

Legal issues of event management

16

LEARNING OBJECTIVES

After studying this chapter, you should be able to:

- explain the central role of event ownership in event management,
- identify and construct the necessary contracts for events and their components,
- understand and be able to comply with the variety of laws, licences and regulations governing event production,
- describe the necessity for and the process of insuring an event.

INTRODUCTION

Underpinning all aspects of an event is the legal framework that ensures all parties are treated fairly and within any applicable law. To complicate matters, the laws relating to events and their management can vary slightly for each country in which the event occurs. As events grow in number and importance to the economy, there will be more laws relating to them. There are some common principles.

This chapter introduces the concepts of event ownership and the crucial duty of care of event management. It discusses the use of contracts (including insurance contracts) that document the relationship between the event and various stakeholders. It is important, therefore, that event and festival management be familiar with the key terms used in contracts. It then continues to discuss the various licences that event managers must obtain, and the duty of care that the event has to its stakeholders.

A key question in event organisation is 'who owns the event?' The legal owner of an event can range from the event coordinator, the management committee, a separate legal entity or the sponsors, but it is important to recognise that the ownership of the event entails legal responsibility and, therefore, liability. The members of an organising committee can be personally held responsible for their event. This is often expressed as 'jointly and severally liable'. The structure of the event administration must reflect this, and the status of various personnel, such as the event coordinator, the subcontractors and other stakeholders, must be clearly established at the outset. Likewise, sponsorship agreements will often have a clause as to the sponsor's liability and, therefore, the extent of their ownership of the event. All such issues need to be carefully addressed by the initial agreements and contracts.

The organising committee for a non-profit event can become a legal entity by forming an incorporated association. Such an association can enter into contracts and own property. The act of incorporating means that the members have limited liability when the association incurs debts. However, this does not grant them complete exemption from all liability such as negligence and duty of care. By law, an association must have a constitution or a list of rules. Such documents state the procedures and powers of the association, including auditing and accounting matters, the powers of the governing body and winding-up procedures. In many cases, community and local festival events often do not form a separate incorporated association as they are able to function under the legal umbrella of another body, such as a local council. This gives the event-organising committee considerable legal protection as well as access to administrative support. For a one-off event, this administrative support can save time and resources, because the administrative infrastructure, such as a fax machine, phone lines, secretarial help and legal and accounting advice, is already established.

An apposite event example of this is the annual conference hosted by the Association for Events Management Education (AEME), which is a subject association formed in the UK for events educators. The conference is hosted and convened by a different member organisation each year, but the legal ownership of the event lies with the association, AEME, which has a constitution that covers the legal requirements mentioned above.

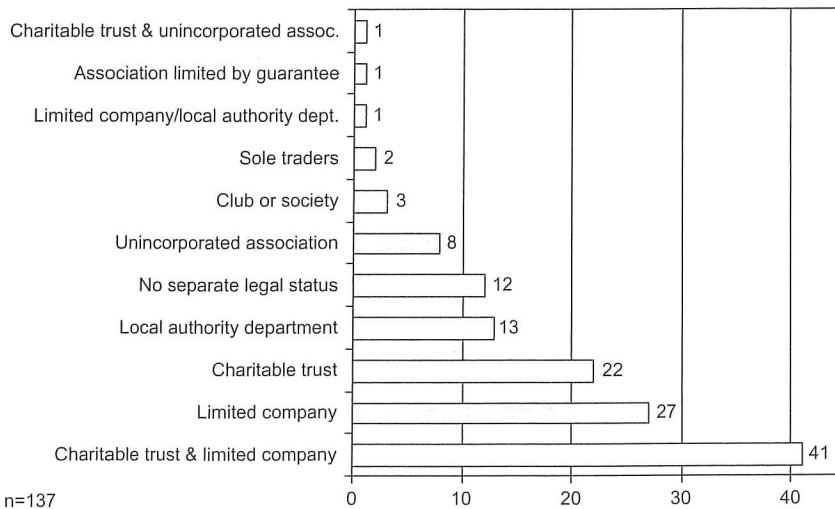
Establishing an appropriate legal structure for an event management company is a matter for legal advice. Several structures are possible for an event company, which could operate as a sole trader, a partnership, a charitable trust or a company limited by liability. For example, Figure 16.1 illustrates the legal structure of a sample of festivals, with just over half limited companies and just under half registered as charities (Allen and Shaw, 2001). Each of these legal structures has different liability implications. Legal advice may be required to determine the most appropriate structure for a particular circumstance.

CONTRACTS

Hill and Hill (2005) defined a contract as 'an agreement with specific terms between two or more persons or entities in which there is a promise to do something in return for a valuable benefit known as consideration'. They continued by noting that 'since the law of contracts is at the heart of most business dealings, it is one of the three or four most significant areas of legal concern and can involve variations on circumstances and complexities'. They state that a contract contains the following elements:

- an offer;
- an acceptance of that offer which results in a meeting of minds;
- a promise to perform;
- a valuable consideration (which can be a promise or payment in some form);

FIGURE 16.1 Legal structure of festivals



(Source: Allen and Shaw, 2001, reprinted with permission, British Arts Festivals Association)

- a time or event when performance must be made (meet commitments);
- terms and conditions for performance, including fulfilling promises, and
- performance.

A contract can be either a written or an oral agreement. However, in the world of event management, an oral contract is of little use if problems occur in the future. Therefore, it is appropriate to put all contractual agreements in writing. This may frequently take the form of a simple letter of agreement, not more than a page in length, which incorporates the elements mentioned. However, when large amounts of money and important responsibilities are involved, a formal contract drawn up by lawyers is often necessary. As Goldblatt (2008, pp. 311–314) explained, a typical event industry contract will contain various clauses, including:

- the names of the contracting parties, their details and their trading names;
- details of the service or product that is offered (for example, equipment, entertainment, use of land and expert advice);
- the consideration or terms of exchange for such service or product and
- the signature of both parties indicating understanding of the terms of exchange and agreement to the conditions of the contract.

To make this mutual obligation perfectly clear to all parties, the contract would set out all the key elements. These could consist of financial terms (including a payment schedule), a cancellation clause, what to do in case of force majeure (Act of God), insurance, delivery time, the rights and obligations of each party, and an exact description of the goods and services being exchanged.

Contracts and contract terms have been subjected to scrutiny over recent years, due to event management, suppliers, performers and venues being caught out with hidden terms. In order to address this, Chris Hannam (of Stagesafe) developed a sample contract, terms and conditions and notes for use for the Production Services Association for use between service companies, artist management agencies, freelancers and self-employed contractors. The sample contract is presented as Figure 16.2. The terms and conditions that accompany this include areas such as payment terms, insurance requirements for both client and supplier, health and safety commitment, and confidentiality. This is accompanied by a schedule that outlines what both the supplier and the client will provide. Although developed in this specific context, it serves to illustrate a format that could be applied in other areas.

