



PPL Digital Copying & Streaming Licence for Schools

CUSTOMER CONSULTATION

PPL
1 Upper James Street
London W1F 9DE

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1. INTRODUCTION

About this consultation

Schools in the UK increasingly use recorded music as part of their day-to-day curricular and non-curricular activities. Some of this usage is licensed under the Educational Recording Agency (“ERA”) licence which covers the use of sound recordings in broadcast television and radio programmes by schools for teaching purposes. Additional uses such as the copying and streaming of music by schools are not however covered by the ERA licence.

In early 2024 PPL agreed the details of a digital copying and streaming licence, including the rights to be licensed and the fees charged, with the Department for Education (DfE) to cover all schools controlled/funded by the DfE.

PPL is now looking to create a new licensing scheme to allow all other schools in the UK to copy and stream Sound Recordings (recorded music controlled by PPL) as part of their day-to-day curricular and non-curricular activities, provided that such uses are educational and non-commercial and aimed primarily at pupils and teachers and /or parents, carers and relatives of such pupils.

The **Schools’ Digital Copying and Streaming Licence** relates solely to the copying and/or streaming of Sound Recordings. Such activities are licensed directly by PPL (as explained below, the public performance of Sound Recordings is licensed via PPL PRS Limited). In some instances, there are “educational exceptions” within the Copyright, Designs and Patents Act 1988 where some music usage does not require a licence. The **Schools’ Digital Copying and Streaming Licence** is designed to cover uses above and beyond those exceptions.

This consultation paper explains why PPL is creating a Digital Copying and Streaming Licence for schools, and sets out PPL’s current thinking in relation to the following aspects of that licence:

- Scope of the activities to be covered
- The fees for the licence
- Implementation

This paper also explains how you can respond to this consultation, if you wish to do so.

Details of how to respond can be found in Section 6 below.

The deadline for responses is 1 December 2024

About PPL

Founded in 1934, PPL is the UK music industry’s collective management organisation for tens of thousands of performers and record companies. These include both independent and major record companies, together with performers ranging from emerging grassroots artists through to established session musicians and influential festival headliners, across all musical genres.

Under the Copyright, Designs and Patents Act 1988, permission is needed from the copyright holders in order to copy and/or communicate to the public recorded music. Through its many thousands of members, PPL manages these rights in the UK for the vast majority of commercially released music recordings, and this means that businesses and organisations

can obtain a single licence to cover these activities, instead of having to contact many thousands of copyright holders individually. After the deduction of its costs, PPL distributes the licence fee revenue to the performers and record companies it represents.

Additionally, PPL licenses the public performance of those recordings by pubs, shops, offices and gyms and many other types of organisations such as schools and local authorities through **PPL PRS Ltd**, a joint venture between PPL and *PRS for Music* (the collective management organisation for songwriters and music publishers, referred to in this consultation paper as “PRS”). PPL PRS Ltd has been set up to simplify the licensing process for public performance customers by providing a single licence covering both PPL and PRS public performance tariffs.

Where copyright users copy music, a licence for the rights of songwriters and music publishers can be obtained from the Mechanical Copyright Protection Society (“MCPS”).

2. WHY PPL IS CREATING A DIGITAL LICENCE FOR SCHOOLS

This section explains:

- *The history of PPL's licensing of the copying of recorded music by schools*
- *The key principles of PPL's review*
- *The review process to date.*

Background

Since 2015 PPL has operated a licence scheme that allows schools, for an agreed fee, to legally use Sound Recordings in products such as CDs, DVDs and USBs.

This scheme is administered on behalf of PPL by CEFM (and also covers the use of the MCPS repertoire in such products). Schools are allowed to produce content containing up to 120 minutes of music per product of activities such as school plays and student films containing music. These products can be given away free or sold to parents/relatives to raise funds for the school. Over recent years however the use of physical products such as CDs and DVDs has declined.

Over the past few years there have been many changes in the ways that schools have been increasingly using recorded music and how such music is stored and shared digitally. These uses were not covered by the existing CD/DVD scheme, and therefore such usage was unlicensed.

PPL has therefore developed new licensing arrangements to provide coverage for much wider types of music usage and to enable schools to ensure that all their uses of Sound Recordings can be licensed.

In early 2024 PPL and the Department for Education (DfE) agreed the details of a Digital Copying and Streaming Licence, including the rights to be licensed and the fees charged, to cover all English schools controlled/funded by the DfE.

PPL is now looking to create a new licensing scheme to allow all other schools in the UK to copy and stream Sound Recordings as part of their curricular and non-curricular activities, provided that such uses are educational and non-commercial and aimed primarily at pupils and teachers and /or parents, carers and relatives of such pupils (further details are provided in Section 3 below). The production of CDs/DVDs will be covered under this new scheme and so schools will not need a separate licence if they wish to continue to use Sound Recordings in such products.

