# LONDON OLYMPIC GAMES AND PARALYMPIC GAMES ACT 2006

# **EXPLANATORY NOTES**

# **INTRODUCTION**

- 1. These explanatory notes relate to the London Olympic Games and Paralympic Games Act which received Royal Assent on 30 March 2006. They have been prepared by the Department for Culture, Media and Sport in order to assist the reader in understanding the Act. They do not form part of the Act and have not been endorsed by Parliament.
- 2. These notes need to be read in conjunction with the Act. They are not, and are not meant to be, a comprehensive description of the Act. So where a section or a part of a section does not seem to require any explanation or comment, none is given.

#### **SUMMARY**

- 3. The Act gives effect to the commitments made by the Government as part of London's bid to host the 2012 Olympic and Paralympic Games. It provides for the statutory remit of the public bodies which will be tasked with delivering the Games. In particular, it sets up the Olympic Delivery Authority to deliver public sector obligations for the Games, principally the necessary venues and infrastructure. The Act also provides the legislative framework needed to enable the UK to fulfil the requirements which the International Olympic Committee place on host cities.
- 4. The main measures of the Act provide for:
  - The establishment of the Olympic Delivery Authority, its powers, duties and functions,
  - The delivery of transport needs for the Games, including the necessary preparations in the lead up to 2012,
  - Controls of marketing in connection with the Olympic Games, including the
    protection of Olympic intellectual property, restrictions on commercial association
    with the Games, the prohibition of street trading and outdoor advertising in the
    vicinity of Olympic venues and of ticket touting in connection with Olympic events,
  - The Mayor of London's power to prepare for and stage the Olympic Games,
  - The amendment of the purposes of regional development agencies to include the purpose of preparing for the London Olympics.

#### **BACKGROUND**

5. On 15 May 2003, the Government announced its intention to support a bid to stage the 2012 Olympic and Paralympic Games in London. Two months later the British Olympic Association officially notified the International Olympic Committee that London would bid to stage the 2012 Olympics. The bid had three main stakeholders - Government, the Mayor of London and the British Olympic Association - who together established

the bid company 'London 2012' to take forward the bid on their behalf. The Mayor and Government agreed a Memorandum of Understanding setting out how a Games in London would be funded in May 2003. This provided for contributions to be made from London council tax receipts and from lottery funds. In order to provide a new Olympic-specific lottery game, legislation was required. This was provided in the Horserace Betting and Olympic Lottery Act 2004.

- 6. In total, nine cities submitted bids to host the 2012 Games: London, New York, Paris, Madrid, Moscow, Leipzig, Istanbul, Rio de Janeiro and Havana. In May 2004 the IOC cut down the shortlist to five 'candidate' cities London, Paris, Moscow, Madrid and New York. On 15 November 2004 London submitted its proposals to the IOC for a London Games (the Candidature File). The Candidature File sets out, for example, information on the venues, transport, Games schedule and financing of a London Games.
- 7. On 6 July 2005 the IOC announced that it had selected London to host the 2012 Olympic and Paralympic Games. On being awarded the Games, the city is immediately required to enter into the 'Host City Contract'. This contract covers the obligations of the parties to that contract, which include fulfilling all commitments made in the bidding process, and IOC requirements relating to the Games, the majority of which are set out in the IOC's Technical Manuals. Immediately after London was announced Host City for the 2012 Games, the Mayor of London (on behalf of the city) and the British Olympic Association signed the Host City Contract with the IOC.

#### THE ACT

- 8. The sections are set out under the following headings:
  - 1. Introductory
  - 2. The Olympic Delivery Authority
  - 3. Transport
  - 4. Advertising
  - 5. Trading
  - 6. Miscellaneous
  - 7. General

# TERRITORIAL EXTENT AND TERRITORIAL APPLICATION

9. The Act extends to the whole of the UK except for sections 5 (Planning), 7(2) and 7(4) (Street Lighting and Cleaning), 10 to 18 (Transport) 34 and 35 (relating to the Greater London Authority) which extend to England and Wales only, although they will only have territorial application to England. Section 36 (Regional development agencies) amends the Regional Development Agencies Act 1998, which extends to England and Wales only, and makes provision in relation to the purchase of land by regional development agencies established under that Act. The Act confers some regulation and order-making functions on the National Assembly for Wales and the Scottish Ministers in relation to advertising and street trading restrictions as they are to be applied to venues in Wales and Scotland which will stage Games events. Section 31 (sale of tickets) is to apply in respect of anything done in the United Kingdom or elsewhere. That means a person may commit the offence of ticket touting outside the UK, for instance via the internet.

