

The logo for the Authority for Television on Demand (ATVOD) features the acronym "ATVOD" in a bold, white, sans-serif font. The letters are set against a solid black rectangular background. The 'A' is stylized with a wide base and a pointed top. The 'V' is formed by two slanted lines meeting at a point. The 'O' is a simple circle, and the 'D' is a vertical line with a curved top.

ATVOD

THE AUTHORITY FOR TELEVISION ON DEMAND

Corporate Plan 2013-2014

23 May 2013

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Chair's Foreword

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

During 2012-13, 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 as set out in the 2012-13 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 2014. This will be carried out in partnership with the industry, with Ofcom acting as 'back-stop'. 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. This includes participation by Forum members in three ATVOD working parties considering fees, scope guidance and access services.

We are delighted that the work we have done in partnership with industry and other stakeholders resulted in our Designation being confirmed until 2020 following the Designation Review conducted by Ofcom in the summer of 2012. The amended Designation gives ATVOD greater operational freedom which we believe will further enhance our effectiveness in ensuring that consumers enjoy the regulatory protections afforded to them in law. In doing so we will continue to keep a tight control over our costs.

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 maintain the confidence of consumers and other stakeholders. To that end, we have continued to conduct pro-active enforcement investigations in relation to compliance with Rule 11 (the protection of children from material which might cause serious harm), in addition to following up complaints. Where breaches have been found, action has been taken to ensure that services are brought into compliance. Such action has included referral to Ofcom for consideration of financial sanctions, with the result that in 2012-13 fines totalling £160,000 were imposed in relation to three services found to have committed serious, repeated and reckless breaches of the ATVOD Rules by allowing under 18s to access hardcore pornographic material. We have also published research, conducted by ICM Research, showing that British adults welcome the ATVOD Rules requiring UK porn-on-demand websites to keep hardcore porn behind effective access controls which ensure that under 18s cannot normally see it¹.

¹ http://www.atvod.co.uk/uploads/files/Porn_and_Hatred_Online_-_public_views_on_ease_of_access_and_the_importance_of_regulatory_action_FINAL.pdf

As part of our statutory duties, we 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. This will continue to be a key part of our work during 2013-14.

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 designated² 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, following a public consultation. The designation included provision for a review of the arrangements after two years. Accordingly, on 22 March 2012 Ofcom launched such a review and on 15 August 2012 issued a statement confirming the Designation with amendments to give ATVOD greater operational freedom. The amended Designation came into force on 14 September 2012³.

Our duties and powers derive from the Communications Act 2003, as amended by the Audiovisual Media Services Regulations 2009⁴ and the Audiovisual Media Services Regulations 2010⁵ 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.

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.

1.2 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

² <http://www.atvod.co.uk/uploads/files/designation1803101.pdf>

³ <http://www.atvod.co.uk/uploads/files/amended-designation140912.pdf>

⁴ <http://www.legislation.gov.uk/ukxi/2009/2979/contents/made>

⁵ <http://www.legislation.gov.uk/ukxi/2010/419/contents/made>

Forum, which meets three times a year and has a Chair and Deputy Chair elected from its membership. We hope our Industry Forum will continue to facilitate communication between us and industry. This relationship ensures 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 and to overcome barriers to the provision of access services.

Ofcom has designated us to carry out a number of specific 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 notify⁶ 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.

Complaints

We deal with all complaints in accordance with published procedures⁷, and in line with key performance indicators that have been agreed with Ofcom. The current KPIs state that:

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

⁶ http://www.atvod.co.uk/uploads/files/Guidance_on_who_needs_to_notify_Ed3.1_Mar_2011.pdf

⁷ http://www.atvod.co.uk/uploads/files/ATVOD_Complaints_Process_Ed1.1_Mar_2011.pdf

- 80% of complex cases will be closed within 60 working days.

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”⁸ 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 Plan⁹ for encouraging the provision of access services is published on our website. We continue to engage with relevant stakeholders through a working party which developed Best Practice Guidelines¹⁰ for service providers and which is currently considering ways in which technical barriers to the provision of access services might be overcome.

European Works

We also encourage ODPS providers to promote, where practicable and by appropriate means, production of and access to European works. ATVOD’s 2012-15 European Works Plan¹¹ for encouraging service providers was developed in partnership with the Industry

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

⁹ http://www.atvod.co.uk/uploads/files/Access_Services_Plan_Edition_1.2_120912.pdf

¹⁰ http://www.atvod.co.uk/uploads/files/Access_Services_best_practice_guidelines_FINAL_120912.pdf

¹¹ http://www.atvod.co.uk/uploads/files/2012_European_Works_Plan_FINAL_2_061112.pdf

Forum and is published on our website along with guidance on the definition of a 'European work'¹². The plan includes collection of data from service providers for the calendar years 2012 and 2014.

