



THE AUTHORITY FOR TELEVISION **ON DEMAND**

Corporate Plan 2012-2013

25 June 2012

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Chair's Foreword

Our mission is to co-regulate on demand programme services to ensure the protection of consumers of video on demand services, and to do so with the confidence and support of users and providers of such services.

During our second year, we have continued to meet our regulatory responsibilities and develop our role as the UK's co-regulatory authority for editorial content in On Demand Programme Services ("ODPS"). Our Board and Executive have been working to fulfil our responsibilities and objectives set out in the 2011-12 Corporate Plan.

Details of who we are and how we operate are detailed in this plan which sets out the key areas of our work during the period to end March 2013. This will be carried out in partnership with the industry and Ofcom. As a co-Regulator, we are committed to maintaining constructive relations with the industry, whose active co-operation and support is vital for any co-regulatory arrangement. To this end we are grateful to the ATVOD Industry Forum, open to all ODPS providers, for its continued dialogue and work with ATVOD. We have established two working groups which are looking to identify a fee structure with longevity taking into account the development of the industry and identify if there is a simpler way of applying the legislation in relation to multiple services which would be less costly for service providers and ATVOD and would result in a change to the Scope Guidance. Representatives of the Industry Forum have also joined an ATVOD working group on access services to consider changes to the best practice guidelines and longer term issues.

Our top priority is to work with all our key stakeholders to ensure that consumers of video on demand services enjoy the protection afforded to them in the Communications Act 2003. We believe that by doing this we shall gain the confidence of consumers and other stakeholders. As part of our statutory duties, we determine which services fall within the scope of the regulations and ensure that providers of such services notify us and ensure that those video on demand services comply with their statutory obligations. We are also required to encourage providers to ensure that their services are progressively made more accessible to people with disabilities affecting their sight or hearing or both, and to promote, where practicable and by appropriate means, production of and access to European works.

We look forward to working with our stakeholders to meet the objectives set out in this plan.

Ruth Evans
Chair, ATVOD

1. About ATVOD

1.1 Our Designation and Powers

The Authority for Television On Demand (ATVOD) was designated by Ofcom on 18 March 2010 as the independent co-Regulator for the editorial content of UK video on demand services that fall within the statutory definition of ODPS.

Our duties and powers derive from the Communications Act 2003, as amended by the Audiovisual Media Services Regulations 2009¹ and the Audiovisual Media Services Regulations 2010² which came into force on 19 December 2009 and 18 March 2010 respectively. The Act confers functions on Ofcom for the regulation of ODPS, and gives Ofcom power to delegate certain functions to an appropriate regulatory authority.

Public consultation showed widespread support for an independent co-regulatory regime working in partnership with industry to regulate ODPS. As a result, Ofcom delegated certain of its functions and powers in the regulation of ODPS to ATVOD by means of a formal designation³.

To manage our new responsibilities we restructured from a self-regulatory entity to a co-regulatory entity to ensure we are sufficiently independent from the industry's commercial interests and to ensure we can work with industry to protect consumers of video on demand services through the effective co-regulation of ODPS.

ATVOD has been designated a number of Powers³ which enable it to:

- prepare and publish procedures for receiving notifications from providers of an ODPS;
- decide what constitutes an ODPS and who the provider of that service is;
- decide what constitutes a 'programme included in an ODPS';
- prepare and publish Rules to ensure service providers comply with the relevant requirements of the Act;
- prepare and publish guidance to accompany the Rules;
- demand information from service providers;
- determine if service providers are in contravention of the Act and issue relevant enforcement notifications which include remedial action;
- enforce compliance with an enforcement notification in civil proceedings (save where Ofcom decides to take enforcement action);
- carry out, commission or support (financially or otherwise) research; and
- use any recording, script or transcript provided to us in connection with the performance of any of our Designated Functions.

¹ <http://www.legislation.gov.uk/ukxi/2009/2979/contents/made>

² <http://www.legislation.gov.uk/ukxi/2010/419/contents/made>

³ <http://www.atvod.co.uk/uploads/files/designation1803101.pdf>

1.2 Our Purpose and Functions

We were established to co-regulate ODPS to ensure the protection of consumers of video on demand services. We aim to have a co-operative and supportive relationship with industry. As well as having four Board members from industry, we have established an Industry Forum, which meets quarterly and has a Chair and Deputy Chair elected from its membership. We hope our Industry Forum will facilitate communication between us and industry. This relationship will ensure regulation is well informed through gaining an industry perspective, tapping into industry expertise and gaining input to draft consultations.

