



Music Licensing in Community Buildings

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Comments from you

Costs a lot for
what it
provides

It takes ages to
get through to
PRS and speak to
someone who can
help

We would be very
interested to attend
a session
explaining how
best to minimise
this cost

It would be helpful to
know the precise
regulations as forcing
the hirers and ourselves
to both be registered
sounds like paying
twice!!

We have a
PPL/PRS
licence at great
expense!

What is Music Licensing?

Music licensing is the licensed use of copyrighted music.

It is intended to ensure that the owners of copyrights on musical works are compensated for certain uses of their work.



Two Licensing Bodies

- **PPL (Phonographic Performance Limited) UK** licenses the playing of sound recordings with the royalties going to the artists, performers and recording companies.
- **PRS (Performing Right Society) for Music** licenses the public performance of musical compositions with royalties going to the songwriters, composers and music publishers.



Do I need a Licence?

Community buildings don't require a licence if no copyright-controlled music is played at all,
or if the only use is:


- Through a jukebox (these need a separate licence)
- For sacred worship
- For wedding ceremonies, civil partnership ceremonies, civil ceremonies, religious ceremonies
- For medical music therapy
- At private functions and parties

PPL Licence not required if you only feature live bands



What is a Private Function?

PRS for Music does not make a charge for functions of a purely domestic or family nature, such as wedding receptions, christening parties or domestic birthday parties, when:

- Attendance of guests is by personal invitation only (except for staff, performers, etc.)
 - The function is held in a privately-booked room, not at that time open to the general public
 - There is no form of charge made for admission
 - There is no financial gain to the function's organiser or host (e.g. the person hiring the venue)
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Community Building Tariff

“Those run by voluntary organisations such as community centres, village/memorial/parochial halls, separate church halls serving the community at large, women’s institutes, welfare institutes and comparable premises”

Maximum defined income of £75,000

Doesn’t cover buildings run by town or parish councils



How much for a licence?

PPL charges are calculated as follows:

- For community buildings with an annual income of £10,000 or less: **£49.00 per annum + VAT** (subject to annual adjustment for inflation on 1 April)
- For community buildings with an annual income of over £10,000: **1% of annual income**

PRS for Music charges are calculated as follows:

- **1% of annual income** subject to a **minimum charge of £49.00 per annum + VAT** (subject to inflation)

Income should include:

- Door takings
- Hiring charges
- Subscriptions
- Food and bar takings where they accrue to the voluntary organisation




Income should NOT include:

- Value Added Tax
- Capital and revenue grants
- Interest from accounts
- Gifts and donations
- Income from other owned assets unrelated to the community building itself (e.g. hosting recycling bins, hiring out of sports fields where hirers do not use building)
- Proceeds from the sale of donated goods
- Contracts for the delivery of public services, particularly where such income has replaced a grant



What am I covered for?

- Background music (irrespective of the means of playing the recordings such as CDs, radio broadcasts or television broadcasts)
 - Variety shows, talent contests and pantomimes (if within the rights controlled by PPL)
 - Balls, dances, discotheques, and other social events with dancing
 - Music quizzes
 - Aerobic, keep fit and exercise classes
 - Bingo sessions, bazaars and exhibitions
 - Telephone music on hold
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Occasional Permits

If a community building holds a single event a year using recorded music and does not require an annual licence, PPL and PRS may at their discretion issue permits for this event at a cost of **£17.50** each.



Can I negotiate on cost?

For both the PRS and PPL licences, ask about discounts, especially for fundraising or community events, and you might find a one-off licence works out cheaper if your organisation only uses copyright music at a small number of events per year. You would have to negotiate this with both licensing bodies though.



Can I negotiate on cost?

"Several committees have found that spending about an hour on the phone with the PRS helpline to work through what is the most cost effective option, but challenging them and continually emphasising that they are volunteers, the hall is a charity, they need to avoid double-charging etc. has eventually produced a saving of several £hundred"

PRS and Third Party Hirers

The PRS licence covers the building so if you play copyrighted music in the building, you will need a licence.

“If you are using someone else’s premises, for example, if you hire a hall or use a local authority premises, then the proprietor should arrange a licence to cover your music use. You should check with them about this.”

PPL and Third Party Hirers

The PPL licence covers the individual and commercial hirers need their own PPL licence if they use PPL-controlled music.

"CB tariff does not apply to any third party hire to commercial organisations and individuals earning an income from providing the activity such as aerobics classes ... to this extent, responsibility for holding the relevant PPL licence rests with the hiring third party"

PPL and Third Party Hirers

Community buildings must include income from such sources in their defined income calculation BUT if the only use of PPL-controlled music in the building is by commercial or private hirers then the hall **does not** need its own PPL licence. The licensing bodies advise community buildings to check that their hirers have the appropriate licences.

However, if the committee also use PPL-controlled music (e.g. run a regular quiz night with a music round), they also need a PPL licence – hence the 'double charging' issue

PPL and Hire Agreements

Community buildings can pass the responsibility for getting a PPL licence on to their hirers (even charitable groups) if they wish. If they do this, it is good practice to ensure that the hiring agreement contains a suitable clause that explicitly states it is up to hirers to ensure they have all the necessary licences and permits for their activities. Committees may also be asked to name the individual licence holders so that PPL can make checks.

ACRE's Model Hire Agreement says:

The hirer shall ensure that the Village Hall holds relevant licences under Performing Right Society (PRS) and the Phonographic Performance Licence (PPL) or, where appropriate, the hirer holds a licence.