# **COMMENTARY ON SECTIONS**

### *Introductory*

# Sections 1 and 2: Interpretation of principal terms and Alteration of Olympic documents

10. Section 1 sets out the interpretation and definitions of the principal terms in the Act. In particular the term 'London Olympics' includes events which are held outside London as part of the Games; it also includes certain events other than sporting events, such as the opening ceremony. Section 2 enables the Secretary of State by order to amend a reference in the Act to any document referred to in section 1 (the Host City Contract and the Olympic Charter) if he thinks that the reference has ceased to be accurate by reason of the amendment or substitution of that document. The order, which is subject to the negative resolution procedure, may include consequential or incidental provision. The Secretary of State is required to consult the London Organising Committee of the Olympic Games Limited before he makes an order.

#### THE OLYMPIC DELIVERY AUTHORITY

# Section 3: Establishment and Schedule 1: The Olympic Delivery Authority

- 11. Section 3 provides for the establishment of a body corporate to be known as the Olympic Delivery Authority ("the ODA"). Provision about the ODA is made in Schedule 1. The aim is that the ODA is to have no fewer than 7 nor more than 11 members, who are to be appointed by the Secretary of State. The Secretary of State shall appoint one of the members as Chairman. The Secretary of State must consult the Mayor of London before appointing the Chairman and other Board members.
- 12. Schedule 1 makes further provision for the constitution of the ODA, including the tenure of members and the appointment of staff and committees. Part 2 of Schedule 1 provides for the proceedings of the ODA, which is to be able to delegate its functions but those functions are to be exercised having regard to any guidance of the Secretary of State and in compliance with any direction given by him. Before giving a direction the Secretary of State is required to consult the ODA and the Mayor unless this is impracticable because of urgency. Before giving guidance or a direction which the Secretary of State thinks may affect Scotland otherwise than in respect of a reserved matter, the Secretary of State shall consult the Scottish ministers. Part 3 makes provision in relation to money, including financial assistance to be given by the Secretary of State, borrowing arrangements, the remuneration of members and staff and the keeping of accounts.

# **Section 4:** General functions

- 13. Section 4 sets out the functions of the ODA. Those functions are to do anything necessary or expedient for the purpose of:
  - preparing for the London Olympics,
  - making arrangements in preparation for or in connection with the use or management before, during or after the Games of premises and facilities acquired, constructed or adapted in preparation for the Games, or
  - ensuring that adequate arrangements are made for the provision, management and control of facilities for transport in connection with the Games.
- 14. Particulars of those functions are set out in *subsection* (2). The ODA's functions include acquiring land (with the consent of the Secretary of State on the basis of the compensation package which would be payable if the land were being acquired compulsorily by an authority empowered to exercise such powers) and disposing of

land (which with the consent of the Secretary of State may be at less than might be expected in a commercial transaction at arms-length). The ODA can also apply for, or undertake work in connection with applications for, planning permission and make arrangements for the construction of premises and facilities as well as in relation to utilities, highways, transport systems and facilities. The ODA is enabled to form bodies corporate and to acquire interests in such bodies or in other undertakings.

- 15. In exercising its functions under this section, the ODA shall, where relevant, have regard to maximising the benefits to be derived after the Games from things done in preparation for them, and contribute to achieving sustainable development.
- 16. Subsection (5) requires the ODA to compensate anyone whose land is injuriously affected by works executed by the ODA. Any disputes may be referred to the Lands Tribunal, or (subsection (6)), in Scotland, the Lands Tribunal for Scotland.

