



Information Policy and Compliance
bbc.co.uk/foi

By email to

6th November 2007

Dear Mr

RF12007000950 – Freedom of Information request

Thank you for your request dated 3 November 2007, asking:

...whether you get a cut of the licence fee according to BARB viewing figures or whether I was right that as a general rule the BBC do receive all or the bulk of this money?

Also if you do get the licence fee in its entirety, and you obviously don't generate advertising revenue from your channels, what do you stand to gain from increased viewing numbers?

We are dealing with your request under the Freedom of Information Act 2000 ("the Act"). If you have further questions, the best place to start is our general contact number, which is 08700 100 222, or you can email the same team using the webform at <http://www.bbc.co.uk/info/contactus/form.shtml>

Question 1

Under the terms of the BBC Charter and Agreement:

The Secretary of State shall pay to the BBC out of money provided by Parliament sums equal to the whole of the net Licence Revenue or such lesser sums as the Secretary of State may, with the consent of the Treasury, determine.

(Agreement Between Secretary of State for Culture, Media and Sport, and the BBC – paragraph 75(1))

Whilst the Charter and Agreement allows for a proportion of television licence revenue to be retained by the Secretary of State for other purposes, in practice the BBC has been the only broadcaster to be funded by the licence fee.



INVESTOR IN PEOPLE

In the current Charter period (2007-2016), however, this option has been exercised in order to provide Channel 4 with temporary assistance with their one-off capital costs related to digital switchover. The total sum made available to Channel 4 is not expected to exceed £14million over the Charter period (to put that in to context, total licence revenue in 2006/07 was £3,243million).

Question 2

The BBC's purpose is to enrich the life of every person in the UK with programmes that inform, educate and entertain. The BBC does not gain financially as its audiences increase but aims to appeal to as wide an audience as possible and provide the best possible public value. You can find out more about the BBC's purpose, and how it creates public value, at this website: <http://www.bbc.co.uk/info/purpose/>

Your appeal rights

If you are not satisfied with this response you have the right to an internal review by a BBC senior manager. Please contact us at the above address 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).

Yours sincerely

Giles Totterdell
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