to her financial difficulties, she could not set up payments by direct debit. The CAB adviser noted that the scheme discriminated against poorer clients since, initially, they were expected to make payments amounting to double the true cost of the TV Licence. In the case of this client, the amount initially demanded amounted to almost 10% of the client’s weekly income.

During discussions with TV Licensing about this ‘front-loading’ of the licence fee, we were informed that one of the reasons why the payments are arranged this way is because of the high level of people who default on this payment arrangement. It would seem to us that the line of causation may actually work the opposite way, in that the apparently high proportion of people who are unable
to maintain payments under the Cash Easy Entry scheme may be directly attributable to the fact that the level of payments currently demanded is excessive. We would be interested to explore whether setting payments at a more affordable level would help people on low incomes while also reducing the number of people who default from this arrangement (and who therefore lead to TV Licensing incurring additional costs as they seek to arrange payment by some other method).

More generally, for the Cash Easy Entry Scheme to work well for the people it is targeted at, there is the need for the support around the scheme to be accessible. Reports from bureaux suggest that this is not always the case:

A CAB in West Yorkshire reported a case in which they helped their client, a 54 year old man working part-time and living on a low income, make payments towards his TV licence. The client usually made weekly payments of £5.50 through the Cash Easy Entry Scheme for his TV licence but because of his financial circumstances, he was unable to make payment one week. The adviser attempted to call TV Licensing to sort this matter out on the dedicated line for advice agencies but was forced to hold on for 30 minutes before hanging up in frustration. She also tried to get through on the public line but this was always busy. The adviser was therefore unable to resolve the matter immediately, which left the client worried about the potential repercussions for him.

We would also suggest that TV Licensing reconsider the methods which it can employ when paying out refunds, since the current rules can cause problems for people who do not have access to bank accounts.

A CAB in Gloucestershire reported a case in which their client had attempted to gain a refund from TV Licensing for an overpayment that he had made. He had previously contacted TV Licensing and gained agreement from them that they would be able to issue a refund through postal orders. However, he was subsequently sent a letter stating that TV Licensing was unable to issue postal orders. The client then received a refund of £75 from TV Licensing but had sent back the cheque because he did not have a bank account. The CAB adviser contacted TV Licensing which stated that they do not issue postal orders but could issue a new cheque in another name. The client also received a separate cheque from a different department within TV Licensing for £45.18 but the covering letter did not state what it was for, and the adviser was unable to contact them on the telephone number provided.

We also note that TV Licensing operates a number of helplines, all of which begin with 084 numbers1. While calls to these numbers from fixed-lines are sometimes dubbed ‘Lo-rate’ this is not always the case. However, for customers calling from mobile phones the costs of calling numbers with the prefix 08 the costs can be truly exorbitant. Although costs vary by network operator, someone

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1 [http://www.tvlicensing.co.uk/aboutus/howtocontactus.jsp](http://www.tvlicensing.co.uk/aboutus/howtocontactus.jsp)
might end up paying 25p per minute for a call from a mobile to an 08 number. Given that Ofcom has recently published information about the profile of users of mobile-only telephony which reveals that people on low incomes are more likely to rely solely on mobiles, we consider that this is an area where TV Licensing should be forced to offer cheaper and more accessible options to help some of the poorest people gain assistance in paying for their TV licences. Our recent report, Are you being served? contains suggestions for how companies can look to achieve this and there is also guidance provided on this issue by Ofcom and COI.

We would also like to register our continued disappointment that the decision was taken to move the contract for purchasing and renewing TV Licenses away from Post Office Limited. Our bureaux continue to report the difficulties that this decision can cause:

A CAB in Hertfordshire reported that since it is no longer possible to buy a TV licence at the Post Office, clients must now travel to the outskirts of the town to get to the nearest Paypoint facility. This causes great inconvenience for elderly and disabled clients who do not wish to pay for their licence over the phone, and have no internet access.

A CAB in Cambridgeshire reported that since it is no longer possible to renew a TV licence at a post office people living in a village where there's a post office must now travel to the nearest small town where the supermarket has a Paypoint facility, causing them to incur significant extra expense (and also potentially increasing their carbon footprint).

Many CAB clients value the service they receive from their local Post Office and carry out a number of transactions at their local PO branch. For these clients, it would be helpful and convenient if they were able to pay for their TV Licence at the same time. In addition, the income generated for Post Office Limited would also help to put the network on a more secure financial footing. We urge the BBC Trust to consider the full range of social and environmental factors, alongside financial matters when considering the future contract for handling TV Licences.