As well as working with industry to protect consumers of video on demand services we want the consumers' voice to be at the heart of co-regulation. To this end we have a majority of Independent Board Members, including the Chair, who have a particular responsibility to represent the interests of consumers. Board decisions are not quorate unless Independent Board Members are in a majority. We are committed to engaging with those who represent video on demand users with disabilities relating to hearing and sight. We have worked with disability groups to develop a plan to encourage service providers to make their services progressively more accessible.

Ofcom has designated us to carry out a number of functions³:

Notifications and fees

Services which fall within the statutory definition of ODPS have to notify us, so that we can ensure they comply with their statutory obligations in relation to the 'editorial content' to which they provide access. We have developed guidance on who needs to notify⁴ which is published on our website.

We have a duty to determine whether ODPS providers have complied with the obligation to notify and therefore undertake investigations to determine whether services who have not notified fall within the statutory definition of ODPS. Before reaching a determination, we inform the ODPS provider of our preliminary view and invite representations, which are considered by our Board before a final decision is taken. ODPS providers can appeal to Ofcom against an ATVOD determination on scope. We publish details of scope determinations on our website along with information on appeals, notifications or sanctions that have taken place subsequent to the determination.

In case of failure to notify, or pay the required fee, we may issue an Enforcement Notification. We may secure compliance with an Enforcement Notification through civil proceedings or, refer the matter to Ofcom to consider the imposition of a financial penalty or suspension of the service.

⁴ http://www.atvod.co.uk/uploads/files/Guidance_on_who_needs_to_notify_Ed3.1_Mar_2011.pdf

Complaints

We deal with all complaints in accordance with published procedures⁵ and key performance indicators that have been approved by Ofcom. The current KPIs state that:

- 80% of straightforward cases will be closed within 30 working days; and
- 80% of complex cases will be closed within 60 working days.

These KPIs are being reviewed as part of the Designation Review process launched by Ofcom on 22 March 2012.

Our online complaint form makes it simple and straightforward for consumers to complain about VOD services that may be in breach of the statutory Rules. The online form is the most efficient way of ensuring that the necessary information is provided and that the complaint is directed to the correct recipient as quickly as possible. Complaints can also be submitted by post or email. To assist complainants we have developed a guide “How to complain”⁶ which provides a brief, step-by-step explanation of how to submit a complaint and the procedure ATVOD follows when considering complaints about on-demand services and programmes.

We conduct a full investigation if a complaint is within our remit and has not been dealt with by the service provider to the satisfaction of the complainant. We decide on complaints concerning editorial content on VOD services and information which must be supplied to users of VOD services in accordance with the legislative requirements. Editorial matters falling within the statutory requirements, as reflected in the Rules, comprise:

- material likely to incite hatred based on race, sex, religion or nationality;
- content likely to seriously impair the physical, mental or moral development of under 18s;
- sponsorship; and
- product placement.

Accessibility

We are required to encourage ODPS providers to ensure that their services are progressively made more accessible to people with disabilities affecting their sight or hearing or both. We welcome this obligation and are committed to playing a significant part in encouraging service providers to make their services more accessible to people with disabilities affecting their sight or hearing at a key time in the development and use of on-demand services. Our current Access Services Plan⁷ for encouraging the provision of access services is published on our website along with interim guidance⁸ for service providers. In 2011, we consulted on proposed best practice guidelines for access services

⁵ http://www.atvod.co.uk/uploads/files/ATVOD_Complaints_Process_Ed1.1_Mar_2011.pdf

⁶ http://www.atvod.co.uk/uploads/files/How_To_Complain.pdf

⁷ http://www.atvod.co.uk/uploads/files/Access_Services_Plan_Mar_2011.pdf

⁸ http://www.atvod.co.uk/uploads/files/Access_services_Interim_guidance_for_service_providers.pdf

on video on demand services and published an Interim Report on Best Practice Guidelines⁹. We have established a working group as proposed in the published interim report on access services, to consider changes to the best practice guidelines and longer term issues.