Event management organisations may need a wide range of contracts to facilitate their operation. Some of these are shown in Figure 16.3.

An event of medium size would require a set of formal contracts covering:

- the event company or coordinator and the client,
- the entertainers,
- the venue,
- the supplier (for example, security, audiovisual and caterers) and
- the sponsor(s).

Event management organisations may need a wide range of contracts to facilitate their operation. Some of these are shown in Figure 16.3.

For smaller events these may be arranged by letters of agreement.

Contract management

Contracts lay the foundations for event management. The process of managing contracts is illustrated in Figure 16.4. A common misconception is that once a contract has been negotiated it does not require further action. Event contracts need to be monitored and reviewed if necessary. Changing circumstances, a common feature of event management, can lead to contractual problems. In some areas of an event, particularly large sports events, this can lead to contracts being renegotiated.

Different contracts have different 'styles' and the event manager must be familiar with them. Some of these contracts are discussed in the following text.

Entertainment

A common feature of entertainment contracts is the 'rider', which comprises an amendment or addition to a document. This is an attachment to the contract, usually on a separate piece of paper. Hiring a headline performer may necessitate signing a 20- to 30-page contract. The contract often contains a clause requiring the event company to provide the goods and services contained in the rider, as well as the performance fee. The rider can include such things as a technical specification (for example, size of PA system required, microphone, technician requirements and

FIGURE 16.2 A sample contract

THIS AGREEMENT is made the < Date > day of < Month.....>
 BETWEEN < Insert your name or Co name > of:
 < Insert your address > (The Supplier)
 AND < Insert your customers name > of:
 < Insert your customers address > (The Client).

CONTRACT DETAILS **CONTRACT NO:** < Insert your job No >
EVENT, PRODUCTION OR TOUR: < Insert name of job/tour >
DURATION OF THE AGREEMENT: From: < Insert Start Date > **To:** < Insert Finish Date >

1. The Supplier agrees to supply goods/services in accordance with the Schedule attached hereto or as subsequently agreed in writing by the parties hereto.
2. It is hereby agreed that prior to the signing hereof The Client has had ample opportunity to examine The Supplier's Terms of Business attached hereto and shall be deemed to have unequivocally accepted them.
3. The total contract price shall be < Insert price and currency > plus VAT (if applicable)
4. The terms of payment are: < Insert Payment Terms >
5. In the event of cancellation of this Agreement by The Client and without prejudice to any rights hereunder or under the Terms of Business attached hereto, The Client will indemnify The Supplier as a result of such cancellation for < >% of the contract price. Interest at a rate of < >% per month is liable to be charged on any outstanding balances.
6. It is a fundamental term of this agreement that the stipulations as to payment contained be fully adhered to by The Client (including an absolute requirement of payment to be made within the times stipulated but subject to the proviso contained in Condition 4) and if for any reason The Client shall be in breach of such stipulations The Supplier shall have the right at its absolute and sole discretion and without prejudice to its other rights hereunder forthwith and without notice to dismantle remove or otherwise bring to an end any works service goods or other things supplied by the supplier hereunder and to terminate forthwith this agreement and be under no further liability hereunder to provide any of the services or goods herein agreed.

Signed for and on behalf of)
 The Supplier)
 Date

Signed for and on behalf of)
 The Client)
 Date

IN ADDITION TO SIGNING THE AGREEMENT, THE CLIENT IS REQUESTED TO INITIAL ALL PAGES OF THIS AGREEMENT, THE TERMS OF BUSINESS AND SCHEDULES, IN THE TOP RIGHT HAND CORNER

(Source: Hannam, 2000)

FIGURE 16.3 Contracts required by an event management organisation

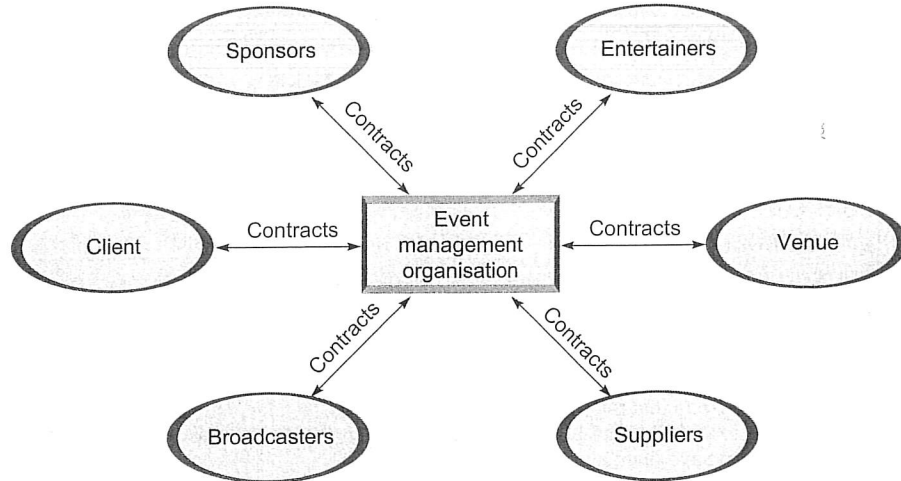
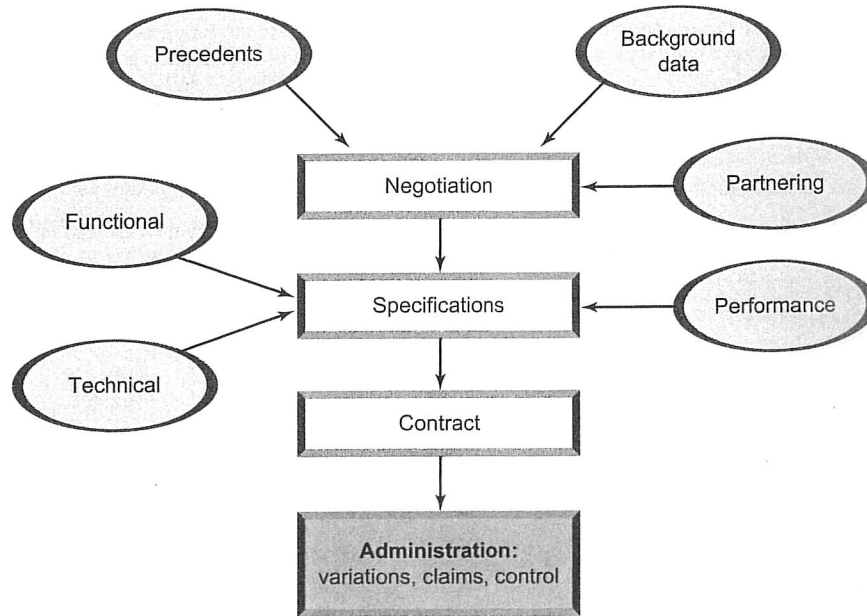


FIGURE 16.4 The contract management process



(Source: O'Toole and Mikolaitis, 2002)

lighting), hospitality specification (for example, food, drink and relaxing accommodation) and venue specification (for example, payment terms and insurance requirements) (Kemp, 1995; Vasey, 1998). The event company ignores this at its peril. The rider can be used by the entertainer's agent as a way of increasing the fee in real terms, which can have serious consequences for the budget of an event. For example, a university student union that employs a well-known rock group at a minimal fee for a charity function, for example, would find its financial objectives greatly damaged by a rider stipulating the reimbursement of food, accommodation and transport costs for 30 people.