Key principles

Under [PPL's Code of Conduct for licensees](#), PPL is committed to setting fair and reasonable tariffs and to taking a fair, reasonable and proportionate approach to consultation and negotiation when proposing to introduce a new or significantly amended tariff.

PPL's approach to a potential new licence is based on three key principles:

- (1) **Fairness** – the structure of the licence should be fair in terms of how it treats different licensees, e.g. those schools with only a small number of pupils and those with a large number of pupils
- (2) **Clarity/ease of use** – the structure of the licence, including the rights to be licensed and the way that fees are calculated, should be clear and relatively simple to apply, e.g. so that licensees can easily work out any fees due under the licence.

- (3) ***Appropriate valuation*** – the fees payable by schools for the use of Sound Recordings should appropriately reflect the value of the various uses made by schools.

More detail is provided later in this consultation paper.

Review process to date

Over the past two years PPL has undertaken its own internal research, along with gathering anecdotal evidence from schools, about the uses that schools make of recorded music both within the curriculum and also as part of their non-curricular day to day activities.

Based on this research and on insights gathered from the DfE, PPL has negotiated a new licence with the DfE to cover the streaming and copying of Sound Recordings by DfE schools in England.

PPL now wishes to introduce a new licensing scheme to cover all non-DfE schools in the UK from 1 April 2025. PPL's current thinking, in relation to the types of rights to be licensed and the fees payable for that licensing, are set out in Section 3 and Section 4 of this consultation paper.

3. THE SCOPE OF ACTIVITIES LICENSED

This section explains:

- *The types of organisations that PPL considers would be covered by the schools' digital licence; and*
- *The types of activities that PPL considers to be within the scope of the licence.*
- *The types of activities that PPL considers to be outside of the scope of the licence.*

Organisation types

PPL's current thinking is that the licence would apply to all primary and secondary schools including academies, special schools and pupil referral units, whether publicly or privately funded and nurseries and pre-schools forming part of any school.

The licence will be administered on PPL's behalf by CEFM, who already provide a number of copyright licences for schools on behalf of PPL and other collective management organisations. This will minimise the administrative burden for schools, particularly as they can purchase the new licence at the same time as purchasing other relevant licences.

PPL understands that other types of educational establishments may use recorded music in very different ways to the uses made by schools and so will consider separately, in due course, a licensing scheme for other educational establishments such as colleges and universities.

Activities to be licensed

Use of Sound Recordings within lessons and associated curricular work by teachers and pupils:

- Copying of up to 1,000 Sound Recordings per school, to school servers, computers or intranet, provided that those recordings have been purchased legitimately.
- Subsequent copying of Sound Recordings from that database by teachers and pupils in the school for integral use in providing lessons or as part of course work (e.g. for use in projects, class presentations etc.).
- Sharing of Sound Recordings to pupils to use within lessons and associated curricular work through school-controlled learning portals and other online services.

In school events and other similar activities run by the School:

- Copying of Sound Recordings for subsequent use in other school activities and events such as assemblies, school plays, concerts, prize givings or sports activities (e.g. use in gymnastics routines).
- Live streaming and recording of these events / activities, but only to persons with a direct affiliation to the school and its pupils.

School tours/open days:

- Copying of Sound Recordings contained in any performances included as part of the tour/open day.
- Live streaming where the event can be streamed live by potential parents/relatives whilst it is taking place.
- Subsequent copying where the tour/open days are available for download by potential parents/relatives.
- On demand streaming: where potential parents/relatives can stream the tour/open day after the event takes place.

Physical products:

- The provision of physical copies of events containing Sound Recordings such as school plays, end of year concerts on CD/DVD or by digital download, subject to the following conditions:
 - Maximum of 1,000 units per school with each unit containing a maximum of 120 minutes of music.
 - The copies can be given away or sold to raise funds for school activities or charitable purposes provided that all profits made go entirely to the schools and/or charity.

Activities excluded from the licence

- The use of Sound Recordings in any promotional materials, sponsorship or advertisements.
- Any content that could imply endorsement of the product or channel and/or any third parties.
- Specific artist themed content.
- Any usage at or by stand-alone sixth form colleges, universities, and other institutions of further education and student unions, or in areas or buildings open to individuals not directly associated with the school and/or operated on a commercial basis.
- Any use of Sound Recordings at events or in facilities run by a party other than the school, or where any profit or benefit does not go entirely either to the school or to a charitable cause supported by the school at that specific event.
- Social media uses.
- Access to content via third-party platforms, except those expressly permitted in the terms of the licence.
- Any use of Sound Recordings for commercial purposes
- Any use of Sound Recordings for activities that could not reasonably be considered within the normal activities of a school.
- Providing on-demand content in exchange for payment, except as expressly permitted by the licence (e.g. for fundraising directly related to the school's activities).
- Copying Sound Recordings for the provision of background music or telephone music on hold within the school facilities or elsewhere – these uses of Sound Recordings will continue to be licensed separately using the relevant PPL tariff(s).
- The public performance of Sound Recordings (which will continue to be licensed separately via CEFM under the existing public performance licences).
- Creation, streaming and dissemination of playlists featuring Sound Recordings.
- Provision of school radio services, either hard wired or online, which will continue to be licensed on under PPL's existing licence scheme.
- Uses covered by the ERA licence for schools to use TV and radio broadcasts for teaching.
- Copying or streaming of Sound Recordings by third parties providing services to schools, for example third parties providing content for the National Curriculum, or other similar uses (these will continue to require separate licensing).