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2 See http://www.saynoto0870.com/cgi-bin/forum/YaBB.cgi?num=1168434954 for more details of rates to 08 numbers from both landline and mobile phones.

3 “Consumers living in households with an annual income of £11.5-£17.5K saw the largest decline in use of landlines and subsequently the highest increase in sole reliance on mobile telephony. Almost a quarter (24%) of the lowest income bracket (up to £11.5K) live in households with access only to a mobile phone.” The Consumer Experience 2008, Ofcom, p.24

4 Available at http://www.citizensadvice.org.uk/

5 http://www.ofcom.org.uk/media/features/03numbers

6 See COI Better Practice Guidance for Government Contact Centres
Question 4. Has the direct communication you've received about your TV licence met the aims outlined in the paragraph above? If not, please explain.

Question 5. Do you think the tone of the marketing and advertising about the TV licence is appropriate?

According to the BBC Trust consultation document “Communications aim to be clear and concise, polite but firm. They should not presume guilt but may explain the consequences of evasion.”

Many of our bureaux report cases in which their clients have come for assistance due to the threatening nature and intimidating tone of the letters sent out by TV Licensing. Many of these cases involve elderly or vulnerable people who are often upset or even outraged at the presumption of guilt which appears implicit in the letters sent by TV Licensing. The following cases demonstrate the impact that such communications can have:

A Lincolnshire CAB reported a case in which their client, an elderly woman who lived alone and did not have a TV, came to the bureau because she was angered and upset by the tone of letters sent to her by TV Licensing. The client considered that the letters, often written using red ink, were threatening. The most recent letter had threatened her with an 'interview under caution' if she did not buy a TV licence. The client felt intimidated as it appeared that letters she had written to TV Licensing stating the fact that she did not possess a TV so did not require a licence appeared to have been ignored. This frail elderly lady was distressed by the whole experience and did not know who she could complain to about the TV Licensing Authority. She felt that she was being bullied into buying a TV licence despite not having a TV and, in any case, being of an age that would entitle her to a free licence.

A CAB in Berkshire reported a case in which they helped their client, aged 73, with some difficulties he was experiencing with TV Licensing. The client had never owned a colour TV. As a result of reminders to get a colour licence, he wrote to the Licensing Authority three times (twice by recorded delivery) to point out that he did not have a colour set, all without reply. In the end, the client felt so harassed by TV Licensing that, 'in order to get [them] off his back,' he decided to pay for a colour licence (£139) as well as continuing to pay the installments for his black and white licence (£45). The CAB adviser spoke to the TV Licensing Authority who admitted that the few black and white licence holders tend to get 'special attention,' including visits from inspectors. The TV Licence official said that they could see from their records that the client had two licences (one black and white, and one colour) and following CAB intervention, they agreed to refund the client's colour licence expenditure of £139.
Question 6. Do you think that the methods of enforcement, including letters, visits and detection, are reasonable and appropriate?

Citizens Advice remains concerned that the enforcement regime for non-payment of a TV Licence is taken in the magistrates court. This means the minor offence of not paying for a TV Licence can result in imprisonment as the ultimate sanction. We would strongly advocate that it would be far more appropriate for matters relating to non-payment of TV Licences to be dealt with in the county court, which is more focussed on dealing with matters relating to debt.

Cases reported by bureaux suggest that the methods of enforcement employed by TV Licensing can often be heavy-handed and inflexible, and can cause real distress to some of the more vulnerable members of society.