Another important clause in the entertainment contract is exclusivity. For example, a headline act may be the major attraction for an event. If the act is also performing at a similar event in the same period, for example, the summer festival season, this could easily detract from the uniqueness of the event. A clause to prevent this is therefore inserted into the contract. It indicates that the performer cannot perform within a specified geographic area during the event or for a certain number of days prior to and after the event. The intricacies of an entertainment contract, together with the expense, led Stayte and Watt (1998) to suggest that event managers obtain legal advice from a solicitor experienced in dealing with entertainment/music contracts.

The contract must contain a clause that stipulates that the signatories have the right to sign on behalf of the contracting parties. An entertainment group may be represented by a number of agents. The agents, therefore, must have written proof that they exclusively represent the group for the event.

Venue

The venue contract can have specialist clauses, including indemnifying the venue against damages, personnel requirements and the provision of security staff. The venue contract can also contain the following elements:

- *Security deposit*: an amount, generally a percentage of the hiring fee, to be used for any additional work such as cleaning and repairs that result from the event.
- *Cancellation*: outlining the penalty for cancellation of the event and whether the hirer will receive a refund if the venue is rehired at that time.
- *Access*: including the timing of the opening and closing of the doors, and actual use of the entrances.
- *Late conclusion*: the penalty for the event going over time.
- *House seats*: this is the reserved free tickets for the venue management.
- *Additions or alterations*: the event may require some changes to the internal structures of the venue.
- *Signage*: this covers the signs of any sponsors and other advertising. Venue management approval may be required for all promotional material.
- *Cost*: the cost of the venue for the required time. For events such as conferences held in hotels, the venue may charge a per person per day fee basis that includes

all food, beverage and venue hire, rather than separate rates for each element, which reduces the fixed costs of the conference and makes it easier for the event manager to match expenditure and revenue.

To avoid misunderstandings and potential unforeseen costs, it is prudent to ascertain exactly what facilities are included in the fee. For example, just because there were chairs and tables in the photograph of the venue does not mean that they are included in the hiring cost.

Sponsor

The contract with the sponsor would include all that the sponsee promises to deliver – naming rights, signage, celebrity involvement, media mentions, etc., and the fee (consideration) given in return. Details of how the payment is made (cash or contra) and at what times would also usually be included in the contract. Geldard and Sinclair (1996) advised that among other things, the level of sponsor exclusivity during an event will need to be reflected in the contract between the event committee and the sponsor. Possible sponsor levels are sole sponsor, principal sponsor, major or minor sponsor and supplier. The contract would cover issues related to quality representation of the sponsor such as trademarks and signage, exclusivity and the right of refusal for further sponsorship. It may specify that the sponsor's logo be included on all promotional material or that the sponsor has the right to monitor the quality of the promotional material. Details of what the event will do to inhibit ambush marketing can also be included. Korman (2000) highlighted that sponsors will generally ask for exclusivity within their own brand sector or may demand sole rights to gain full benefit from the event. He further identified that minor sponsors should be managed to ensure that they do not establish a portfolio of rights that may damage public perception of the major sponsorship, and that sponsors are kept to a minimum to ensure that the message is clearly projected. As a result of these issues, the level of sponsorship – sole sponsor, headline sponsor, minor or major sponsor or supplier – needs clearly stating in the contract. The contract would also describe the hospitality rights, such as the number of complimentary tickets supplied to the sponsor.

Broadcast

Broadcast contracts can be very complex, due to the large amount of money involved in broadcasting and the production of related merchandise, such as videos and sound recordings. The important clauses in a broadcast contract address the following key components:

- *Territory or region:* The broadcast area (local, national or international) must be defined. If the attached schedule shows the region as 'World', the event company must be fully aware of the rights it is bestowing on the broadcaster and their potential value.
- *Guarantees:* The most important of these is the guarantee that the event company has the rights to sign for the whole event. For example, some local councils may require an extra fee be paid for broadcasting from their area. Also, performers'

copyright can preclude any broadcast without written permission from their record and publishing companies. Comedy acts and motivational speakers are particularly sensitive about any broadcasts and recordings, and the contract may require explicit permission from them to broadcast their performance.

- *Sponsorship*: This area can present difficulties when different levels of sponsorship are involved. Sometimes the rights of the event sponsor and the broadcaster's sponsors can clash, which can mean some delicate negotiations to resolve the difficulty. This is particularly applicable to sports events, where the match sponsor's products can clash with an individual team member's sponsorship.
- *Repeats, extracts and sub-licences*: These determine the allowable number of repeats of the broadcast, whether the broadcaster is authorised to edit or take extracts from the broadcast and how such material can be used. The event company may sign with one broadcaster, only to find that the rights to cover the event have been sold on for a much larger figure to another broadcaster. In addition, a sub-licence clause may annul many of the other clauses in the contract. The sub-licenser may be able to use its own sponsors, which is problematic if they are in direct competition with the event sponsors.
- *Merchandising*: The contract may contain a clause that mentions the rights to own products originating from the broadcast. The ownership and sale of any of the recordings can be a major revenue source for an event. A recently introduced clause found in these sorts of contracts concerns future delivery systems. Multimedia uses, such as DVDs, CD-ROMs, satellite/cable/on-demand television and now the Internet, are all relatively recent, and new communications technologies continue to evolve, for example, the increasing use of mobile Internet on 3G mobile phones. It is easy to sign away the future rights of an event when the contract contains terms or technologies that are unknown to the event company. It is therefore prudent to seek out specialist legal advice from an entertainment law firm.
- *Access*: The physical access requirements of broadcasting must be part of the staging and logistical plan of the event. A broadcaster can easily disrupt an event by demanding to interview performers and celebrities. It is therefore important to specify how much access the broadcaster can have to the performers and at what times. In this way all stakeholders' needs can be met without disrupting the event.
- *Credits*: This establishes, at the outset, the people and elements that will be listed in the titles and credits.

The broadcaster can offer all kinds of assistance to the event organisation. It has an interest in making the event presentable for television and therefore will often help decorate and light the venue. However, their level of assistance will depend on their stake in the event. For example, Channel 4's involvement in T4 on the Beach (Weston-super-Mare), through their T4 youth brand, has led to many kinds of synergies between the event, the sponsors and the broadcaster.

