



PRS for Music

Education Consultation Response Summary:
Digital Music Licence for Schools and
Digital Music Licence for Further & Higher Education

Published: December 2023



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Introduction

On 4th October, PRS for Music launched a 4-week consultation proposing two new PRS licences for Education, and to replace the Limited Online Music Licence (LOML):

- A new Digital Music Licence for Schools
- A new Digital Music Licence for Further and Higher Education

As part of the consultation, we invited customers and members to review and comment on the proposals.

This consultation was undertaken in accordance with our Code of Conduct, which states that we will consult relevant parties whenever significant changes or new licences are proposed.

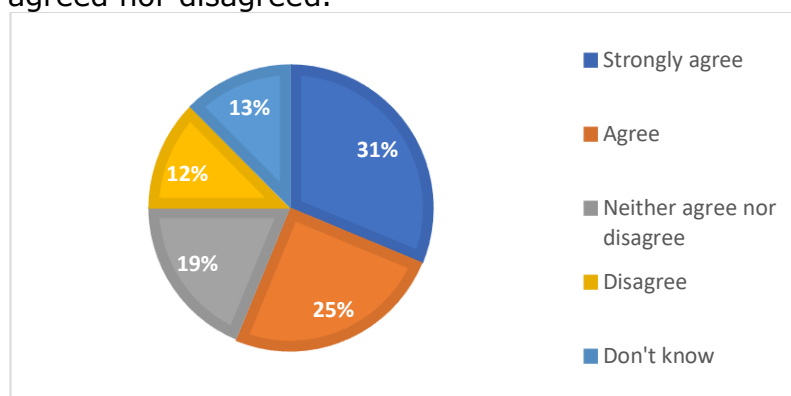
As part of the consultation, we accepted responses via email or via our [website](#) which also hosted all relevant consultation documents.

Summary of feedback

The consultation was sent to existing LOML customers and published on the PRS for Music website. We also shared the consultation with representative bodies from the education sector, receiving direct feedback from The Copyright Negotiating and Advisory Committee (CNAC) and Colleges Scotland. The responses from CNAC and Colleges Scotland are covered on page 9.

47% of the consultation responses were from customers (i.e., those who represent educational establishments) and **53%** were from PRS for Music members. **41%** of respondents had previously purchased the Limited Online Music Licence (LOML).

56% strongly agreed or agreed with the new licence proposals, whilst **25%** disagreed and **19%** neither agreed nor disagreed.



Key feedback from the consultation highlighted the benefits of a single annual charge and the inclusion of synchronisation rights.

"I am so happy that synchronisation rights are included in this proposal. It has been an absolute nightmare trying to get sync rights for live streaming or recording school productions. Having a single licence will take so much stress and admin time out of the process [...]"

"In an ever-changing industry, PRS/PPL need to move with the times. I feel this is in step."

"Thank you so much for doing this! My job has just been made so much easier."

"The more simple the better - Universities know they need to pay this charge and will budget accordingly - just keep it simple."

However, there were concerns around the cost of the licence and uncertainty as to the differences between the new and the old licence. Some customers were also unsure whether this licence would apply to them, for example if they are a music hub teaching students across many schools. This document seeks to address these concerns.

The differences between the LOML and the new education licences

Several responses indicate that there is still uncertainty around the differences between the Limited Online Music Licence (LOML) and the new Digital Music Licence for Schools and the Digital Music Licence for Further and Higher Education.

Consultation Response:

“Not sure of the differences between the licenses.”

“Not exactly sure how the previous fee was calculated”.

Our response:

The Limited Online Music Licence (LOML) is available to covers the performing and mechanical rights for using music online for businesses whose revenue derived from such online music usage is under £12.5k. LOML fees are charged in bands from A-E, ranging from £173+VAT to £1,719 annually. Separate LOML licences are required for each type of usage including music downloads, music on demand, webcasting, interactive webcasting, podcasting, clips and general entertainment.

Meanwhile the new digital music licences have been designed specifically for education establishments. The new licenses are designed to cover the wide range of online usage available under LOML, in a single annual fee based on pupil/student numbers. The new licences also include the additional right of synchronisation, allowing music to be incorporated into videos.

