

**DERBYSHIRE COUNTY COUNCIL****SCHOOLS FORUM****23<sup>rd</sup> January 2013****Report of the Strategic Director for Children & Younger Adults****Copyright Licences**1. **Purpose of the Report**

To update the Schools Forum regarding changes to the funding of schools' licences and to consider whether or not changes should be made to the arrangements locally for 2013-14.

2. **Background**

On 19<sup>th</sup> December 2012 the DfE announced changes to the way in which two copyright licences would be funded for 2013-14. Licences payable in respect of the Copyright Licencing Agency (CLA) and the Music Publishers' Association (MPA) would be paid directly by the DfE on behalf of all schools and academies and recharged to local authorities. Local authorities would be allowed to retain funding centrally out of the Schools Block to meet these costs.

This change in treatment, which was not trailed by the DfE, means that the only additional funding to be delegated for licences in Derbyshire for 2013-14 relates to the Education Recording Agency. Payment of this licence enables schools to record and make copies of broadcasts for use within the school of the ERA's Licensor Members. Licensors include: the BBC, ITV Network Limited, Channels 4 and 5, material used by the BPI (British Recorded Music Industry), performances by Equity members, music used or controlled by the Performing Rights Society and Phonographic Performance Limited.

The Authority currently takes out a blanket licence covering all schools and academies and consequently receives a 30% discount on the individual tariffs. The per-pupil rates for 2013-14, with and without the discount, are as follows:

Age of pupil	Gross	Discount	Net
Primary	50p	15p	35p
Secondary	89p	26.7p	62.3p

The delegation of funding to schools and academies will reflect the existing DSG budget for this licence i.e. 35p and 62.3p per pupil. When schools were consulted on whether or not funding for licences (CLA and ERA) should remain delegated or be re-pooled, the majority favoured delegation. However, what is now clear is that unless the funding is re-pooled it would be difficult for the Authority to take out a blanket licence. The Authority could offer to provide the licence as a quasi-traded service but this would add a level of complexity and administrative cost which would outweigh the financial benefits.

The choice therefore is either to leave the funding delegated as per the original consultation or to re-pool across all sectors. If the funding remains delegated schools will have to pay the gross amount, the loss of discount being funded from their existing resources. If funding were re-pooled the Authority could continue to purchase a blanket licence. For the blanket licence option to be workable funding would have to be re-pooled for all primary and secondary schools, a mixed economy is not practicable. The final decision on whether or not to re-pool schools' funding is a matter for each sector's school (not academy) representatives on the Forum. Academies will continue to have the funding delegated and would be invited individually to contribute to the funding of a blanket licence if the school pooling option were pursued.

The Authority's view is that pooling the funding is the preferred option as it results in a lower overall cost to the public purse.

3. Other Considerations In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, finance, human resources, legal & human rights, environmental, health, property and transport considerations.
4. Background Papers DfE Settlement 2013-14.
5. Strategic Director's Recommendations
  - (i) The Schools Forum is asked to note the change to the funding arrangements for CLA and MPA licences;
  - (ii) Primary school Forum Members (heads and governors) are asked to determine whether or not to re-pool the funding for the ERA licences for primary schools for 2013-14;
  - (iii) Secondary school Forum Members (heads and governors) are asked to determine whether or not to re-pool the funding for the ERA licences for secondary schools for 2013-14.

**IAN THOMAS**  
**Strategic Director for Children & Younger Adults**