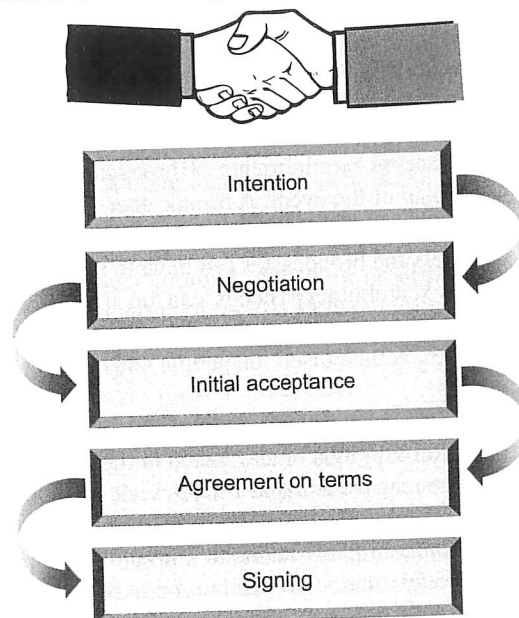
Constructing a contract

The process of constructing a contract is shown in Figure 16.5. It comprises five key steps:

- *the intention*: preliminary discussions between a potential supplier and event management to establish if the supplier's product and its price are suitable for the event;
- *negotiation*: once a supplier has been deemed to be suitable, discussions take place on price and product enhancements until agreement has been reached to the satisfaction of both parties, which can be formalised in a summary known as a 'heads of agreement';
- *initial acceptance*: the supplier is then advised that their offer is provisionally accepted;
- *agreement on terms*: further discussions may then take place on the fine detail of the agreement, including elements such as payment terms and discounts for meeting volume targets, and
- *signing*: once all details have been agreed they are incorporated in the contract and then signed by responsible officers of the supplier and event management.

This process can be facilitated if the event management has standard contracts for specific services, where the name of the supplier and any special conditions can

FIGURE 16.5 The process of constructing a contract



be inserted. This saves the event company time going through unfamiliar contracts from sponsors, suppliers and entertainers, which can be very time-consuming.

For large events and more complex contracts, a 'heads of agreement' is sent after the preliminary negotiations are completed. This is a summary of any important specific points, listing the precise service or product that is being provided. The contract can be renegotiated or terminated with the agreement of all parties. The final version should contain a clause that allows both parties to go to arbitration in the event of a disagreement.

TRADEMARKS AND LOGOS

Another kind of ownership issue for event management is its ownership of trademarks and logos. Protection of trademark ownership is generally covered within legislation, including the Trade Marks Act 1994, the Copyright, Designs and Patents Act 1988 and anti-counterfeit regulations. However, specific legislation has been drawn up to protect the Olympics through the Olympic Symbol etc. (Protection) Act 1995, which specifically prevents the use of their logo, motto and related word by any other party without the permission of the British Olympic Association. This protection is enhanced to cover games-related marks and symbols in relation to the London 2012 Olympics and Paralympics (London 2012, 2004a) through the London Olympic and Paralympics Games Act 2006. This illustrates the importance of the ownership of event symbols.

The event company has to be aware of the risks of misrepresenting their event. There is a danger, when promoting an event, to exaggerate the benefits. Descriptions of the product must always be accurate, as disgruntled consumers may take legal action to gain punitive damages when they feel that advertising for an event has made false claims. The Trade Descriptions Act 1968 can be used to argue such cases. This makes it an offence if a trader:

- applies a false trade description to any goods supplied or offers to supply any goods to which a false trade description is applied and
- makes certain kinds of false statement about the provision of any services, accommodation or facilities.

In the events context, this may involve a music festival advertising that a certain performer will be taking part or implying the support of associations or organisations when this is known not to be true. It may also include a company implying sponsorship approval or affiliation with an event when it is not, for example, through ambush marketing. Couchman and Harrington (2000, p. 2) identified that ambush marketing, sometimes referred to as 'parasitic marketing', can take many forms, but will usually fall into two distinct groups:

(A) Activities traditionally considered piracies — these will usually have a clear-cut remedy in law. They are activities which clearly constitute infringements of the proprietary rights in an event, for example unauthorised use of a registered event

logo on merchandise, false claims to be official suppliers to a particular team or use of copyright broadcast material on a website; and

(B) Other activities – more subtle practices for which the remedy is less clear-cut or may not even exist.

They go on to identify that typical examples of type (B) activities include unauthorised or unofficial merchandise; unauthorised or unofficial publications; unauthorised sales promotion activity or publicity stunts; unauthorised broadcasts/virtual advertising/web advertising of sports content/live screenings/films/video/photography/telephone commentary/‘sponsored’; on-line text and audio commentary information lines/pager services; and unofficial corporate hospitality. London 2012 (2004a) indicated that the Secretary of State for Culture, Media and Sport had guaranteed that ambush marketing would be specifically addressed by legislation in relation to London 2012 Olympics, a guarantee now expressly supported with the passing of the London Olympic and Paralympics Games Act 2006.

DUTY OF CARE

A fundamental legal principle applied to events is that of taking all reasonable care to avoid acts or omissions that could injure employees, contractors, users, participants and visitors. This is called duty of care and is covered by the area of law known as torts. A tort is a breach of duty owed to other people and imposed by law, and in this it differs from the duties arising from contracts, which are agreed between contracting parties. Unlike criminal law, which is concerned with punishment and deterrence, the law of torts is concerned with compensation. Within the UK, duty of care is enshrined within legislation, including the Occupiers Liability Act 1957 and 1984, Supply of Goods and Services Act 1982 and the Health and Safety at Work etc. Act 1974 (HSE, 1999; Stayte and Watt, 1998). This is summarised in Figure 16.6.

For event management, duty of care means taking actions that will prevent any foreseeable risks of injury to the people who are directly affected by, or involved in,

FIGURE 16.6 The duty of care

The Act sets out the general duties which employers have towards employees and members of the public, and employees have to themselves and to each other.

These duties are qualified in the Act by the principle of ‘*so far as is reasonably practicable*’. In other words, an employer does not have to take measures to avoid or reduce the risk if they are technically impossible or if the time, trouble or cost of the measures would be grossly disproportionate to the risk.

What the law requires here is what good management and common sense would lead employers to do anyway: that is, to look at what the risks are and take sensible measures to tackle them.

(Source: Health and Safety Executive, 2003, p. 2)

the event. This would include the event staff, volunteers, the performers, the audience or spectators and the public in the surrounding areas.