# Section 5: Planning

- 17. This section enables the Secretary of State by order to appoint the ODA as the local planning authority for an area specified in that order. It does so by adopting the model provided for urban development corporations, set out in section 149 of, and Schedule 29 to, the Local Government and Land Act 1980.
- 18. Subsection (4) provides that the Mayor of London may direct the ODA to refuse an application for planning permission in a specified case. The cases in which the Mayor can direct refusal are set out in the Town and Country Planning (Mayor of London) Order 2000, made under section 74 of the Town and Country Planning Act 1990.
- 19. In discharging its functions as a local planning authority, *Subsection* (5) requires the ODA to have regard to the need to prepare properly for the 2012 Games and, in that preparation, to seek to maximise the benefits to be derived from the preparations for the Olympics over the longer-term. The ODA should also have regard to the existing framework of plans, in particular any planning permissions already granted in connection with the London Olympics, any guidance issued by the Secretary of State and to the development plan for any area for which the ODA is made the local planning authority.
- 20. Subsection (6) includes provision for the Secretary of State, in making an order which revokes a previous order establishing the ODA as a local planning authority, to specify which authority is to become the local planning authority in place of the ODA.
- 21. Given that the ODA will in most cases be the applicant for planning permission, the ODA's development control powers will be exercised by a separate committee. Provision for the formation of committees within the ODA is made in *Schedule 1Paragraph 10*. In order to avoid any conflict of interests, anyone who is involved in the exercise of the ODA's functions in relation to land may not participate in deliberations or decisions of the ODA acting as a local planning authority in relation to that land (*Schedule 1Paragraph 20*).

# Section 6: Security

22. This section requires ODA, in exercising all its functions, to have regard to safety and security, in consultation with the police.

# Section 7: Street lighting and cleaning

- 23. This section enables the ODA to take action with regard to the cleaning or lighting of specified areas during the London Olympics period.
- 24. The ODA may arrange with the authorities responsible for cleaning or lighting a highway or other area to which this section applies for cleaning or lighting to be carried out in a specified way or to a specified standard during all or part of the

London Olympics period. The ODA can pay authorities to carry out this work and the arrangements can set out what will happen if the authorities fail to deliver the services as agreed.

- 25. Subsection (2) provides that if the ODA is not satisfied that an appropriate result can be or is being achieved through the arrangements it makes with the relevant authorities, it may make arrangements for cleaning or lighting the highways or other areas to which the section applies during all or part of the London Olympics period. Subsection (4) provides that in doing so, the ODA can repair, maintain or use structures or installations which belong to the local authority such as streetlamps.
- 26. This section applies to any highway or other area to which the public have access which the ODA reasonably expect to be used:
  - In the course of a London Olympic event,
  - By persons watching a London Olympics event, or
  - By persons travelling to a London Olympic event.

# Section 8: Olympic Delivery Authority: transfer schemes and Schedule 2: Transfer Schemes

- 27. This section allows the for the creation of a "transfer scheme" to transfer specified property, rights and liabilities to the ODA simultaneously, where the Secretary of State thinks it expedient in order to enable the ODA to carry out its functions.
- 28. The Secretary of State may direct the Greater London Authority, the London Development Agency and Transport for London to make such a scheme and submit it for approval. Both the Secretary of State and the Mayor of London must consent to any scheme before it has effect. If a body fails to comply with the Secretary of State's direction to make a scheme, or the Secretary of State decides not to approve a scheme that has been submitted, then the Secretary of State may make a scheme himself. Before approving or making any scheme, the Secretary of State must consult the person who submitted or should have submitted the scheme, the ODA and any other person who may be affected.
- 29. This section also introduces *Schedule 2*, which sets out in more detail what may and may not be included in a transfer scheme. The ODA, the GLA, the LDA and TfL are all required to provide the Secretary of State with information and assistance in connection with any direction to prepare a scheme. Schedule 2 also gives the Secretary of State powers to require modifications to a proposed scheme, with the consent of the Mayor and after having consulted any person affected.