In summer 2011, all service providers were encouraged to provide us with relevant details of the access services currently provided on their ODPS by completing and returning a questionnaire. We published the information provided in the Provision of VOD Access Services Report 2011¹⁰. The report enables stakeholders, including people with relevant disabilities, to identify which specific access services are being offered on which services, and to indicate in each case the scale of provision of each type of access service. The report follows publication of the results of our initial survey of major service providers earlier in 2011.

European Works

We also encourage ODPS providers to promote, where practicable and by appropriate means, production of and access to European works. Our current European Works Plan¹¹ for encouraging service providers is published on our website along with guidance on the definition of a 'European work'¹².

In accordance with that plan, in 2011 we required service providers to provide information on the quantity of European works included in their services for the period 1 April 2010 to 31 March 2011. This information was required in order to enable the Department for Culture Media and Sport to comply with its reporting obligations to the European Commission under the AVMS Directive.

In carrying out these functions and exercising our powers we comply with a number of specific Obligations and Conditions specified by Ofcom in the Designation³.

⁹ http://www.atvod.co.uk/uploads/files/Access_Services_Best_Practice_Interim_Report_FINAL.pdf

¹⁰ http://www.atvod.co.uk/uploads/files/Provision_of_Access_Services_2011_Report_FINAL.pdf

¹¹ http://www.atvod.co.uk/uploads/files/European_Works_Plan_Mar_2011.pdf

¹² http://www.atvod.co.uk/uploads/files/European_Works_Guidance_Mar_2011.pdf

1.3 Our Mission and Values

Our mission is to co-regulate ODPS to ensure the protection of consumers of video on demand services.

We have seven core values which provide a foundation for our business plans and how we engage with stakeholders and consumers. They are reflected in the way in which we are run.

Independence

Our decisions will be independent and evidence based. Consumers must be confident that we will provide independent co-regulation which is in their best interests.

Transparency

Our decisions will be clear and reasoned, and our processes open to reasonable scrutiny.

Accountability

Each year we will account for and publish our progress against our business plan and measure our success.

Proportionality

We will act accordingly on a basis proportionate to the size of the problem, bearing in mind the timeliness, quality and cost of resolution.

Consistency

We will try to be consistent in our decisions, assessing each case on the basis of the rigorous application of agreed criteria to the facts of the particular case.

Targeted

We will act in a light touch way and not intervene, unless necessary to ensure the protection of consumers.

Fairness

We will act in an impartial manner in performing our duties.

1.4 Our Structure and Governance

We are led by an independent Chair and have a Board comprising five independent and four non-independent members¹³. Non-independent members are employed by a provider of a regulated service. Our Executive is small and comprises a full-time Chief Executive Officer, a part-time Company Secretary, a part-time Policy and Investigations Manager, a full-time Policy and Investigations Officer and a part-time Personal Assistant/Office Manager.

Each year there are between six and eight Board meetings, one strategy day and numerous other committee and Board/Executive meetings, where judgements are required and decisions made. Minutes of Board meetings are published on our website once approved. All Board Members and Executive staff complete an annual appraisal and objective setting exercise to ensure that our goals and objectives are reflected throughout the company. The Board annually undertakes an evaluation exercise to identify areas for improvement in its performance.

The Board has delegated some of its duties to Committees:

- Scope – to discuss and agree borderline and disputed scope decisions;
- Complaints – to consider complaints where an initial assessment has determined that the complaint raises potential issues under the statutory requirements; and
- Audit and Finance – to consider in detail the financial affairs of ATVOD.

The Audit and Finance Committee meets three times a year, the Scope and Complaints Committees meet as required.

We have a Code of Conduct¹⁴ with which Board Members must comply. They must act in good faith and in the best interests of ATVOD at all times. They are required to disclose details of any public and charitable appointments, directorships, related employments, and relevant financial interests. All shareholdings of a material size in any regulated company (including those of partners and dependent children) are disclosed. These interests are recorded in the Register of Interests¹⁵, which is published on our website.

