

## On Demand Programme Service Fees

### Background

Under section 368NA(2) of the Communications Act 2003 (“the Act”), Ofcom may levy fees on ODPS providers to cover its regulatory costs each financial year. Further, under section 368NA(6) of the Act, Ofcom must also publish a statement as soon as reasonably practicable after the end of the financial year setting out, for that year:

- (a) the aggregate amount received by it in respect of fees required to be paid under subsection (2);
- (b) the aggregate amount outstanding and likely to be paid or recovered in respect of those fees; and
- (c) the cost to it of carrying out its relevant functions during the year.

In respect of the period 2020/2021:

- (a) the total amount received by Ofcom in respect of ODPS fees was £148,555;
- (b) there are no outstanding fees from this period; and
- (c) the cost to Ofcom of carrying out its functions in respect of ODPS was £229,621.

### 2021/22 Fees

The total sum of fees to be paid by all providers for 2021/22 will be **£162,669**. This figure is established each year by calculating the cost base for the year and adjusting this to account for any over/under recovery of costs from the prior year. This produces a net view cost to be recovered from the qualifying stakeholders based on their qualifying turnover. The budgeted costs are peer reviewed and externally audited<sup>1</sup>.

The total sum of **£162,669** is marginally higher than the aggregate fee last year. However, the fees for Category A and B providers are lower than last year due to an increase in the number of stakeholders from which fees are to be recovered.

Ofcom consulted on these fees with ODPS providers between March and May 2021 and received no substantive responses. We can confirm that fees for 2021/22 are as below:

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<sup>1</sup> A fuller explanation of how Ofcom calculates cost base figures can be found in Annex A of our [Statement of Charging Principles](#).

<b>Category</b>	<b>Turnover Band</b>	<b>2021/22 Fee (2020/21 fees in brackets)</b>
<b>C</b>	Under £10m	<b>£0</b> (£0)
<b>B</b>	>£10m but less than £50m	<b>£2,667</b> (£2,701)
<b>A</b>	>£50m	<b>£5,333</b> (£5,402)