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.

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 target our efforts in order to ensure the protection of consumers, and will act in a manner 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.

Fairness

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

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

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 biannually undertakes an evaluation exercise to identify areas for improvement in its performance.

The Board has delegated some of its duties to Committees the terms of reference of which are published on our website:

- Scope¹⁴ – to discuss and agree borderline and disputed scope decisions;
- Complaints¹⁵ – to consider complaints where an initial assessment has determined that the complaint raises potential issues under the statutory requirements; and
- Audit and Finance¹⁶ – to consider in detail the financial affairs of ATVOD.

We have a Code of Conduct¹⁷ 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 Interests¹⁸, which is published on our website.

1.5 How we delivered in 2012-13

During 2012-13 we once again concentrated on delivering our designated functions, in partnership with the Industry, and involving other stakeholders where required. In summary, we have:

Content and consumer protection issues

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

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

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

¹⁶ http://www.atvod.co.uk/uploads/files/ATVOD_Audit_Committee_Terms_of_Reference.pdf

¹⁷ http://www.atvod.co.uk/uploads/files/ATVOD_Code_of_Conduct_Jan_2013.pdf

¹⁸ http://www.atvod.co.uk/uploads/files/ATVOD_Register_of_Interests_290113.pdf

- Dealt with an average of over 50 complaints per month, referring the complainant to the service provider in the first instance to facilitate informal resolution of the issue wherever possible, and conducting a formal assessment and full investigation wherever necessary;
- Carried out pro-active investigations into the 'adult' VOD sector, finding 13 services to be in breach of ATVOD Rule 11 which requires that material which might seriously impair the development of children (in these cases, hardcore pornographic material) must be provided in a manner which secures that under-18s do not normally see it. The majority of services took swift action to bring themselves into compliance, but three were referred to Ofcom and fined a total of £160,000 for serious, repeated and reckless breaches of the ATVOD Rules;
- Commissioned and published research, conducted by ICM Research, showing that British adults welcome its rules requiring UK porn-on-demand websites to keep hardcore porn behind effective access controls which ensure that under 18s cannot normally see it¹⁹;
- Produced a detailed briefing for policymakers on the options that might be considered if children are to be better protected from hardcore pornographic content online, including a proposal that UK financial institutions might decline to process payments to services which allow children to access hardcore pornographic material²⁰;
- Published a submission to the recent consultation by the UK Council for Child Internet Safety on parental controls²¹;
- Published a submission to the call for evidence from the House of Lords Select Committee on Communications on media convergence and its public policy impact²²;
- Signed a Memorandum of Understanding with the Internet Watch Foundation to ensure that complaints are referred to the relevant body in a timely fashion;

Access services

- Published Best Practice Guidelines on Access Services for ODPS providers;

¹⁹ http://www.atvod.co.uk/uploads/files/Porn_and_Hatred_Online_-_public_views_on_ease_of_access_and_the_importance_of_regulatory_action_FINAL.pdf

²⁰ In making this proposal we have noted that Crown Prosecution Service Guidance states that publishing such content on a website without adequate controls to prevent child access is likely to be considered a breach of the Obscene Publications Act.

²¹ http://www.atvod.co.uk/uploads/files/Parental_controls_consultation_-_ATVOD_response_FINAL.pdf

²² http://www.atvod.co.uk/uploads/files/Media_Convergence_call_for_evidence_ATVOD_submission_FINAL.pdf

- Surveyed ODPS providers on the extent to which they provide programmes with subtitles, audio description or signing, and published a report setting out the results of the survey;
- Worked with representatives of those with disabilities relating to sight or hearing to begin to consider ways in which barriers to the provision of access services might be overcome;

European works

- Developed and published a three year plan for ensuring that ODPS providers to promote, where practicable and by appropriate means, production of and access to European works;

Scope issues

- Routinely published details of notified services on the ATVOD website in a Directory format;
- Launched investigations into potentially un-notified ODPSs mainly where a service was referred to ATVOD by a third party or where a service was providing adult content;

Fees

- 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;
- Launched a consultation on regulatory fees for 2013-14 with an option to reduce fees by a further 3% across the board;
- Issued Enforcement Notifications for non-payment of fees in respect of 2 services, following the required consultation with Ofcom²³;

Industry engagement

- 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;

²³ These enforcement notifications were issued before the Designation was revised on 14 September 2012. The revised Designation does not require ATVOD to consult Ofcom before issuing an Enforcement Notification.