Another duty of care is to ensure that the noise from an event (particularly music events) does not impinge upon the amenity of the venue's neighbourhood. The UK has an Environmental Protection Act (EPA, 1990) that includes legal powers to deal with annoyance or nuisance to residents caused by noise at venues and events. Local authorities also offer guidance specifically on noise at events and deal with any issues raised by residents, for example, Lambeth Noise Officers in Lambeth Council's Environmental Health Department issued *Guidance on the Control of Noise at Outdoor Events* (2008). In addition, the code of practice from the Noise Council (1995) offers guidance to organisers and environmental health officers. Finally, where event organisers require licences for the event (discussed later) then noise will be considered during the application and would be enforced under the licence conditions. This generally means that police and local authority officers have the power to instruct venues to abate noise after midnight. It behoves event managers to know how the EPA, codes of practice and local authority guidance will affect their event and ensure that they adhere to any requirements. These requirements can usually be obtained from the local council.

The Health and Safety Executive (HSE) has a strategy to improve the safety of workplaces, which encapsulates the concept of duty of care. Working with the Institute of Directors (IoD and HSE, 2009), they have recently produced guidelines for directors and board members, based on essential principles (Figure 16.7).

Managers have always had a duty of care to their employees and people attending their events and could be prosecuted for negligence (Hooker, 2008). However, it is now easier to prosecute companies and organisations with the

FIGURE 16.7 Principles for leading health and safety at work

Strong and active leadership from the top:

- visible, active commitment from the board;
- establishing effective 'downward' communication systems and management structures;
- integration of good health and safety management with business decisions.

Worker involvement:

- engaging the workforce in the promotion and achievement of safe and healthy conditions;
- effective 'upward' communication;
- providing high quality training.

Assessment and review:

- identifying and managing health and safety risks;
- accessing (and following) competent advice;
- monitoring, reporting and reviewing performance.

(Source: IoD and HSE, 2009, p. 1)

recent introduction of the Corporate Manslaughter and Corporate Homicide Act 2007 (HMSO, 2007), which came into effect in April 2008. Under this Act:

an offence will be committed where failings by an organisation's senior management are a substantial element in any gross breach of the duty of care owed to the organisation's employees or members of the public, which results in death. The maximum penalty is an unlimited fine and the court can additionally make a publicity order requiring the organisation to publish details of its conviction and fine

(IoD and HSE, 2009, p. 2).

According to Price (2008), the Act provides a more effective means of holding companies and organisations to account as it removes the requirement to prove individual guilt, rather, it permits collective errors by a number of people to be considered, thus making it possible to punish organisations for systematic failures. As Safeconcerts (2008) noted, in essence 'it means that an organisation will be directly responsible, if any of its business activities result in a gross breach of a duty of care', therefore, it is essential that all managers and employees are trained and fully understand their legal responsibilities for health and safety. As with all areas of legislation, specialist legal advice should be sought when considering individual circumstances.

All event managers need to be conscious of this obligation to provide a safe and healthy environment for their event participants, spectators and staff, to avoid damaging lawsuits as well as other consequences.

DISABILITY DISCRIMINATION

Another area for consideration by event managers is to ensure that events are accessible to all members of society. Considering that over 10 million people within the UK have some form of disability, it makes business (as well as legal) sense to ensure that events are accessible. The Disability Discrimination Act (DDA) 1995 aims to ensure that disabled people are not treated less favourably than other customers (Disability Rights Commission (DRC), 2004). The Act makes it unlawful for a service provider to discriminate against a disabled person by refusing to provide (or deliberately not providing) any service which it provides (or is prepared to provide) to members of the public; or in the standard of service which it provides to the disabled person or the manner in which it provides it; or in the terms on which it provides a service to the disabled person (DRC, 2002, p. 5). The Act includes reference to ensure fair treatment for employees with disabilities. For service providers, including event managers, venues and others involved in the events industry, this means not treating disabled people less favourably than non-disabled people and making reasonable adjustments to services and premises so that disabled people can access them (DRC, 2004, p. 8). Generally, consideration of

the needs of disabled people from the very early stages of planning an event will ensure that not only are they accessible for disabled customers but service may also be improved for non-disabled people as well as the event will have been thought through.

There is a wealth of information available for the events industry to assist in ensuring that legal requirements are met. For example, the DRC (2005), subsumed into the Equality and Human Rights Commission in 2007, produced the excellent handbook *Organising Accessible Events*, which has been developed with the input of events industry associations and other stakeholders. It offers advice on areas to consider in all aspects of organising events, from transportation, venue design and layout, through promotional materials, ticketing and bookings, to use of technology and training staff. The Belfast Festival at Queen's case study in Chapter 15 provides a useful example of how one event has approached this.

The DDA along with legislation relating to other forms of discrimination relating to sex, sexual orientation, age, or religious or philosophical beliefs are being brought into one piece of legislation, the Equality Act 2010. The legislation received Royal Assent on 8 April 2010 with the main provisions coming into force in October 2010 and others phased in through to 2013 (Government Equalities Office, 2010).

INSURANCE

Central to any strategy of liability minimisation is obtaining appropriate insurance. Useful suggestions for obtaining appropriate insurance include the following:

- Allow enough time to investigate and arrange the correct insurance. This may include asking for quotes and professional advice. Finding the right insurance broker is the first priority. Figure 16.6 gives details of an on-line method for finding the right insurance provider by using a broker.
- Make sure the event committee or company is fully covered for the whole time – that is, from the first meeting.
- Request all suppliers of products and services show that they have liability cover.
- Be prepared to give the insurance broker all information concerning the event and the companies involved. They may require a list of possible hazards, such as pyrotechnics.
- Be prepared to record the details of any damage or injury. Photographs and videos are helpful.
- Keep all records, as a claimant has 6 years to formulate a claim.
- Do not accept the transfer of liability of the suppliers to the event management.
- Check what is included and excluded in the insurance document. Rain insurance, for example, is specific about the amount and time of the rain. Are the event volunteers covered by the insurance?

- Are additional stakeholders insured? These are companies or individuals covered by the insurance but are not the named insured. The sponsors and the venue, for example, may benefit from the insurance policy.

There are many kinds of insurances that can be taken out for events. These include weather insurance; personal accident insurance for the volunteer workers; property insurance, including money; workers compensation insurance; public liability; and employers' liability. The choice of the particular insurance cover is dictated by the risk management strategy developed by event management, based on legal requirements.

The increase in premiums in all insurance areas has been a shock to the events industry and to many community festivals. Some events have been cancelled. A number of strategies have been implemented to manage this situation:

- *Bulk buying*: Through membership of some associations, for example, British Arts Festivals Association, events and event companies are able to access discounted insurance premiums through group purchasing.
- *Analysing the activities of the event at levels of risk*: The high premium may be the result of one aspect of the event. By changing or eliminating this from the event programme it may reduce the event risk seen by the insurance company.
- *Creating a comprehensive risk management procedure*: Many events that previously ignored risk management have turned to the formal risk management process. This is one positive outcome of the insurance issue. The risk management plan becomes a document used to communicate with the insurance company. Given the experience of insurance companies, it is wise to seek their input on this document.
- *Holding harmless clauses or forfeiting the right to sue*: The attendee signs a contract to the effect that they are voluntarily assuming the risk inherent in the event activity. This requires legal advice to ensure that contracts are enforceable.
- *Insuring offshore*: Some events have gone overseas for insurance. This may cause difficulties as the insurance company will be subject to the law of their country, not UK law.