4. **FEES**

This section explains:

- *PPL's current thinking as regards how the fees should be calculated under the new licence*
- *PPL's current thinking as to the fees to be charged under the new licence*
- *PPL's intention to adjust the fees each year by indexation*

PPL's current thinking as regards to how the fees should be calculated

One of the key principles of PPL's review is that the structure of the licence should be fair in terms of how it treats different licensees, e.g. those schools with only a small number of pupils and those with a large number of pupils.

Furthermore, the structure of the licence, including the rights to be licensed and the way that fees are calculated should be clear and relatively simple to apply, so that it is relatively easy for licensees to use and so that they can easily work out any fees due under the licence.

PPL could license each of the various activities covered under the new licence individually but that would require schools to keep detailed records of all usage creating an additional, and possibly extensive, administrative burden for schools.

PPL therefore believes that the best way to calculate the fees for each school under the new licence is to change a single fee per school and to use the pupil numbers for that school, (sometimes referred to as Aggregate Annual Attendance). These numbers are kept by each organisation, are publicly available and are already used as a proxy for usage in PPL's public performance tariff for schools.

PPL's current thinking as regards the fees to be charged under the new licence

In determining the fees under the new licence, PPL has considered the fees charged to commercial organisations for similar exploitations of its members' rights.

PPL however appreciates that the uses made by schools and similar organisations under this licence is not commercial in nature.

As explained above, PPL has sought to avoid cumbersome reporting by schools and so the use made of the rights licensed may vary widely in schools with similar attendances.

Taking these factors into account PPL believes that a fee of 50 pence per pupil per annum is a fair fee. This is the headline fee per pupil agreed with the DfE for the digital copying and streaming licence for that schools it controls and/or funds.

A school with, say, 200 pupils will be charged just £100 (plus VAT) for a licence covering all the uses of sound recordings identified in Section 3 above.

Indexation

The fees in the licence would be index-linked and adjusted annually on 1 April with reference to the change in the Consumer Prices Index in the August of the previous year.

5. IMPLEMENTATION

This section explains PPL's current thinking as regards an appropriate time to commence licensing under the new tariff

PPL recognises that schools' financial years usually run from 1 April and that budgets are agreed in advance, usually in the preceding Autumn. The existing CD/DVD scheme also runs from 1 April each year.

Therefore, in order to enable schools to have time to plan in advance for the cost of the revised tariff and to retain the existing timetable, PPL's current intention is that the licence will commence from 1 April 2025.

6. RESPONDING TO THE CONSULTATION

This section explains:

- *How to respond to this consultation paper, if you wish to do so;*
- *The deadline for doing so; and*
- *What PPL envisages in terms of next steps.*

How to respond

PPL welcomes your feedback on its current thinking about its new digital licence for schools

Please provide your comments on the following:

1. The activities to be included (or, as the case may be, excluded) from the scope of the new licence.
2. The use of pupil numbers to calculate fees for the new licence. If your view is that there is a more suitable means of measuring the use of music under the licence, please explain your reasons for this approach and how it would work in practice.
3. The suggested fee for a school of 50 pence per pupil for all of the use of Sound Recordings to be covered under the new licence.
4. The implementation of the new licence.

Where possible, please include evidence to support your comments.

The deadline for responses is **1 December 2024**.

You can respond using the consultation response form available from our website at <https://www.ppluk.com/music-licensing/public-performance-licensing/consultations/> but you do not have to use the form.

Please send your response to schools@ppluk.com

Electronic responses are preferred, but if necessary, you can alternatively send your response by post to:

School's Digital Licence Review
C/O Richard Stewart, Head of Dubbing & Tariff Development
PPL, 1 Upper James Street
London W1F 9DE

If you wish any part of your response to be treated as confidential, then please mark that part accordingly. Otherwise, PPL may refer to all of your response as part of any information it subsequently publishes about the consultation feedback.

Next steps

As noted above, PPL is seeking responses by **1 December 2024**. We will review all responses provided by the deadline above and then finalise our views on the new licence.