

Departmental Minute dated 28 June 2021 reporting contingent liabilities in relation to the activation of a policy to compensate event organisers participating in phase three of the Events Research Programme should an event be cancelled due to public health reasons.

1. It is normal practice, when a government department proposes to undertake a contingent liability in excess of £300,000 for which there is no specific statutory authority, for the Minister concerned to present a Departmental Minute to Parliament giving particulars of the liability created and explaining the circumstances; and to refrain from incurring the liability until fourteen parliamentary sitting days after the issue of the Minute, except in cases of special urgency.
2. The government does not intend to cancel any event in the programme, however public safety comes first and it is therefore prudent to provide this assurance to event organisers, recognising the risk they are taking in assisting the government's research to inform the reopening of the economy. Therefore, the above process has not been followed on this occasion and this policy has been expedited in line with 'Managing Public Money' guidelines for Non-standard notification of contingent liabilities.
3. By Sunday 20th June the world-leading Events Research Programme will have conducted 14 pilot events across two phases since April to inform decisions around the safe removal of social distancing at Step 4 of the Roadmap. Following the delay to Step 4, the government will now run a third phase. This will provide the opportunity to gather and generate stronger data that consolidates our evidence base in order to safely get spectators back to events when restrictions are able to lift, including trialling the practical use of certification at a range of events.
4. The policy creates a series of small contingent liabilities with each event organiser participating in phase three. We are capping the liability at £300,000 per event (more detail below) which is below the threshold stated in paragraph 1 however due to the potential for this policy to be seen as repercussive (with regards to future pilots within the Events Research Programme), DCMS and HM Treasury felt it was appropriate to inform Parliament.
5. The policy allows the government to provide compensation on a discretionary basis to event organisers should a pilot event be cancelled due to public health reasons. This policy therefore creates contingent liabilities for the UK government in relation to the Events Research Programme.
6. This compensation would be capped at £300,000 per event and would cover costs incurred in relation to participation in the programme only (e.g. admission of spectators), recognising the fact that these events would have taken place in line with roadmap restrictions should the programme not exist. For events that have been put on specifically as part of the programme (i.e. would not otherwise have gone ahead), the government will compensate organisers in full should an event be cancelled, but this will also be capped at £300,000. The liability is time limited, only active until an event has taken place. If the liabilities are called, provision for any payment will be sought through the normal Supply procedure.