EXPLANATORY MEMORANDUM TO

THE PUBLIC LENDING RIGHT SCHEME 1982 (COMMENCEMENT OF VARIATION) (No. 2) ORDER 2005

2005 No. 3351

1. This explanatory memorandum has been prepared by the Department for Culture, Media and Sport and is laid before Parliament by Command of Her Majesty.

2 Description

2.1 This instrument brings into force a variation to the Public Lending Right Scheme, which increases the 'rate per loan' paid under the Scheme to authors from 5.26p to 5.57p.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Legislative Background

4.1 The Public Lending Right Act 1979 (the 1979 Act) gave the Secretary of State powers to prepare and bring into force a scheme conferring a right known as the 'public lending right' on authors. The Scheme provides for eligible authors of eligible works to share in an annual fund relating to loans of the works. The Scheme was established by the Public Lending Right Scheme 1982 (Commencement) Order 1982 (SI 1982/719), which sets out in its Appendix the Scheme, included is the 'rate per loan' in its article 46. This 'rate per loan' has subsequently been amended by further Orders.

4.2 Section 3(7) of the 1979 Act confers a power on the Secretary of State to vary the Scheme by Order. Any increase in the rate per loan that needs to be made is effected through a variation to the Scheme which has to be brought into force by such an Order. The variation will substitute 5.57p for 5.26p in paragraph (1)(a) of article 46 of the Scheme.

5. Extent

5.1 This instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy Background

7.1 The Public Lending Right Scheme was brought into force on 14th June 1982. It prescribed the 'rate per loan' that should be paid, and this has been amended from time to time. The funds available to the Public Lending Right Scheme in 2005/06 are higher than in 2004/05, whilst the number of loans made has dropped. This has made a payment of an increased rate per loan of 5.57p possible.

7.2 The limited time between the 'rate per loan' calculation, based on data supplied by libraries of the previous year's loans, and the payment date constrained the time available for consultation. A short consultation therefore took place and no concerns were raised about this during the consultation.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this Order as it has no impact on business, charities or voluntary bodies.

8.2 The impact on the public sector is to provide the Public Lending Right Scheme and the Registrar of the Scheme with an altered 'rate per loan' allowing authors to be paid a rate per loan of 5.57p.

9. Contact

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