

PRS for Music

E-Learning Consultation Response Summary

Published: June 2025



We (PRS for Music) launched a 4-week consultation on **12 February 2025**, proposing a new digital music licence, tailored to the E-Learning market where customers generate revenues of less than £500,000 per annum. The aim of the consultation was to invite customers, members and trade bodies to review and seek comments on the proposed licence.

This consultation runs in accordance with our [Code of Conduct](#), which outlines our commitment to issue fair, reasonable and proportionate consultations when proposing to introduce a new tariff or to make significant changes to an existing tariff. Our aim is to set reasonable terms and to apply and administer all licensing tariffs fairly and consistently.

Summary of Consultation

The consultation received a total of **8 responses**, made up of the following:

- Customers licensed under LOML (Limited Online Music Licence)
- Members

We consulted on the introduction of a new digital licensing scheme, Digital Music Licence for E-Learning, which will replace the Limited Online Music Licences (LOML and LOML+) for the UK E-Learning sector.

Why did we consult on a Digital Licence for E-Learning Scheme?

Current customers in the UK E-Learning sector have our Limited Online Music Licence (LOML), a licence that has been in place for over 15 years. Over the past few years, we have surveyed our customers and worked with key stakeholders in this market to understand how their needs have changed and what more we can do to improve the purchasing experience.

Customer feedback showed a strong demand for a more targeted licensing scheme, one that better reflected how they use music, both now and in the future. Based on the feedback we received, we took the decision to decommission the existing LOML and replace it with licences which are tailored to specific groups of users.

Consultation Results

We wanted to understand whether customers would benefit from a scheme tailored to their sector, and whether it would help to simplify the music licensing process for them. We also asked for views on the following points:

- A percentage-of-revenue fee for platforms offering significant music access.
- Usage-based rates for platforms that use music occasionally.
- Fees for live-streamed courses based on participant numbers and tracks used.
- Any thoughts on reporting requirements or other feedback on the licence.

Following positive feedback from customers and members, we're introducing the new Digital Music Licence for E-Learning to offer a better experience than the current LOML.

We plan to launch the new scheme on 1 July 2025.

Respondents said that a dedicated digital licensing scheme was straightforward and would benefit their business. It was noted that the new scheme delivers an effective

update and will help simplify the licensing process for the E-Learning sector, offering flexibility as it covers both non-commercial and commercial works.

During the consultation, we discovered that clarification was needed on a number of terms as well as some questions raised. Ahead of the launch of the licence we want to provide clear information so customers can feel confident in how the scheme works and what it means for their business.

E Learning Services

Responders wanted to understand how businesses would be deemed as an 'E-Learning Service'. There are two types of e-learning service: music and non-music. These types include providing on-demand (where the user is able to choose when to start and stop the item of content) and live streamed content.

- E-Learning Music Services refers to the nature of the education content, applies to commercial services that provide access to educational content that includes music and has a music focus e.g. a library of songs/ playlists to learn, as part of the fee, such as a subscription fee.
- E-Learning Services (non-music) applies to commercial services offering educational content where music is included, but not the primary subject of focus.

Applying the percentage-of-revenue charge

During the consultation, respondents asked about how to apply the percentage-of-revenue charge. For clarity, the percentage-of-revenue charge relates specifically to E-Learning Music Services. Customers will be charged either a percentage of applicable revenue¹ or by their usage according to the rate table, whichever is the greater.

This charging mechanism is designed to give these services the flexibility to integrate music into their E-Learning content under one simple charge. E-Learning Services (non-music) are charged by the rate table and not a percentage-of-revenue.

The link between revenue and music use

Responders sought clarity on how a percentage-of-revenue charge would apply to services with limited music use, e.g. services offering small amounts of streaming as part of a subscription. E-Learning Music Services deliver educational content where music is central to the value of the offering, often resulting in higher music density. In these cases, there is a strong connection between the value of the service and its use of music, making a revenue-based charge more appropriate. A revenue-based

¹ 'Applicable revenue' specifically applies to E-Learning Services and means all revenue received (or receivable) by the Licensee arising from the provision of the Licensed E-Learning Service, less VAT or equivalent tax. By way of example only, such revenue may include but is not limited to subscription revenue, transactional revenue, advertising revenue or sponsorship revenue where such revenues are derived from the provision of the Licensed e-Learning Service. Services will be required to submit financial reporting on their revenues and should maintain financial records that can be audited. This includes detailed accounts of course revenue sources and revenues associated with music focused content (e.g., enrolment fees, one-time payments, subscriptions).

model ensures a fair and straightforward approach for these services, while courses where music is only incidental are charged based on actual usage.