The Digital Music Licence for Schools is charged at 0.83p per pupil. In the Digital Music Licence for Further and Higher Education the per pupil rates increase according to educational level, correlating to an increase in music usage as knowledge, capability and complexity of activity develops. There is also an enhanced rate for students on courses heavily featuring music, to take into account higher consumption levels of music associated with the ancillary activities of students on these courses:

	Per student (FT equivalent)	
	Standard	Enhanced
Further Education	£ 0.83	£ 1.24
Higher Education	£ 1.66	£ 2.89
Minimum fee Minimum fee £129+VAT per annum		

Overall, consultation feedback indicated that fees based on pupil/student numbers would be much simpler to calculate than the existing calculations required under LOML.

“much easier to calculate.”

“The previous form is very difficult to work with and requires a level of input that is impossible to achieve. logging every music event is just not possible. Having an overriding generic charge is much better and will save time for the institution [...].”

Concerns around the cost of the Digital Music Licence for Schools

Some responses expressed concern around the cost of the new Digital Music Licence for Schools. However, these respondents may have been confused as to how to calculate the fees. There was also concern that the per pupil fee will result in higher charges for larger educational establishments. Additionally, some respondents highlighted the pressure on school budgets and the variances between public and private schools. One respondent was unsure if pupil numbers is the most accurate gauge of music use.

Consultation response:

“As an ex-Head there is no way, with my budget I could afford 0.83p per pupil. With a school of 420 paying thousands for a digital license is out of the question. Our budgets were always stretched. With 85% of a budget spent on staffing it leaves little money left for resources etc. [...].”

“It will punish larger schools”

“No money in school budgets. This license is a complete luxury”

“State schools face considerably more financial pressure than private schools.”

“Pupil numbers may not always be accurate as I have found in relation to a non-music matter [...].”

Our response:

The same rates apply to public and private schools.

The 0.83p per pupil fee is designed to apply to students enrolled in the academic year. Therefore, for a school with 420 pupils, the fee should be calculated as follows:

$$£0.83 \times 420 = £348.60$$

The per pupil fee structure is intended to ensure charges correlate to the number of students and institution size. We believe this is the fairest method of calculating charges because usage will be higher in larger establishments as compared to smaller ones.

We understand that school budgets are under pressure. We have therefore designed the licence to be as reasonable as possible, permitting a wide range of online usage as well as synchronisation, in a single annual charge based on pupil/student numbers. We believe that there are benefits to allowing students to use and consume music through their educational platforms, with this licence ensuring that music creators receive remuneration for the use of their work.

How music hubs will be licensed

We received responses asking how music hubs will be licenced under the new proposals.

Consultation response:

“How will that work for a music hub which teaches literally thousands of students. Would each school have to hold a licence?”

“Please consider the work of Music Hubs and how this fits them.”

Our response:

The Digital Schools Licence has been created specifically to cover digital activities in schools. We will consider the inclusion of music hubs in another new digital licence in development for E-Learning services.

Why can't the licences cover social media?

We received several responses asking for clarification on the inclusion of music in social media posts.

Consultation response:

Will the new licence regime address there currently being no licence to allow musical performance to be posted on social media; currently we post a link on social media to our website to overcome this. As a school, while we are obviously not a domestic entity, we are not exactly 'commercial' either. Yes, posting on our website is a 'marketing' activity, but directly, it generates zero income. It is purely us showcasing pupil performances and yet we are 'penalised' for this non-profit activity arising from pupil educational activity by having to pay for a 'commercial' licence rather than a 'schools' licence.

Our response:

Music use on social media is not covered in our education licences. This is because social media platforms such as Facebook and YouTube have their own licensing agreements.

Our digital education licenses include synchronisation rights for content made available on the schools' own platforms. For content created for distribution via social media platforms, additional sync rights are required which should be cleared directly with rights holders.

Response to the consultation from The Copyright Negotiating and Advisory Committee (CNAC), on behalf of Universities UK (UUK) and Colleges Scotland

We invited feedback on the proposals from representative bodies in the education sector, receiving responses from The Copyright Negotiating and Advisory Committee (CNAC) and Colleges Scotland. CNAC operates on behalf of Universities UK (UUK) to negotiate copyright licences on behalf of the sector. CNAC and Colleges Scotland highlighted several concerns regarding the new digital music licences, which we address below.

CNAC highlighted that the Digital Music Licence for Further and Higher Education does not differentiate between the university and their student union, who are separate legal entities.

We would like to clarify that:

- The licence can be taken out by the entire educational establishment or by course/department.
- Student unions and clubs are required to take out the licence separately.