¹³ <http://www.atvod.co.uk/about-atvod/atvod-board>

¹⁴ http://www.atvod.co.uk/uploads/files/ATVOD_Code_of_Conduct.pdf

¹⁵ http://www.atvod.co.uk/uploads/files/ATVOD_Register_of_Interests_230412.pdf

1.5 How we delivered in 2011-12

During 2011-12, our second year as co-regulator, we once again concentrated on delivering our designated functions, in partnership with the Industry, Ofcom and other stakeholders where required.

In summary we:

- conducted a brief literature review of the most important current pieces of research in areas such as child online safety, internet safety, consumer behaviour on the internet, consumer experience of video on demand, online media literacy, consumer expectations with regard to regulation, consumers' exposure to harmful content online, children's access to harmful materials, child protection, parental controls, age-verification and content access controls, to inform ATVOD's identification of future research priorities;
- conducted a review of how the Audiovisual Media Services Directive (the "AVMS Directive") has been implemented in Germany, France, the Netherlands, Ireland and Finland;
- routinely published details of notified services on the ATVOD website in a Directory format;
- identified and launched investigations into 274 potential un-notified ODPSs mainly where a service was referred to ATVOD by a third party or where a service was providing adult content;
- consulted on regulatory fees for 2011-12 and in line with the responses to that consultation introduced a banded fee structure, with fees based on the total turnover of the provider, and with concessionary rates for non-commercial and small scale service providers;
- consulted on regulatory fees for 2012-13 and in line with the responses to that consultation maintained the banded fee structure, with fees based on the total turnover of the provider, and with concessionary rates for non-commercial and small scale service providers, but with an across the board reduction of 3.58% in all tariff rates;
- issued Enforcement Notifications for non-payment of fees in respect of 14 services, following the required consultation with Ofcom;
- answered queries from service providers and potential service providers and spoke at various events to ensure that the statutory requirements set out in section 368D of the Act are fully understood;
- provided support to the ATVOD Industry Forum and reported on trends in complaints and answered questions on compliance issues at each of its four meetings;

- distributed a monthly email newsletter providing details of complaints and updates on other issues likely to encourage compliance;
- reviewed our Rules and Guidance document and following consultation with the Industry Forum and Ofcom made changes which encouraged greater clarity in the provision of information to users of services, confirmed the previous 'interim guidance' on compliance with Rule 11 (protection of under 18s) and ensured consistency and clarity over interpretation of Rules 12 and 13 (Sponsorship and Product Placement), especially with regard to similar rules regarding linear broadcast services;
- developed a guidance note setting out the differences between the Rules applying to sponsorship and product placement and the requirements of the Ofcom Broadcasting Code in relation to those issues (to be published shortly);
- invited all providers of 'adult' VOD services to attend a seminar on Rule 11 which focused on material of 'R18' strength (also known as 'hardcore' or 'explicit' pornographic content) and the measures which should be used to ensure that under 18s do not normally see or hear such material;
- reviewed our complaints procedure and concluded that no changes were considered necessary, however published a 'How to complain'¹⁶ summary note;
- worked with the ASA, BBC Trust, BBFC, Ofcom, Press Complaints Commission and Video Standards Council to implement a recommendation of the Department of Education commissioned report by Reg Bailey on the commercialisation and sexualisation of childhood ('Letting Children Be Children') that media regulators should establish a single website to act as an interface between themselves and parents. The result, ParentPort¹⁶, is a website which sets out simply and clearly what parents can do if they feel an item of media content is inappropriate for their children. It explains the various pieces of relevant legislation in simple terms and provides a simple triage system to guide parents to the complaints process of the regulator who can deal with their particular issue. ParentPort also provides parents with a means of giving informal feedback to media regulators on matters of concern. ParentPort was launched by the Prime Minister on 11 October 2011;
- organised a seminar in February 2012 for those representing the interests of consumers and children, with a key note speech from Tim Loughton, MP Parliamentary Under-Secretary of State for Children and Families and discussion panels including John Carr (Children's Charities' Coalition for Child Internet Safety), Katie O'Donovan (Mumsnet) and Jon Brown (NSPCC);

