

## 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 to 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 2021/2022:

- (a) the total amount received by Ofcom in respect of ODPS fees was £238,551;
- (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 £251,524.

### 2022/23 Fees

The total sum of fees to be paid by all providers for 2022/23 will be **£218,401**. 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 **£218,401** is higher than the aggregate fee last year. This is due to last year’s fees being reduced as a result of under spend from previous years as well as additional work conducted in 2021/22 including our recommendations to Government about making on-demand services accessible and new guidance on Who Needs to Notify and Measures to Protect Users From Harmful Material. The fees in relation to Categories A and B will therefore be higher than last year, as set out 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](#).

Category	Turnover Band	2022/23 Fee (2021/22 fees in brackets)
C	Under £10m	<b>£0</b> (£0)
B	>£10m but less than £50m	<b>£3,702</b> (£2,667)
A	>£50m	<b>£7,403</b> (£5,333)