A CAB in West Sussex reported a case in which they helped an elderly client who had never had a TV. The client had explained this many times to TV Licensing, and had been inspected once in last 8 years but still received letters threatening her with referral to Enforcement Division as she has no licence registered at her address. The client had been to her local CAB regularly with a variety of letters relating to TV Licensing and the CAB had been in constant telephone contact explaining the client's position and trying to stop unnecessary harassment of the client. The client accepted that she might be inspected by a detector van crew at any time but she did not answer her door in hours of darkness due to fear of being attacked. The CAB explained this to TV Licensing and asked for a note to be shown on client’s record that detection visits should be made only in daylight hours. Recently the client came to the CAB with a letter from TV Licensing bordered in red, which had a threatening tone. As a result of this letter the client had spent the entire weekend in tears. The CAB contacted TV Licensing who said that the client was to ignore future letters and a 'no set guard' is now on her record that should inhibit the issue of further correspondence. TV Licensing reiterated the fact that detector van crews might call to check that the client still did not have a TV, and that they could not guarantee that this would be only during daylight hours. The client was elderly and lived alone, and told the CAB that this issue was taking its toll on her emotionally. She could not understand why she was being harassed constantly by correspondence when her position was quite clear. She felt very vulnerable and told the adviser that without the support of the CAB she would 'go under' as a result of this senseless correspondence. She felt embarrassed that the envelope on the latest letter showed that she was being 'chased' for possible non compliance and that others might have seen this envelope and thought badly of her as a result. The red coloured border on the recent letter also frightened her, as did the reference to her details being passed on to 'our Enforcement Division for investigation'. The letter also clearly stated that the consequences of investigation could be serious—again she felt this was a terrible threat especially as she could not get TV Licensing to understand that she did not have a TV set. The client felt powerless to deal with the bureaucratic process employed by TV
Licensing, and was horrified to think that her integrity was being called into question.

Bureaux also report cases where the methods of enforcement appear far from reasonable and where allegations of false statements are made against TV Licensing officials, as in the following case:

A CAB in South London reported a case in which their client and her husband received a summons for non-payment of the TV licence. The client and her husband were Nigerian students living in an HMO in London, whose only income was money sent from relatives in Nigeria. They did not and had never owned a television. Another occupant in their house had a TV in his room, but his was not in a communal area. A TV Licensing Inspector called when the client’s husband was out and she spoke to him on the doorstep. Because of her Muslim faith, the client did not admit men into her home apart from her husband and brother. She also spoke very little English. The Inspector filled in an interview form and also a payment plan. The client signed the forms although she did not understand them. When her husband realised what had happened, he cancelled the payment plan. They then received a letter saying the licence had been cancelled because of non-payment and the client then received a summons for having a television without a licence. The interview form completed by the TV Licensing inspector stated that he saw the television and tested the channels. This was untrue, as the television belonging to the neighbour was in his locked room to which the client did not have access. The form also stated incorrectly that the client was the wife of the neighbour who owned the television. The inspector made no allowances for the client’s language difficulties and did not offer to return when her husband was home. The client and her husband are very distressed at the prospect of having to face a court appearance, for something that was not their fault.

It can also be the case that enforcement action is under taken when it would appear clear that it should not do so:

A CAB in the South West reported that their client paid for his TV licence by cheque but for some reason the payment was not registered on his TV Licensing account. In spite of providing proof of this transaction in the form of the stub from his cheque book and a copy of his bank statement the client was taken to court for non-payment. In court the case was thrown out.

Question 7. Do you think that the process for those who do not need a licence is appropriate? Please explain.

When informed by someone that they do not have a TV and therefore do not possess a TV licence, TV Licensing writes back and informs them that they plan to visit the person’s home to confirm that this is the case. This can be very difficult and overly-invasive for some people, as the following cases show:
A CAB in West Sussex reported a case in which their client came to the bureau over the threat of an unannounced visit from TV Licensing intended to confirm that they did not require a TV licence. The client’s husband was 65 years old and disabled and did not want unannounced visits from any TV licensing officers to their home. The TV licensing authority refused to take into account the client’s circumstances by arranging a visit by appointment. The client was very distressed by the stream of letters from TV Licensing. The whole situation was placing additional stress on the client who already had to live on a limited income and care for her husband full time. The CAB adviser noted that the client and her husband felt as if they were being treated as guilty until proven innocent.

In addition, the consultation document states that “once it is confirmed that a licence is not required, TV Licensing will then place a guard against the address for a number of years”. Reports from our bureaux suggest that this does not always happen and people who register the fact that they do not have a licence are soon inundated with threatening letters from TV Licensing once again:

A CAB in Kent reported that their client had received numerous letters from TV Licensing demanding payment of the licence fee. However, the client suffered from severe epilepsy which prevented him from watching television. He had repeatedly advised TV Licensing of this fact, but this information had seemingly been ignored or was disputed. The client had become very distressed by the correspondence which continued to be received and the demands for payment which continued to be made of him.

A CAB in Gloucestershire reported that their client was angry as she kept receiving threatening letters from TV Licensing for her former home, despite the fact that she had previously informed them that her house was empty and awaiting sale. The client had actually bought a licence for her new home, and described being threatened with official visits and prosecution as ‘harassment’. When she complained to TV Licensing they informed her that they would stop the letters but that this would only remain the case for three months.