#### Section 9: Dissolution

30. Section 9(1) provides for the dissolution of the ODA by order made by the Secretary of State. Subsections (2) to (7) make further provision about the order. Under subsection (7) the order is to be made by statutory instrument and is not to be made unless a draft has been laid before Parliament.

#### **TRANSPORT**

# Section 10: Olympic Transport Plan

31. The ODA will be required to prepare and keep under review an Olympic Transport Plan (OTP). The OTP will set out the transport plans for the Games and details of how they are to be implemented. The Act requires the OTP to address a number of matters including, for example, the construction of transport facilities, transport arrangements to and from events, the Olympic Route Network, road closures and restrictions and guidance on implementation of the plan.

32. When preparing for or revising the plan the ODA will be required to consult the bodies named on the face of the Act and any others it think appropriate. The consultee bodies are those who will be implementing the OTP or those whose remit may include matters to be addressed by the OTP. The ODA will also be required to have regard to the Mayor's transport, spatial development and economic development strategies, to ensure that transport arrangements within London in particular are in harmony and relevant bodies and authorities are not being asked to deliver conflicting plans. The OTP is to be published.

# Section 11: The Olympic Route Network

33. The Olympic Route Network (ORN) will consist of roads within England that will be used for travel to and from events venues and accommodation. The Secretary of State will make the initial designation of the ORN and will be able to add to or amend the ORN. The ODA will also be able to add to or amend the ORN with the Secretary of State's consent. Designation will take the form of an order made by statutory instrument under the negative resolution procedure, and a road may only be designated after consultation with the relevant highway, street and traffic authorities. If an order is made which has the effect of removing a road from the ORN, the relevant authorities must be informed of the change.

# Section 12: Co-operation

- 34. This section allows the ODA to co-ordinate the delivery of the transport needs of the Games. It imposes an obligation on various authorities and bodies, all of whom will have been consulted in the preparation of the OTP, to co-operate with the ODA for the purpose of implementing the OTP and in particular providing or facilitating transport services in connection with the London Olympics; this would include reaction to situations and circumstances arising during the Games. The Mayor of London is also obliged to have regard to the OTP and to consult the ODA in updating his transport strategy (subsection (7)).
- 35. If a traffic, highway or street authority (other than the Secretary of State) fails to cooperate with the ODA as required under *subsection* (1), then the Secretary of State may direct the body to exercise its functions in a particular manner for the purposes of implementing the Olympic Transport Plan or co-operating with the ODA in order to meet the transport needs of the Games. The power of direction may not be exercised over Transport for London unless the Mayor has been notified (*Subsection* (4)).
- 36. In practice, it would be the ODA who would request the exercise of this power of direction, and an example of such a request might be to make a relevant traffic regulation order. If the authority still fails to comply, then the Secretary of State may exercise the function himself or make arrangements to have the function exercised by the ODA or any other person, and the authority in question may be required to reimburse the costs incurred in the exercise of the relevant function.

# Section 13: Functions affecting Olympics

- 37. This section gives the ODA a degree of 'negative control' over the roads for the purposes of the Games by requiring the ODA to be notified of the exercise of any highway, traffic or street functions (exercisable by an authority other than the Secretary of State) that might reasonably be expected to affect transport needs connected to the Games. Such functions may not be exercised without the consent of the ODA, unless thirty days have expired from making a notification to the ODA. Where the ODA has raised an objection, no further action may be taken unless the ODA has withdrawn its objection in writing or the Secretary of State has considered and rejected the objection.
- 38. If the ODA is not notified of functions as required under *Subsection (1)* and *(2)*, it may take action to reverse or change the effect of the unauthorised action (*subsection (5)*).

In doing so, the ODA shall have all the powers of the person that failed to notify the ODA as required and may take the necessary action at the cost of that person.