¹⁶ See <http://www.parentport.org.uk/home>

- launched an initial survey of major service providers (including platform operators) to ascertain the state of provision of access services in ODPS and published a report on the responses ('Video on Demand Access Services: Initial Survey');
- published interim guidance on access services to service providers⁸;
- developed and consulted on draft best practice guidelines for the provision of access services on services which resulted in the publication of an interim report⁹ and the establishment of an ATVOD Access Services Working Party comprising service providers, access service providers and organisations representing people with disabilities relating to hearing and sight to assist us in finalising our draft best practice guidelines;
- published a report which detailed the current levels of provision of access services on services operated by those service providers who responded¹⁰. The report set out those respondents' future plans for increasing the provision of such services and identified those service providers who had been invited to respond, but who had failed to do so; and
- issued a formal demand for information under section 368O requesting information from Service Providers as to the amount of 'European Works' their services contain and views as to the optimal manner in which we could promote production and access to European Works. This information was required in order to enable the Department for Culture Media and Sport to comply with its reporting obligations to the European Commission under the AVMS Directive.

2. Operating Context

We operate in a complex legislative environment which includes the Communications Act 2003, as amended by the Audiovisual Media Services Regulations 2009¹⁷ and the Audiovisual Media Services Regulations 2010¹⁸. The Government is currently in the process of a thorough review of media and communications regulation which is expected to lead to a new Communications Act by 2015.

Our industry, which is still in the early stages of development, operates within an environment which includes a fast pace of technological change, competitive forces and changing audience behaviour. Additionally the whole communications industry is in transition towards greater integration of technology and content, with new domestic and mobile devices emerging all the time.

In the environment within which we operate there are a range of consumer issues which include the possibility that consumers of video on demand may be confused or misled by the fast pace of technological change and availability of on demand content on converged platforms. We will keep abreast of relevant developments, including research, which may affect consumers.

Through our Business Plan we aim to ensure that we are well placed to take account of this operating context in the fulfilment of our duties. We keep abreast of technological and other developments and consider how new and changing consumer issues affect our work.

¹⁷ <http://www.legislation.gov.uk/uksi/2009/2979/contents/made>

¹⁸ <http://www.legislation.gov.uk/uksi/2010/419/contents/made>

3. Our Service Standards

We continue to monitor our performance against a number of KPIs which were listed in last year's Corporate Plan. A report on how we have performed against these KPIs will be provided in our Annual Report. During 2011 we have reviewed how we will evaluate progress against our Business Plan and developed service standards against which we will measure our success. A report on how we have performed against these new Service Standards will be provided in our Annual Report from 2013 onwards.

Some of the measures proposed rely on receiving a meaningful level of response from our stakeholders to a short annual stakeholder satisfaction survey. We will trial the survey in 2012 to ensure that response rates are high enough to provide a meaningful measurement. We will invite service providers, complainants, groups who represent the interests of consumers, other key stakeholders, relevant Government and Parliament contacts, Ofcom and other Regulators whom we have been in contact with during the year of measurement to participate in the survey. Provided the trial results in a meaningful level of responses from our stakeholders we will use the initial results to agree a level of satisfaction which will be proportionate but challenging.

3.1 Complaints

Our Commitment

Measurement (where applicable)

<ul style="list-style-type: none"> We shall accept complaints via the online complaint form on our website, by email or by letter. 	
<ul style="list-style-type: none"> We aim to acknowledge complaints within five working days of receipt. 	<ul style="list-style-type: none"> 90% of a sample acknowledged within five working days.
<ul style="list-style-type: none"> We aim to refer complaints to the relevant service provider in the first instance within five working days of receipt. 	<ul style="list-style-type: none"> 90% of a sample referred to service provider within five working days.
<ul style="list-style-type: none"> We aim to keep complainants and service providers advised of progress on a regular basis. 	<ul style="list-style-type: none"> Stakeholder satisfaction survey results.
<ul style="list-style-type: none"> If a complaint is outside our remit, we aim to advise complainants within ten working days with an explanation and, if appropriate, provide information on who else they should contact. 	<ul style="list-style-type: none"> 90% of a sample replied to within ten working days.
<ul style="list-style-type: none"> We aim to ensure that straightforward complaints are closed within 30 working days.¹⁹ 	<ul style="list-style-type: none"> 80% of straightforward complaints closed within 30 working days.
<ul style="list-style-type: none"> We aim to ensure that complex complaints are closed within 60 working days.¹⁹ 	<ul style="list-style-type: none"> 80% of complex complaints closed within 60 working days.