- 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;
- Worked with Industry Forum members to review and make proposals relating to the notification requirements that apply to providers on ODPS;
- Worked with Industry Forum members to a review guidance on the scope of the regulations for on-demand programme services;
- Worked with Industry Forum members, and other stakeholders (including those representing people with disabilities relating to sight and/or hearing) to develop Best Practice Guidelines for the provision of access services and to begin to address technical barriers to the provision of subtitling, audio description and signing on video on demand services;

Other stakeholder engagement

- Distributed a regular email newsletter providing details of complaints and updates on other issues likely to encourage compliance and understanding of ATVOD's role;
- Continued to work with the ASA, BBC Trust, BBFC, Ofcom, Press Complaints Commission and Video Standards Council to maintain and further develop ParentPort²⁴, which 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 and offers 'top tips' on issues such as internet safety;
- Published an Annual Report providing an account of ATVOD's activities, income and expenditure during 2011 -12.

²⁴ See <http://www.parentport.org.uk/home>

2. Operating Context

We operate in a complex legislative environment which includes the Communications Act 2003, as amended by the Audiovisual Media Services Regulations 2009²⁵ and the Audiovisual Media Services Regulations 2010²⁶. 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.

²⁵ <http://www.legislation.gov.uk/uksi/2009/2979/contents/made>

²⁶ <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 and service standards which were published in last year's Corporate Plan. A report on how we have performed against these KPIs will be provided in our Annual Report.

In last year's Corporate Plan we also undertook to run a trial stakeholder satisfaction survey, with view to using the results to set satisfaction targets in relevant areas for future years. To that end, in early 2013 we sent a survey to consumer representative bodies, members of Parliament, ODPS providers, other media regulators, relevant trade bodies and others with whom we have been in contact during 2012-13. The results are provided as Annex 1 and will be highlighted in our Annual Report alongside our performance in relation to our established KPIs. The results have been used to inform the service standard commitments set out below. Where those commitments are objectively quantifiable, we have set specific targets which are challenging, but also realistic and proportionate. For commitments with a strong qualitative dimension, we have undertaken to publish annually the results of a stakeholder satisfaction survey.

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"> 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.²⁷ 	<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.

²⁷ 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 include:
 - 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 under ATVOD's complaints handling processes; 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 substantively 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.

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 in our regular Newsletter which is published on our website and emailed to subscribers. 	
<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.
<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 before end of July.
<ul style="list-style-type: none"> We will publish a Corporate Plan each year setting out our objectives for the coming year following consultation with industry. 	<ul style="list-style-type: none"> Publication before end of April following circulation to the ATVOD Industry Forum in March.

3.4 Responsiveness

Our Commitment

Measurement (where applicable)

<ul style="list-style-type: none"> We aim to respond to all general correspondence (letters) within five 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 and communication

Our Commitment

Measurement (where applicable)

<ul style="list-style-type: none"> We aim to be accessible and shall publish our contact details (website, address and telephone) on all our literature. 	<ul style="list-style-type: none"> Stakeholder satisfaction survey.
<ul style="list-style-type: none"> We aim to communicate well with our stakeholders 	<ul style="list-style-type: none"> Stakeholder satisfaction survey.

3.6 Stakeholder Engagement

Our Commitment

Measurement (where applicable)

<ul style="list-style-type: none"> We aim to engage well with industry via the ATVOD Industry Forum. 	<ul style="list-style-type: none"> Stakeholder satisfaction survey.
<ul style="list-style-type: none"> We aim to provide other appropriate opportunities for engagement and to take account of the views of stakeholders 	<ul style="list-style-type: none"> Stakeholder satisfaction survey.

3.7 Understanding of the regulated sector

Our Commitment

Measurement (where applicable)

- | | |
|---|--|
| <ul style="list-style-type: none"> We aim to understand the key issues in relation to video on demand. | <ul style="list-style-type: none"> Stakeholder satisfaction survey. |
| <ul style="list-style-type: none"> We aim to be sufficiently aware of changing technology | <ul style="list-style-type: none"> Stakeholder satisfaction survey. |

3.8 Efficiency and proportionality

Our Commitment

Measurement (where applicable)

- | | |
|---|--|
| <ul style="list-style-type: none"> We aim to be proportionate in the way we regulate. | <ul style="list-style-type: none"> Stakeholder satisfaction survey. |
| <ul style="list-style-type: none"> We aim to be efficient and use our resources effectively. | <ul style="list-style-type: none"> Stakeholder satisfaction survey. |

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 2013-14 represents the minimum necessary to ensure that the designated functions can be performed effectively. These costs are kept under constant review. For 2013-14, we have included provision for a reserve, funded from accumulated surpluses to date, to be held against the risk of exceptional costs arising from a substantive legal challenge (such as a Judicial Review) or a decision to wind up the organisation. We have in place an overdraft facility to deal with in-year cash flow issues.