Event managers are well advised to consult an insurance broker such as Event Assured, Event Insurance Services or Hiscox to ensure that they are not placing the event or themselves in a catastrophic situation where a claim can severely financially damage the event or themselves. April 2010 provided a timely reminder of the value of and need for insurance when a volcano erupted in Iceland – due to weather conditions, the resulting cloud of ash spread across the UK and Europe leading to all flights into or out of UK and European airspace being grounded for 6 days and over 95,000 flights being cancelled. With the timing falling as it did, at the end of the Easter school holidays, this had a major impact on the events industry, with hundreds of thousands of people stranded overseas or unable to travel to or from the UK. This led to the cancellation or postponement of a host of corporate events and prompted

FIGURE 16.8 Event insurance considerations for a crisis**In Case of Emergency ...**

1. Notify your insurer immediately if you think you could be affected. A good insurer can help you take the necessary actions to keep the event going. Quick and decisive action could make all the difference.
2. Check your policy to see if you are covered for emergency expenditure. You may be able to claim for these costs without having prior clearance from your insurer.
3. Record keeping is key, both of expenses incurred relating to the event and gross revenue, if insured. Having these details to hand will help should you need to make a claim.

Planning future events ...

4. Organisers of events big and small should have a robust crisis management plan in place. A written plan which details alternative arrangements should the unexpected occur will assist your insurer when assessing the risk and may speed up the process of securing cover for your event.
5. Make sure you have clear contracts (with venues and suppliers, for example) which detail under what circumstances you as the organiser may be able to claim refunds or would be obliged to offer refunds. This will enable insurers to agree claims payments more quickly.
6. Buy your cover early – as soon as you've spent any money on your event. Buying early will cover you for a longer period of time, often at a lower cost than insuring closer to the event date. And if you wait too long to buy your insurance, you may not get all the protection you want.

(Source: Hiscox, 2010)

Hiscox to issue additional guidance for event organisers in the event of travel disruption due to volcanic ash, in this instance, but also generally worth noting for event organisers when planning events (Figure 16.8). On issuing the guidance, Elizabeth Seeger, underwriter at Hiscox noted:

We are seeing that some customers are experiencing disruption with international delegates and exhibitors not being able to fly in to attend their events. On the ground level at the event venue, all is working fine but it's getting people in that's difficult.

Events may be entirely cancelled if there are key speakers or performers who cannot attend.

The chaos caused by the volcanic ash drifting over the UK illustrates how the unexpected can bring months of event planning to a sudden halt.

REGULATIONS, LICENCES AND PERMITS

There are long lists of regulations that need to be adhered to when staging events. The bigger, more complex or innovative the event, potentially the larger the range of regulations to which it must adhere. To avoid inadvertently contravening any legal

regulation that governs the conduct of events, it is necessary to conduct rigorous research to establish what needs to be done. Inquiries with events of a similar nature is a good place to start, and then with local government officials. The correct procedure in one local authority, county or country within the UK may be slightly different in another. The principal rule is to carry out careful research, including investigating similar events in the same area and seeking advice on what permits and licences are necessary to allow an event to proceed.

It is always the responsibility of an event company to find out and comply with all pertinent rules, regulations and licensing requirements. For example, in reviewing the then Public Entertainment Licence application for Glastonbury Festival 2005, the report from the Environmental Health Manager to the licensing authority at Mendip District Council includes input from a wide range of authorities including Mendip District Council, Avon and Somerset Police, Somerset Fire Authority, Westcountry Ambulance Services NHS Trust, Somerset Health Protection Unit, Mendip Primary Care Trust, Environment Agency, Somerset County Highways Authority, Emergency Planning Authority and the local Parish Councils (Kirkwood, 2004).

Many local authorities apply environmental noise control protocols to control the impact of noise on communities, with guidance available from the Noise Council (Noise Council, 1995; HSE, 1999), while the recently updated *Control of Noise at Work Regulations 2005*, which came into force in music and entertainment sectors in April 2008, will reduce the sound levels at which action must be taken to ensure that employees and those exposed to excess noise (for example, sound checks and performances at concerts) are protected (Howden, 2004). The website Sound Advice (www.soundadvice.info) provides a useful source of guidance on the application of this Act to events, entertainment and venues. Event managers must make it a practice to pay particular attention to workplace health and safety regulations.

As an example of the range of regulations that event organisations must comply with, AEO, BECA and EVA (2002, p. A1) identified some of the relevant regulations with which an exhibition must comply during build-up, breakdown and while the exhibition is open (Figure 16.9). The Events Industry Alliance (2009) now produces *eGuide* where up-to-date guidance on current requirements at member venues may be consulted. It should be noted that legislation evolves over time; therefore, it is evident that an exhibition or event manager may need to seek legal, professional or business advice to ensure compliance with all current and relevant regulations, particularly as these are not fixed and may be updated or replaced or additional regulations may be added – organisations such as the HSE, Business Link and industry associations can prove to be a useful source of information in this respect.

The Performing Right Society (PRS) and Phonographic Performance Ltd (PPL) issue licences for the performance of their members' works. They function as a collection society, monitoring and collecting royalties on behalf of their members (music composers and their publishers). So when an event company decides to set fireworks to music, it is not just a matter of hiring a band or pressing 'play' on the sound system.

FIGURE 16.9 Examples of regulations applying to exhibitions

- Electricity at Work Regulations 1988 /EVA Regulations For Stand Electrical Installations
- Environmental Protection Act 1990 / Environment Act 1995
- Health & Safety (First Aid) regulations 1981
- Health & Safety at Work, etc., Act 1974
- Management of Health & Safety at Work Regulations 1999
- Manual Handling Operations Regulations 1992, as amended 2002
- Noise at Work Regulations 1989 (updated 2005)
- Personal Protective Equipment at Work Regulations 1992
- Provision and Use of Work Equipment Regulations 1998
- Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) 1995
- The Building Regulations
- The Building Standards (Scotland) Regulations 2004
- The Fire Precautions (Workplace) Regulations 1997 as amended 1999
- The Health & Safety (Signs and Signals) Regulations 1996
- The Lifting Operations and Lifting Equipment Regulations (LOLER) 1998
- Workplace (Health, Safety and Welfare) Regulations 1992

(Source: adapted from AEO, BECA and EVA, 2002, p. A1)