¹⁹ These KPIs were agreed with Ofcom in 2010 and are subject to review as part of the Designation Review process.

Our Commitment

- We aim to deliver a professional service. If a complainant or service provider believes that ATVOD's handling of their complaint is not complying with these standards, they can write to the Chief Executive, and he will respond within 20 working days.
- We aim to make high quality decisions. If a complainant or service provider believes that there is a substantial flaw in a decision of the ATVOD Complaints Committee they can request a review of our decision. ATVOD may refer the complaint to an independent complaints reviewer.
- We aim to report trend data on complaints handling annually which will include²⁰:
 - the number of complaints received and details of the programmes and the on-demand programme service providers to which they relate;
 - the number of individuals and organisations who submitted complaints;
 - the number of complaints investigated by ATVOD and the status of those cases "informal investigation" (i.e. "initial assessment"), "not investigated after preliminary work" (i.e. "closed after initial assessment") and "full investigation"; and
 - the number of cases where contraventions of the Rules by providers of on-demand programme services have been (a) upheld and (b) upheld in part as contraventions of the Rules.

Measurement (where applicable)

- Number of letters of complaint received about our complaints process not being followed.
- 100% of a sample replied to within 20 working days.
- Publish any reports from the Independent Reviewer on our website.
- Publish trend data on complaints annually in our Annual Report.

3.2 Access services and European works duties**Our Commitment**

- We will publish annually a report on the state of provision of access services in ODPS. We aim to encourage service providers to make their services more accessible.
- We will produce for Ofcom at agreed intervals a report on the provision of European works. We aim to encourage service providers to promote, where practicable and by appropriate means, production of and access to European works.

Measurement (where applicable)

- Publication in November, showing an improvement in the level of accessibility year on year.
- Submission of report in accordance with agreed timetable.

²⁰ Appropriate complaints trend data is defined in the Designation and is subject to review as part of the Designation Review process.

3.3 Transparency

Our Commitment

Measurement (where applicable)

<ul style="list-style-type: none"> We will publish information on complaints, new notifications, scope determinations and appeals monthly in our Newsletter which is published on our website. 	<ul style="list-style-type: none"> Publication monthly.
<ul style="list-style-type: none"> Our website will provide the appropriate information on who we are, how we operate and our Rules and Guidance. 	<ul style="list-style-type: none"> Stakeholder satisfaction survey results.
<ul style="list-style-type: none"> We will publish an Annual Report each year reviewing our activities and performance. 	<ul style="list-style-type: none"> Publication in July.
<ul style="list-style-type: none"> We will publish a Corporate Plan each year setting out our objectives for the coming year following liaison with industry. 	<ul style="list-style-type: none"> Publication in June following circulation to the ATVOD Industry Forum in May.

3.4 Responsiveness

Our Commitment

Measurement (where applicable)

<ul style="list-style-type: none"> We aim to respond to all general correspondence (letters) within ten working days. 	<ul style="list-style-type: none"> 80% of a sample replied to within ten working days.
<ul style="list-style-type: none"> We aim to respond to e-mail enquiries and phone calls within three working days. 	<ul style="list-style-type: none"> 80% of a sample replied to within three working days.

3.5 Accessibility & Awareness

Our Commitment

Measurement (where applicable)

<ul style="list-style-type: none"> We shall publish our contact details (website, address and telephone) on all our literature. 	
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3.6 Stakeholder Engagement

Our Commitment

Measurement (where applicable)

<ul style="list-style-type: none"> We aim to meet the needs of industry via engagement through the ATVOD Industry Forum and one to one meetings with service providers. 	<ul style="list-style-type: none"> Stakeholder satisfaction survey results.
<ul style="list-style-type: none"> We wish to ensure appropriate engagement with those who represent the interests of consumers to ensure we understand the consumer experience of VOD. 	<ul style="list-style-type: none"> Stakeholder satisfaction survey results.
<ul style="list-style-type: none"> We aim to ensure appropriate engagement with other key stakeholders, including Government, Parliament, Ofcom and other Regulators. 	<ul style="list-style-type: none"> Stakeholder satisfaction survey results.