Question 8. Based on your experiences of other collection agencies, such as local councils, utility companies and the DVLA, do you have any suggestions on alternative ways of collection?

In our experience, problems paying for TV Licences disproportionately impact upon the elderly and vulnerable members of society (including those for whom English is a second language), and the cases reported in this submission reflect this fact. It would therefore appear sensible if TV Licensing was mandated to do more to offer assistance to these groups of people. In the fuel sector, for example, fuel suppliers must offer eligible customers (people of pensionable age,
plus people who are disabled or chronically sick) the ability to register on a Priority Service Register (PSR). While not all the additional services which are offered to customers on the PSR would be appropriate for TV Licensing, we do think that it would potentially be very helpful for customers to request that they are placed on a register which would offer them access to services which might include:

- password schemes,
- bills / correspondence available in large print and braille as well as talking bills;
- bill nominee scheme, and
- referral to free money advice services where it becomes clear that someone’s inability to pay for their TV Licence is a symptom of wider debt problems.

**Question 9. Overall, do you think the right balance has been struck between encouraging payment and deterring evasion? Please explain**

Please see our responses to previous questions which covered similar areas, for example questions 4-6.

**Question 10. Do you have any other comments about how the TV licence fee is collected?**

We receive a significant amount of cases from our bureaux which highlight deficiencies in the level of administration within TV Licensing, which can cause problems for CAB clients and advisers when they are trying to resolve matters.

The following cases provide a snapshot of the types of cases reported:

A CAB in Lincolnshire reported a case in which their client acquired a TV when his grandfather passed away. Since the client was severely visually impaired, he did not purchase a licence. The client was then visited by a TV Licensing Enquiry Officer, who told him to contact the TV Licensing Authority, both customer services and concessionary departments. As the client did not feel sufficiently confident to do so, he came to the CAB for help. The CAB adviser tried to phone TV Licensing but after pressing the numbered buttons in sequence she was simply cut off because all TV Licensing’s advisers were busy. The CAB adviser was therefore forced to write to TV Licensing. This worried the client since it would take much longer to resolve the issue and in the meantime he was fearful of getting a fine for watching TV without a licence.

A Hampshire CAB reported that a client came to the bureau because he owed £105.38 for his TV licence. The client wanted to pay the money over the counter the following day and wanted the CAB to advise TV Licensing of this. The CAB adviser rang TV Licensing and was told by their adviser that the amount of £105.38 was not shown on their system and had therefore been cancelled and the client would not have to pay. She had however made a new payment arrangement of £35.12 from 3 March every three months to pay ongoing licence (as shown in the statement that the
client had received). The CAB adviser queried this with the TV Licensing adviser and asked her to check that the outstanding £105.38 had not been passed to a debt recovery agency. Initially she confirmed that it hadn’t but then she checked with her supervisor and confirmed that it had.

A CAB in North East Wales reported a case in which they were helping a client with mental health problems who found it difficult to cope with managing her bills. The client had fallen behind on her TV licence payment plan so TV Licensing wrote to her asking her to call them if she wanted to rejoin the cash payment plan. The client’s caseworker agreed to assist the client in calling TV Licensing but upon ringing the number she was informed that all their advisers were busy and asked to call again later. The phone line then went dead. This happened three times so the caseworker was unable to speak to TV Licensing on the client’s behalf.

A CAB in East London was helping a client dealing with a bailiff that was chasing her for alleged unpaid TV licence fees of £403. The client disputed this debt, stating that she used to pay for her TV licence at PayPoint terminals but she had later switched to payment via direct debit. The client was unable to understand she was being harassed over her TV licence when she was up to date with her payments made via direct debit. When the CAB intervened on the client’s behalf, it became clear after phone calls to a number of different numbers within TV Licensing, that they did not have up-to-date information about the client’s payment arrangements and history. As a result, the client had been mistakenly harassed for payment of a licence fee that she had already paid for. Inadequate record keeping by TV Licensing caused this problem and even ended up making the client ill, with the client reporting that as a result of the stress caused by the bailiff’s action she had two epileptic fits in a day.

We urge TV Licensing to improve the operation of their administration to eradicate these types of difficulties, and suggest that in situations where there are serious failings and people are put under a great deal of stress or caused significant amounts of inconvenience, compensation should be paid as a matter of course.