CNAC specified that it would be difficult for institutions to prevent content being shared outside of the UK.

PRS for Music have the mandate to licence the use of members works in the UK only. Any content made available in other territories would be subject to local laws. The educational institution should establish what processes to put in place to ensure they comply with local laws.

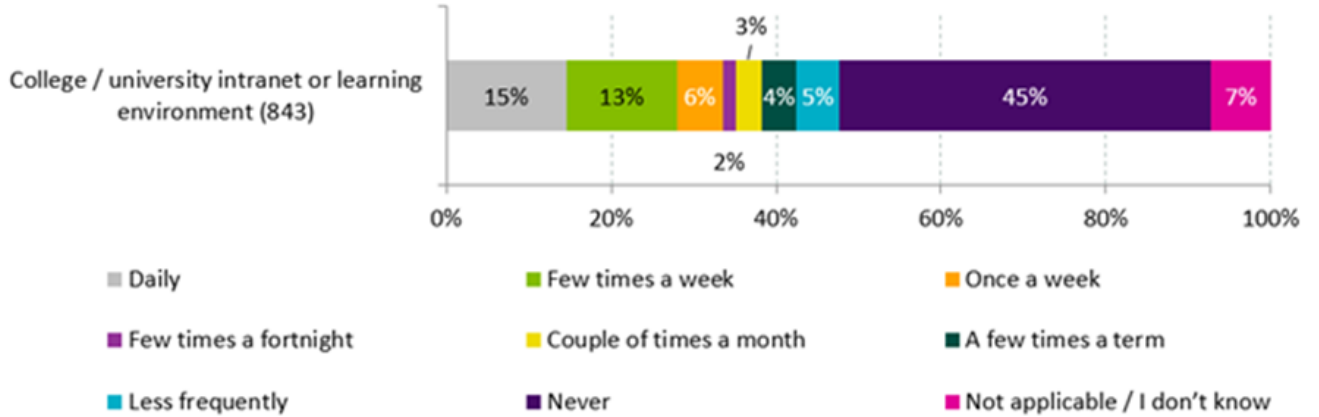
CNAC queried the extent to which the further and higher education sectors have licensing need and proposed that a per stream metric would be more appropriate for licensable activity.

To understand more about the licensing needs of further and higher education institutions, we commissioned a survey with the National Union of Students (NUS).

The survey received 1748 responses with findings that a third of students and learners take part in an extra-curricular activity offered through their SU or institution that involves music. The survey highlighted that music is shared online for a variety of reasons, most commonly to let family and friends hear, promoting performances, sharing any live performances they've taken part in and raising interest or increasing awareness in their work or activities.

Three quarters of students and learners reported using an online learning platform as part of their studies, most commonly the individual institution intranets. We also asked the frequency with which music is accessed on these platforms:

Frequency of accessing music on intranets



Overall, we believe that this research demonstrates that further and higher education institutions will benefit from our proposal for a bespoke digital licence. We also believe that the per student metric will be the most effective method of calculating fees, as obtaining accurate streaming numbers will be difficult and time consuming for institutions to report. The per student fee on the other hand will be easier to apply and calculate.

Colleges Scotland accepted that the payment of the tariff should be administered on a departmental or course basis but queried the “standard” and “enhanced” rates and asked for clarification on “High and lower music consumption”.

The Digital Music Licence for Further and Higher Education has separate rates for general courses (the standard rates) and courses which heavily feature music (the enhanced rates). This is based on our research findings that students on creative subjects and music industry specialist subjects use and share music online more frequently than those on general subjects.

Conclusion and next steps

Based on the consultation responses we believe that the new digital education licences will offer an improved customer experience as compared to the Limited Online Music Licence (LOML) for educational institutions.

We therefore intend to introduce the Digital Music Licence for Schools and the Digital Music Licence for Further and Higher Education at the beginning of 2024.

We will notify all affected PRS for Music customers in advance of the launch date per our [Code of Conduct](#).

The existing Limited Online Music Licence (LOML) will remain in place until such time. Customers are only required to take action once their existing licence expires.

We would like to thank all those who have responded to our consultation for our proposed Digital Music Licence for Education and Digital Music Licence for Further and Higher Education.



PRS for Music
1st Floor, Goldings House,
2 Hays Lane,
London SE1 2HB

www.prsformusic.com

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