



Walsall Council

Walsall Children's Services

Report to: Schools Forum

Date: 8 April 2014

Subject: Purchase of Licenses

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Purpose of the report: For clarity on which licenses schools buy directly and which schools buy directly

Recommendations: See final section of report

1. Background

- 1.1 Mr. Ison raised at Schools Forum 11 March 2014 that other School Forums elsewhere in the country were dealing with licenses differently to Walsall.
- 1.2 Walsall officers therefore investigated and Walsall's approach is set out below.

2. Licenses purchased for all schools

- 2.1 The DfE guidance (DSG Technical Note 14/15) states:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/279221/dsg_technical_note_2014_to_2015.pdf

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“The Department [DfE] has agreed with the following agencies to purchase a single national licence managed by the DfE for all state-funded schools in England:

- *Copyright Licensing Agency (CLA)*
- *Music Publishers Association (MPA)*
- *Newspaper Licensing Authority (NLA)*
- *Education Recording Agency (ERA)*
- *Motion Picture Licensing Company (MPLC), and*
- *Filmbank Distributors Ltd. (for the PVSL)*

This means that local authorities and schools will no longer need to negotiate individual licences. There will be savings both in administration and in the overall cost of the licence. The Department will pay the cost, including VAT, to the agencies and will provide this as a service to local authorities at a charge. This means that local authorities can continue to reclaim VAT on the licences as they do now. These arrangements will cover recoupment Academies as well as maintained schools, and we will allow local authorities to hold this money centrally rather than include it in school budgets. We are sending local authorities details of the charge separately (because the figures are Commercial in Confidence) and will use the same process as in 2013-2014 to deduct the charge and issue each local authority with a VAT invoice. Authorities should take into account that schools will no longer have to pay for these licences when calculating school budgets “

- 2.2 Maintained Schools and Recoupment Academies schools will therefore not need to buy the above licenses.

3. Licenses bought for maintained schools by Walsall Council through the De-Delegation Process (NOT Academies)

3.1 These licenses are:

CEFM – Performing Rights Society;
CEFM – Phonographic Performance Limited;
CLEAPS – School Science Survey.

3.2 When de-delegation was calculated, the ERA and CLA licenses were also included. This means that there will be an underspend for Walsall on these values for this 2014/15. It is proposed to roll this underspend forwards to 2015/16 to reduce the costs for maintained schools in 2015/16 if de-delegated.

3.3 For the avoidance of any doubt, the rolling forward of underspend will not disadvantage academies who will have the same underspend this year

4. Other licenses

4.1 All other licenses remain the responsibility of individual schools. There is no known change to those.

4.2 If any schools have any queries, please contact Schools Finance.

5. Summary Information

5.1 The DfE's purchasing of those licenses set out in Section 2 above will have an overall benefit to the public purse. The DfE planned to reduce schools' budgets to hold money centrally for these licenses.

5.2 Walsall have not done this because of the timing of the information flow. Indeed other local authorities we spoken to have had similar but different issues. On completion of the Council's Section 251 statement sufficient funds have been found to cover the central costs of these licenses without reducing schools budgets, therefore schools will receive the benefit of reduced expenditure.

6. Recommendations

- 6.1 For schools representatives to ensure that all maintained schools and recoupment academies know that the licenses in Section 2 of this report are covered centrally and there is no need to purchase them.
- 6.2 For schools representatives to ensure that all maintained schools know that the licenses in Section 3 of this report are covered centrally and there is no need to purchase them.
- 6.3 For schools representatives to ensure that all schools know that all other licenses remain the responsibility of the school.
- 6.4 For Schools Forum to note that this creates a benefit to all schools because their budgets have not been reduced to pay for these central costs.