Non PRS for Music repertoire or public domain work

Responders asked how the percentage-of-revenue charge applies when services use a mix of members' repertoire, public domain or non-PRS music. To ensure accurate royalty distribution, e-learning providers offering on-demand content will need to submit music usage reports. Any reported music that falls within PRS for Music or MCPS Commercial and Production Music repertoire will be matched against our database and then distributed. Importantly, charges only apply to copyright works managed by us or MCPS. Music that is in the public domain or not represented by us is not included in this charge.

Customers can sign up for a PRS for Music [online](#) licensee account to access our song search database to determine if a PRS for Music Licence is required. Arrangements of public domain works may not be in the public domain and will require a PRSfM licence.

Free live-streamed courses

Some responses highlighted concerns about the overall cost to the provider and its potential impact on margins. While pricing decisions are made by the providers, our role is to ensure that music creators are fairly compensated whenever their work is used. We aim to keep the licensing process clear and simple for customers, while ensuring that members are paid fairly for the use (or performance) of their works. To achieve this, we use industry-standard methodologies and surveys to fairly distribute royalties.

Whether free or purchased, the applicable rate for live-streamed courses (e.g., live-streamed instructor led short courses or webinars) is calculated according to online participation numbers of the course and the number of music tracks used.

Online and offline e-learning activity

There were questions around how online and offline E-learning activity will be differentiated. Live-streaming fees within the new E-Learning scheme are specifically designed for short courses and webinars, covering services providing live-streamed content. A separate licence applies to courses delivered offline and in person, sold by PPL PRS. See [Tariff EE](#), our public performance tariff for Educational Establishments and [Tariff FE](#), our public performance tariff for Further education colleges. For further and higher education establishments using music online, see our [Digital Music Licence for Further and Higher Education](#).

Specific Learning Styles

Some respondents wanted to understand how the new scheme will support individual learners with learning challenges or specific learning styles. The Digital Music Licence for E-Learning is designed for commercial e-learning platforms, not for schools or further education establishments.

Key points

Reporting

We'll ask customers to provide details about their service and report course revenue sources (e.g., enrolment fees, one-time payments, subscriptions). For mixed services, where only some courses use music, revenues from music and non-music courses should be reported separately to avoid confusion.

To calculate the fee, customers must submit:

For on-demand services,

- Number of music clips, downloads or streams
- Regular music usage reports

For Live-streamed courses,

- Number of course participants
- Number of tracks used

With consent, we may ask customers to submit financial reporting for data gathering purposes and future licence reviews. You can view our privacy policy and legal purposes within the licensee section in our [Privacy Notice](#).

Commission

You can view information about MCPS commission rates [here](#) and PRS for Music administration rates [here](#).

Rights covered within the new scheme

1. Communication to the public of PRS repertoire and that of affiliated societies
2. Associated mechanical reproduction rights in MCPS Commercial and Production Music repertoire, and that of affiliated societies
3. Lyric reproduction rights in MCPS Commercial and Production Music repertoire

Exclusions

Music uses not covered within the E-Learning scheme are:

- Music streaming platforms or music download stores where education is not the main focus of the service. Customers seeking to be licensed in these areas should contact the PRS Licensing team at applications@prsformusic.com.
- Full-time (or part-time equivalent) courses at school, college or university. However, if online short courses are provided for the public, this will fall under the E-Learning licence.
- Podcasts and audiobooks these are covered under our [Digital Music Licence for Podcasts and Audiobooks](#) scheme.
- Karaoke (including services dedicated to learning to sing). Customers seeking to be licensed in these areas should contact the PRS Licensing team at applications@prsformusic.com.
- Choirs (if choir is performing in a worship service and is transmitted online) these are covered under our [Digital Music Licence for Worship](#).

- Non-religious choirs transmitted online are covered under our [Digital Music Licence for Business](#).

The rights not included in this licence:

- Synchronisation rights. These can be obtained under a separate licence either directly from the rightsholders or via our website where we are mandated to do so.
- Sheet music or the use of musical notation (known as graphic rights), available directly from rightsholders.
- Sound recordings of commercial music, which are (typically) owned by record labels and not licensed by PRS for Music.

Conclusion and next steps

The new Digital Music Licence for E-Learning will launch on **1 July 2025**. The existing Limited Online Music Licence (LOML) will remain in place until such time. Customers are only required to purchase the new licence 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 E-Learning and to those parties who provided us with additional insights and data.



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