4. Risk Management

We face a number of uncertainties which could impact our continued effectiveness as a co-Regulator. We have developed a risk management plan and controls to protect and enhance our effectiveness. We regularly identify, analyse, respond to and control our risks, as documented on our risk register. We will continue to monitor the uncertainties we face and develop responses as required.

5. Our Finances

We are committed to performing our designated functions in a cost effective manner. Our designated functions cover a range of activities of varying complexity. Our estimate of the likely costs of performing the designated functions in 2012-13 represents the minimum necessary to ensure that the designated functions can be performed effectively. We keep our costs under constant review. We have included a significant provision against the prospect of legal challenge in 2012-13 which we regard as essential given the complexity and controversy surrounding issues of scope in particular. We have arranged an overdraft facility to deal with in year cash flow issues.

Our budget to carry out the relevant functions during 2012/13 is as follows:

Ofcom's recouped costs	£22,000
Remuneration for staff & Board Members	£323,140
Rent and office running costs	£20,900
Travel and other expenses (Executive and Board)	£4,500
Professional fees	£79,500
Insurance and bank charges	£6,800
Independent complaints adjudicator	£500
Recruitment	£1,000
IT and Website support	£5,800
Contingency – fee shortfall/bad debt	£22,000
Industry Forum meeting costs	£1,600
ParentPort	£2,000
Research	£5,000
Database development and running costs	£13,000
<u>Total</u>	<u>£507,740</u>

6. Business Plan 2012/2013

We have agreed a work plan for 2012/13. This builds on our key functions, ensuring that we carry out the Business Plan in a way which reflects our values. With each objective we set out what the Board intends to achieve in terms of key deliverables.

6.1. Statutory Functions

We aim to fulfil our statutory remit to the best of our ability as our resources allow

- Deal with complaints in accordance with our Key Performance Indicators.
- Develop longer term plans to encourage take up of access services.
- Repeat a survey of service providers to monitor the extent to which access services are made available on ODPS.
- Develop longer term plans in relation to the European works duty.
- Report to Ofcom as required on the exercise of our designated functions for the relevant period.
- Engage with Ofcom in relation to its review of ATVOD's designation, providing assistance and support as required.

6.2. Stakeholder Communication

We aim to engage with all our stakeholders to understand the issues and concerns of stakeholders and ensure an integrated approach to regulation

- Work with Industry via the Industry Forum and its working groups to discuss concerns and propose solutions to issues raised.
- Engage with those who represent the interests of consumers in order to understand the consumer experience of VOD and discuss concerns; including disability groups, consumer organisations and academics.
- Work with other key stakeholders in order to share experiences and understand their key issues in relation to ODPS; including IWF, UKCCIS and EPRA.
- Engage with Government and Parliament in relation to ODPS issues.
- Work with Ofcom to ensure effective regulation.
- Work with other regulators to ensure an integrated and transparent approach to regulation of ODPS; including ASA, PCC, PPP and the BBC Trust.

6.3. Policy Development and Research

We aim to undertake appropriate policy development to ensure best practice and relevance in the industry

- Work with Industry to develop and consult on revised scope guidance.
- Seek feedback from complainants and service providers to ensure our procedures are operating effectively.
- Further review of the implementation of AVMS Directive in other EU states.
- Develop research opportunities to increase knowledge of current issues, if resources allow.

6.4. Public Policy

We aim to engage in public policy debate to ensure that we are aware of current issues and able to actively participate to ensure the best outcome for consumers and industry

- Engage in internet child protection/R18 public policy debate.
- Contribute to wider public debate on content regulation.
- Engage with industry and other stakeholders on the development of new public policy positions.
- Keep up-to-date with relevant market developments.
- Develop opportunities for conferences/seminars, if resources allow.
- Respond to Government on the Communications Green Paper.

6.5. Internal Governance and Financial security

We aim to adopt principles of best regulatory practice to ensure good governance in all our decisions and to ensure our financial security

- Develop our governance policies to ensure appropriate best practice as required.
- Work with service providers to develop a long term fee structure based on an agreed measure of scale.
- Complete a consultation on the 2013-14 fees and thereby establish fees at a level to meet the anticipated budget.
- Ensure effective arrangements are in place for Audit and Risk Control.
- Ensure thorough oversight of finances through regular meetings of the Audit and Finance Committee.
- Publish an Annual Report.