- 39. Subsection (3) allows the Secretary of State, by specifying relevant circumstances in an order, to set aside or vary the requirement to notify the ODA and seek its approval to the exercise of a highway, traffic or street function. For example, the order might allow emergencies or urgent works to be dealt with without the delay of seeking ODA approval. The order would be subject to the negative resolution procedure.
- 40. Subsection (6) requires the Secretary of State to consult the ODA before exercising his powers of management of roads in the Royal Parks in a way that he thinks might affect transport needs connected to the Games.
- 41. *Subsection* (7) relaxes the consultation requirements for the variation of bus schedules by Transport for London during the London Olympics period.

# Section 14: Traffic regulation orders

- 42. Section 14(1) enables the ODA to make traffic regulation orders over roads that are part of the Olympic Route Network (ORN). The ODA may only do so with the consent of the Secretary of State; further, the ODA may only make such an order for Olympic purposes (subsection (2)). In practice, this section will allow for the creation by the ODA of a unified system of traffic regulation across the ORN, including, for example, the use of Olympic lanes (which will facilitate the travel of athletes and other accredited persons between Olympic venues) and the imposition of parking and waiting restrictions. When making a traffic regulation order, the ODA has to comply with the same procedural requirements as Transport for London (subsection (3)).
- 43. Subsection (4) allows traffic authorities to make traffic regulation orders for Olympic purposes over any road as needed; local traffic authorities may only make traffic regulation orders over roads which form part of the Olympic Route Network with the consent of the ODA (subsection (5)). Subsection (6) sets aside for Olympic purposes certain restrictions that apply to traffic regulation orders, for example that they may not prevent access for vehicles of any class for more than 8 in any 24 hours.

#### Section 15: Traffic regulation orders: enforcement

- 44. This section provides for the enforcement of traffic regulation orders made for Olympic purposes. *Subsection (1)* allows for infringements of traffic regulation orders made by the ODA over the ORN for the purposes of the Olympics to be punishable with an increased fine (i.e. a maximum of £5,000; the standard fine is a maximum of £1,000). However, it is expected that the Traffic Management Act 2004 will have been implemented before 2012 and *subsection (2)* allows for the application of the civil enforcement regime to all Olympic traffic regulation orders. It will be the ODA that will set the level of charge for a contravention of traffic regulation orders made for the purposes of the Olympics (*subsection (3)*); local authorities, and Transport for London, will remain the 'enforcement authority' for all other purposes.
- 45. To ensure that the Olympic traffic regulation orders are enforced appropriately, subsection (4) gives the Secretary of State a power of direction over enforcement authorities for Olympic purposes, though directions may not be given to Transport for London without the consent of the Mayor of London (subsection (5)). If an enforcement authority does not comply with a direction by the Secretary of State, the ODA may 'step in' to exercise the relevant enforcement powers with the consent of the Secretary of State and the enforcement authority will bear the costs of the ODA doing so.

#### Section 16: Road closures

46. This section amends for Olympic purposes the provisions relating to special events orders, under which roads may be restricted or closed in connection with sporting

events, social events and entertainments. For example, a special event order may be made for Olympic purposes irrespective of whether the event in question is held on a road (*subsection* (1)) and the restrictions that limit special events order to one a year and for a limit of three days are removed in respect of the Olympics (*subsection* (2)).

# Section 17: Office of Rail Regulation

47. The Office of Rail Regulation regulates Network Rail's stewardship of the national network, licenses operators of railway assets, approves agreements for access by operators to track, stations, and light maintenance depots, and enforces domestic competition law. Whilst the Office of Rail Regulation is not subject to the co-operation provisions in section 12, this section gives the Office of Rail Regulation a new objective to facilitate the provision, management and control of transport facilities related to the Olympics and to consult the ODA as to how to do so.