Permits and licences are required for many events to take place and for activities associated with this, including the handling of food, entertainment, pyrotechnics, sale of alcohol, street trading and road closures. Licensing differs between England/Wales and Scotland and Northern Ireland due to different legal frameworks. For example, in England and Wales the Licensing Act 2003 (HMSO, 2003) has established a single integrated system for licensing premises used to supply alcohol, provide regulated entertainment or provide regulated late night refreshment. This new Act has been designed to cut down on red tape by bringing together six existing licensing regimes (alcohol, public entertainment, cinemas, theatres, late night refreshment house and night cafes). Three types of licences available are premises licence, temporary events notice and club premises certificate. Regulated entertainment includes the performance of a play, an exhibition of a film, an indoor sporting event, boxing or wrestling entertainment, a performance of live music, any playing of recorded music, a performance of dance, or entertainment of a similar description to live music, recorded music or dance. The key principles underpinning licensing are to prevent crime and disorder, public safety, prevention of public nuisance and the protection of children. As a result, many events where an audience or spectators are being entertained will be covered by the regulations and will require a licence, even if the audience is not paying for the entertainment. Applications for licences must be made with the appropriate local authority. There are exclusions for some types of events; however, it is advisable to review the specific requirements of the licences to identify these. The Live Music Forum, including representatives of industry, government, local authorities and the Arts Council,

small venue operators and others, met from 2004 to 2007 to maximise take-up of the reforms relating to live music, promote live music and monitor and evaluate the impact of the Licensing Act 2003 (DCMS, 2007). Detailed guidance on the Act and the process to follow is available from the Department for Culture, Media and Sport (www.culture.gov.uk) or from the local authority where the event will take place.

In Scotland, under Section 41 of the Civic Government (Scotland) Act 1982 a Public Entertainment or Temporary Public Entertainment licence is required for premises or any place where public entertainment, such as dancing, concerts, a variety show or other entertainment where the public are admitted for payment of an admission fee, or where they are required to buy something to attend, such as a programme. A separate public entertainment licence is not required for licensed liquor premises due to an exemption, but the liquor licence will indicate what entertainment can take place on the premises. The Licensing Section of local authorities in Scotland can provide further information and application forms. Finally, in Northern Ireland indoor and outdoor public entertainment, including singing, dancing, music, and public contests, is licensed under the Local Government (Miscellaneous Provisions) (Northern Ireland) Order 1985. Provision is made for annual or occasional licences. Licences are administered by the building control section of local authorities in Northern Ireland who can provide guidance and application forms.

In July 2007, England and Wales followed Scotland (2006), Northern Ireland (April 2007), the Republic of Ireland (2004) and other countries in Europe and internationally to introduce legislation to control smoking in enclosed public spaces. The Smokefree (Premises and Enforcement) Regulations 2006, introduced under the Health Act 2006, made it illegal for people to smoke in all public enclosed spaces, public transport, work vehicles and workplaces with few exceptions. The introduction was predicted to have a major impact on entertainment venues such as bars, restaurants and nightclubs, where smoking by some was a feature of their social life, however, it appears that people have generally adapted to the new environment. This legislation was introduced to protect employees and the general public from the harmful effects of passive smoking. As well as banning smoking, it requires No Smoking signs to be displayed in all smoke free premises and requires anyone wanting to smoke to go outside (therefore, staff indoor smoking areas were also removed). Useful sources of advice are the government websites www.smokefreeengland.co.uk, www.spacetobreathe.org.uk and www.clearingtheairscotland.com.

The complex area of regulations, licences and permits needs the close attention of event management, particularly as legislation differs across the countries within the UK and overseas. Companies must undertake detailed research into all regulations affecting their event and should allocate time to deal with the results of that research. Government agencies can take a long time to respond to requests and formal processes may have pre-determined timescales that must be adhered to. Therefore, it is imperative to begin early in seeking any permits or licences, and to

factor delays and difficulties with obtaining them in the time frame of the event planning process.

SUMMARY

Event managers have a responsibility to understand the legal requirements of event production. Also, they have a duty of care to all involved in the event. Any reasonably foreseen risks to stakeholders have to be eliminated or minimised to avoid legal liability. Therefore, minimising any legal liability is part of the job of event managers. This includes identifying the ownership of the event, careful structuring of the event management, taking out insurance, and adhering to all laws, rules and regulations pertaining to the event. Specific legal issues of concern to the event management team include licensing, contracting, trademarks and trade practices, while the introduction of the Corporate Manslaughter and Corporate Homicide Act 2007 has added weight to existing health and safety legislation. Legal matters can be complex, where the interpretation can differ from council to council and legislation can differ between countries including within the UK, particularly between England/Wales and Scotland or Northern Ireland. The information discussed within this chapter provides a brief overview of issues to consider; however, as regulations and guidelines are subject to constant change, it is highly recommended that any event company seek legal advice when unsure of these matters.

QUESTIONS

1. Explain why it is necessary for an event manager to understand the concept of 'duty of care'.
2. List the areas covered by the contract between an event company and its supplier of audiovisuals.
3. Why do organisations such as PRS PPL exist?
4. What are the elements that should be found in a contract for the supply of a venue for an international conference?
5. Why should a community festival that takes place in a public park take out public liability insurance?
6. What actions can be taken to reduce the cost of overall liability insurance? Should the event company be insured for patrons to be covered after they leave the event?
7. Investigate what licences and permits are needed for a community festival that takes place in a public park that you are familiar with, at which both recorded and live music will be played.

CASE STUDY: RADIO ONE LOVE PARADE, LEEDS, BY LOGISTIK

Background

The Love Parade ran for the first time in the UK in Leeds in July 2000. Following discussions with the Berlin Love Parade organisers, Radio One undertook to organise the dance music-based event in the UK. The event concept involved a parade of 20 floats, sponsored by the leading dance music clubs in the UK, leading to a large, free open-air dance music event. Radio One signed an agreement to use the name 'Love Parade' in the UK and financially underwrote the event – they also promoted it and stimulated interest in the event. Logistik was ultimately tasked with putting together the event, managing it, staging it and running it. A third party was contracted to get support from all the big dance clubs in the UK who bought floats. Leeds City Council's role was as host and to help ensure the event went off well.

The concept

The mission was initially to establish and run a Love Parade in the UK, in association with the German event. Historically, there has been a lot of animosity between Germany and England and events such as this are positive in developing cultural links. The Love Parade in Berlin is well documented – it was established to celebrate the fall of the Berlin Wall, which proved to be an excellent stimulant for running an event. The underlying principle for both the German and UK events was that everybody, regardless of class, money, background or status, had an equal opportunity to attend, join in with the event, and they could do that regardless of their financial position in life. Radio One supported this event wholeheartedly as it was an event open to everyone, clearly relating to their ethos of One Love.

The aims were to hold a free, safe and well-attended event. These were clearly achieved. In addition, the objective, from an organiser's point of view, was to develop the event in such a manner that it could be developed and move on to another city – in 2001 the event moved to Newcastle.