Our budget to carry out the relevant functions during 2013-14 is as follows:

Ofcom's recouped costs	£ 22,000
Remuneration for staff & Board Members	£344,450
Rent and office running costs	£ 21,000
Travel and other expenses (Executive and Board)	£ 4,500
Professional fees	£ 79,000

Insurance and bank charges	£ 7,000
Independent complaints adjudicator	£ 500
Recruitment	£ 1,600
IT and Website support	£ 10,000
Contingency – fee shortfall /bad debt	£ 12,000
Industry Forum meeting costs	£ 1,000
ParentPort	£ 2,000
Research	£ 5,000
Sub-total	£510,050
Revisions to website required by new notification requirements	£ 10,000
Development of extranet facility for online notifications	£ 20,000
Development of new database postponed from 2012-13	£ 13,000
Total	£553,050

During 2013-14, we plan to carry a reserve of: £89,635

6. Business Plan 2013/2014

We have agreed a work plan for 2013/14. This builds on our key functions, ensuring that we carry out our activities in a way which reflects our values. With each objective we set out what the Board intends to achieve in terms of key deliverables.

1. Statutory Functions

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

- Investigate breaches of the relevant statutory obligations of service providers.
- Deal with complaints in accordance with our Key Performance Indicators.
- Implement our plan to encourage take up of access services, including: repeating a survey of service providers to monitor the extent to which access services are made available on ODPS; and working with stakeholders to try and overcome technical barriers.
- Implement our plan in relation to the European works duty, including through the collection of data relating to 2012.
- Report to Ofcom as required on the exercise of our designated functions for the relevant period.

- Develop the ATVOD website to reflect changes in the notification requirements and to enable service providers to make online notifications and data submissions.

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/child protection organisations and academics.
- Work with Ofcom to ensure effective regulation.
- Engage with debates relating to the Communications White Paper and other political developments.
- Work with other regulators to ensure an integrated and transparent approach to regulation of ODPS; including ASA, PCC, PPP and the BBC Trust.
- Work with other key stakeholders in order to share experiences and understand their key issues in relation to ODPS; including IWF, UKCCIS and EPRA.

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 and develop our procedures accordingly.
- Monitor the implementation of AVMS Directive in other EU states.
- Develop research opportunities to increase knowledge of current issues, as resources allow.

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 with Government and Parliament in relation to issues raised by, or relevant to, our regulation of ODPS.
- 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.

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

- Review our governance policies to ensure appropriate best practice as required.
- Work with service providers to monitor developments which might affect the fee structure.
- Complete a Consultation on 2014-15 fees and thereby establish fees at a level to meet the anticipated budget for that year.
- Ensure effective arrangements remain in place for Audit and Risk Control.
- Ensure continuing thorough oversight of finances through regular meetings of the Audit and Finance Committee.
- Publish an Annual Report.

Annex 1: Trial stakeholder survey results

Percentage agreeing / disagreeing with the following statements²⁸

	Agree	Disagree	Neither agree not disagree	Don't know or n/a
1. ATVOD understands the key issues in relation to video on demand	78%	7%	10%	5%
2. ATVOD is sufficiently aware of changing technology	54%	7%	32%	7%
3. ATVOD is proportionate in the way it regulates	54%	10%	20%	17%
4. ATVOD communicates well with stakeholders	68%	0%	28%	5%
5. ATVOD engages well with industry via the Industry Forum (figures in brackets are for ODPS providers only)	54% (65%)	2% (4%)	20% (23%)	24% (8%)
6. ATVOD provides appropriate opportunities for engagement and takes account of the views of stakeholders	65%	3%	28%	5%
7. ATVOD is efficient and uses its resources effectively	49%	7%	20%	24%
8. ATVODs website provides sufficient information on who it is, how it operates, the scope of the regulations and the requirements that apply to providers of on demand programme services	83%	2%	12%	2%
9. ATVOD is accessible - its contact details (website, address and telephone number) are easily identifiable on literature/correspondence	93%	0%	5%	3%

²⁸ Figures based on 41 anonymous responses and includes responses from 26 stakeholders representing providers of notified services, of whom 10 represented providers paying a concessionary rate fee. Survey conducted online between 18 Jan 2013 and 1 Mar 2013.

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