



Department for  
Digital, Culture,  
Media & Sport

21 October 2022

Dear Colleague,

**PUBLIC LENDING RIGHT RATE PER LOAN FOR PAYMENTS IN RELATION TO THE SCHEME YEAR 2021/22**

I am writing to seek your views and the views of those you represent on the above matter.

The Public Lending Right (PLR) is a right for authors and other rights holders to receive payments from a central fund in relation to public lending of their books in the UK. For the PLR Scheme year 2021/22 the PLR applied to the lending of books, audiobooks, e-books and e-audiobooks, as well as the remote lending of e-books and e-audiobooks from public library services.

The British Library Board is responsible for making an annual recommendation to the Secretary of State of the rate per loan to be paid from the PLR fund to registered authors, illustrators and other contributors to compensate them for the loan of their books from public libraries. The rate per loan is calculated on the basis of the size of the fund available and an estimate by the British Library of the total number of loans of registered works, obtained by way of a sample of public library services in the UK.

Library services were never completely closed during even the most stringent COVID national restrictions and the sector continued to deliver much needed services, including the loan of physical books, e-books and audiobooks. 2020/21 was the first full year CIPFA data was impacted by the various COVID lockdowns, which prevented people from physically accessing a library building to borrow books. The restrictions therefore impacted lending overall and in turn the proposed PLR rate per loan for the PLR Scheme year 2021/22 – further details are included in the attached Annex.

The British Library Board has proposed a rate per loan of 30.53 pence for payments in relation to the 2021/22 PLR Scheme year. This sum represents an increase of 19.27 pence - from 11.26 pence to 30.53 pence - on the rate per loan for 2020/21 payments. This proposed increase reflects a reduction in the estimated number of loans of books registered for PLR.

The Department for Digital, Culture, Media and Sport notes this recommendation and proposes to amend the PLR Scheme accordingly, by way of Statutory Instrument.

However, before any amendment is made, the Department seeks your views on this proposal, by no later than **5.00pm on Friday 18 November 2022**. Please send your response, by email, to the DCMS Libraries team, at: [rate\\_per\\_loan@dcms.gov.uk](mailto:rate_per_loan@dcms.gov.uk)

Yours sincerely

A handwritten signature in blue ink, reading 'S. Bennett', with a horizontal line underneath.

Sheila Bennett

Head of Libraries Strategy and Delivery

## **PLR Rate Per Loan calculation for consultation**

The British Library Board is responsible for making an annual recommendation to the DCMS Secretary of State for the Rate Per Loan to be paid to registered authors, illustrators and other contributors to compensate them for the loan of their books from public libraries.

The Rate Per Loan figure is reached through a calculation in which the PLR fund is divided by the estimated total number of loans of registered works from public libraries in the UK. This is based on loans data collected annually by the British Library from a sample of UK public libraries, which is then multiplied or 'grossed up' using the most recently available annual national library loans data collected by CIPFA from local authorities.

While the size of the Public Lending Right fund remains unchanged and the basis on which the Rate Per Loan calculation is made is consistent with previous years, the national library loans figures recorded from 1 April 2020 – 31 March 2021 (the most recent year for which the data is available) were affected by the impact of Covid-19.

This decrease in the overall figures of national library loans during this period, when combined with the PLR data from the sample libraries, results in a reduction in the estimated total number of loans of registered works. As anticipated - and as also indicated during the PLR rate per loan consultation for the Scheme Year 2020/21 - this has led to an increase of the Rate Per Loan from 11.26p in Scheme year 2020/21 to 30.53p in Scheme Year 2021/22, with 21,119 rights holders within the payment threshold (compared to 20,475 in Scheme Year 2020/21).

Whilst this increase in the Rate per Loan will have minimal impact on the overall distribution of earnings, with payments between the different bands closely matching previous years, some authors may see the temporary increase in the Rate Per Loan reflected in their PLR statement for Scheme Year 2021/22 and resulting payment.

For further information please **follow this link** to an explanatory document prepared in 2021 by the British Library.