Audience size

In order to determine the potential audiences for the Love Parade, a number of previous events were researched, including the road shows, the Big Sundays, and other events organised by Radio One, together with experience at previous dance events. The resulting audience was estimated at being 250,000 (based on aerial photography and working out the number of people per square meter). This unprecedented audience resulted from two areas. Firstly, there was a high level of support from the youth press as it was unique and it caught the youths' imagination. Secondly, Radio One succeeded in their promotion of it – the event itself caught people's imagination, with a worldwide fellowship of people who love music, love to party, love to have a good time, behave themselves and like to link up with Berlin.

The venue, facilities and staff

The venue for the event changed from the City Centre to Roundhay Park in Leeds 4 weeks before the event, due to concerns expressed by the police over the growth in anticipated audience. Roundhay Park is basically a big open field and as a result, the event site was built from scratch, including a large volume of toilets, food franchises, drinks franchises, bars and standpipes with free water. West Yorkshire Ambulance Service and the Drugs Advisory Group in Leeds provided first aid stations and counselling. Transport was provided with a bus service running up to Roundhay from the City Centre. On site, three free stages and 20 free floats were provided for the audience to watch.

The management structure included a parade manager, site manager, production manager, stage manager, float managers, float stewards, event managers and an event director. The team also included approximately 500 stewards from ShowSec International, a health and safety team,

600 police officers, West Yorkshire Ambulance Service, Drugs Advisory Services and Leeds City Council Cleansing Services. In addition to this, contracts for services were signed with many suppliers.

The licensing and planning process

Planning commenced a year in advance where tacit agreement for the event was obtained from Leeds City Council, followed by the normal system of multi-agency discussion. Within the licensing framework, there was a fairly well-understood set of steps that you go through to get a public entertainment licence. The basis is that a meeting is organised with the multi-agency group where the concept and aims are explained, from which will come hundreds of questions. Following this, a number of submeetings follow with environmental health (sound and toilets), the highways department (road closures) and the police (public order). The process involves risk assessments, safety plans, crowd control statements and mission statements.

Documentation is refined to incorporate the above items and this is then built into the event plan. In this respect, simple is best. While you can write reams of documentation, which can be as detailed as you want it to be, it has to be broadly understood by all those that are involved with the event, not just a key group of people who happen to be in a meeting. All the people involved in the event from the management team to the stewards and the medics have all got to have a good understanding of what's drawn from these meetings, what is being aimed for and what to do in the event of x, y and z. Regardless of the size of the event, you still need a simple plan that everyone understands and can work to. This is the normal process for organising events – clearly it was a lot more complicated for Love Parade due to the scale of the event. Because of the nature of this event, it was very difficult to stick to any sort of well-understood and pre-agreed formulas for getting permissions for the event through Leeds City Council and other agencies. Very quickly people realised that the event that they had agreed to had changed somewhat, because Radio One was the promoter and it was going to be a lot bigger. There was concern in some quarters that they were hosting the equivalent of the Notting Hill Carnival for dance music and peoples' attitudes changed. There was debate within Leeds City Council and with the multi-agency group, led by the police, about how the event could best be licensed and whether it should be licensed at all. The debate went on right up until the actual event – ultimately, it had a public entertainment licence at Roundhay Park (and a drinks licence), however, this was only resolved a few weeks before the event.

As a company, Logistik has insurance for employees, public, professional and hired in plant. In addition, specific insurance was taken out to cover the Love Parade and increased the amounts on the other insurance to cover this size of event. The insurance indemnified everyone involved.

Consultation

Consultation with the local community was limited and not as it should have been due to the short time that was available following the move to Roundhay Park. As organisers, it can be problematic keeping the balance between canvassing opinion and planning the event, when some communities clearly object to events taking place near them, particularly at this scale. Although there was only a short time available before the event, meetings were arranged with a number of community groups, followed by further meetings and correspondence after the event to listen to people's views. Some of these were irate and unreasonable, but a lot of them were good meaning and contributed constructively. The city council also put together a questionnaire that was distributed to the local community to gain feedback. There was a fair amount of consultation afterwards but this did not make up for the fact that there was not enough time to conduct effective consultation beforehand.

Evaluation

Generally, whether the event was a success depends on who is asked – it has to be looked at on balance and in the context of what was achieved. You could ask three different people 'was the

Continued

CASE STUDY: RADIO ONE LOVE PARADE, LEEDS, BY LOGISTIK—*CONT'D*

event a success?' and, depending on their age, outlook on life and geographical position (where they lived), they would give you three completely different answers. If you were under 30 and came to the event specifically to enjoy yourself, you would say it was an absolutely phenomenal success with 250,000 people, no major incidents in terms of injury, people had a really good time, it was a friendly atmosphere and there were no public order problems. If you talked to people who own shops in Leeds, the majority would think it was a success because it brought a huge amount of income into the city – an economic impact of around £15 million was reported purely in relation to the Love Parade. However, if you were resident, living near Roundhay Park, who does not like dance music and does not like their normal everyday life being interrupted, then you would have a completely different view on the success of the event. They probably believe that it was not right for two reasons. Firstly, clearly such a huge event has a massive impact and disrupts people's lives – no matter what you do, that is a consequence of holding this sort of event. Secondly, culturally a lot of older people have a great distrust and dislike of dance music, even the type of people and their motivation for coming along. If you look at it from those people's point of view, they would say it was a terrible event and it should not have been allowed. They were supported by some journalists in the very conservative local press who were outspoken about their opposition to the event and the problems that it caused.

In our view, the event was a success – it went off predominantly well and safely (against a huge amount of opposition) and it showed that if you give young people something to do and put together something that is meaningful to them, they will come along in huge numbers, enjoy themselves and behave themselves. However, Logistik learned a lot from developing this event and there are a number of areas where we can improve for the future. Firstly, we now fully understand the differences between the cultures of the police and the cultures of people who they perceived would be coming to the event. The Leeds Love Parade illustrated that many of the initial fears were unfounded. Secondly, the well-documented funding issue should be resolved with the police at the start of the process. With the experience of Leeds Love Parade, issues raised, including the size of the event, together with the concerns of residents and other stakeholders, will be addressed within the planning stages for future events to ensure that they meet the increasingly stringent requirements of the multi-agency groups.

For further details about Logistik events, please visit www.logistik.co.uk.
By Logistik Ltd.

Questions

1. What characteristics of Leeds do you think lead to it being chosen as the location for the first Love Parade in the UK?
2. What contracts and licences were considered necessary for the event? From what you know of the event, do these measures seem adequate? If not, what other areas of the event might usefully have been covered by written agreements?
3. The increased size of the event affected the perceived risk involved in staging it, leading to the move to Roundhay Park. What could organisers do to control the size of the event?
4. What lessons can be learned regarding the planning of the event, and how would you apply these lessons if you were organising a Love Parade in the future?