### Section 18: Interpretation

48. Section 18 sets out the interpretation and definition of the principal terms in sections 10 to 17.

#### **ADVERTISING**

# Section 19: Advertising regulations

- 49. This section imposes a duty on the Secretary of State to make regulations about advertising in the vicinity of Olympic venues. These regulations are required in order to fulfil obligations imposed by the International Olympic Committee and made within the Host City Contract. In particular, the Contract requires that no advertising is placed around Olympic venues so as to be within the view of television cameras covering, or spectators watching, Olympic events.
- 50. The Secretary of State has broad discretion in the detail to be included in the regulations. The regulations will specify the nature and extent of these restrictions including the place, time period and type of advertisements to which the restrictions will apply. However, *subsection* (6) provides that they will only apply for a period which the Secretary of State considers necessary to comply with the Host City Contract.
- 51. Much of the detail of the restrictions has been left to secondary legislation in order to make a proper assessment of what is required closer to 2012: the IOC may change the requirements which are placed on host cities and venues may also change. The regulations may apply restrictions for different periods and in a different way for different venues. This will enable the characteristics of different venues and different events to be taken into account: for example, the intention is to restrict advertising around football venues for a limited period as some of those venues will only be used for a very short space of time. The regulations will also include exceptions. It is intended that these will follow exceptions provided in the regulations relating to the control of advertising under the Town and Country Planning Act (1990) as closely as possible.
- 52. Subsection (7) allows for the authorisation of controlled advertising within the vicinity of Olympic venues. Regulations will allow the Secretary of State to authorise a "responsible body" such as the ODA or London Organising Committee of the Olympic Games ("LOCOG"), to undertake advertising (subject to any conditions contained in the regulations), and that responsible body will, in turn, be able to grant subsequent authorisations to other advertisers.
- 53. Subsection (8) provides that the regulations may impose obligations on those who advertise or those who benefit from unauthorised advertising. Regulations may also impose duties on the owners and occupiers of land to ensure that unauthorised advertising as specified in regulations does not occur on their land. It allows for these regulations to supersede any previous permissions for the use of that land, for

example permissions granted by local planning authorities under the Town and Country Planning Act (1990).

# Section 20: Regulations: supplemental

- 54. Subsection (1) sets out in more detail what restrictions and flexibilities will apply to the making of regulations under section 19. For example, the regulations may disapply existing legislation about the control of advertising. In order to ensure consistency with the advertising restrictions in the Town and Country Planning Act 1990, the regulations may apply (with any necessary modifications) to Crown bodies. Subsection (3) requires the Secretary of State to undertake consultation before making any regulations under section 19, including by consulting people who represent interests within the advertising industry, the ODA, LOCOG and others likely to be affected by the regulations.
- 55. In accordance with subsection (2) the regulations will be subject to the affirmative resolution procedure in Parliament. Subsection (4) prevents the regulations being subject to the process that is applied to hybrid instruments. Very broadly, a hybrid provision is one that has characteristics of both a public and a private provision.

# Section 21: Offence

56. This section creates a criminal offence for contravening the regulations made under section 19, punishable by a fine. In the Magistrates' Courts the maximum fine will be £20,000, which is higher than the maximum fine which Magistrates can normally impose. The section provides for higher fines because the offence is considered to be highly lucrative during Games time and is more likely to be committed by corporate bodies. This section also allows for the possibility that the offender may be required to pay the expenses of the ODA or Police Authority who have undertaken enforcement action as described in section 22.

# Section 22: Enforcement: power of entry

57. This section gives a constable, or an enforcement officer designated by the ODA, the power to enter land or premises in order to prevent or stop unauthorised advertising as defined in regulations made under section 19. Subsection (1)(a) is drafted in sufficiently broad terms to enable officers to enter land wherever a contravention of the regulations is occurring. This will allow, for example, entry onto land outside of the area where the advertising restrictions apply, if that land is being used to project images into an area where the advertising restrictions do apply. This section provides for immediate enforcement and entry powers, although the intention is that the entry will be gained at a reasonable time (subsection (2)) and after having taken reasonable steps to establish who owns or occupies the land or premises, and to give them the opportunity to deal with the contravention before entry (subsection (3)). Entry into a dwelling would only be permitted under warrant (subsection (4)). Officers will be able to seize items used to breach the regulations in order to stop contraventions or if necessary for evidential purposes. Subsection (6) allows for the application of the Police Property Act (1897) which governs proceedings for the return of seized property. The section also allows the Secretary of State to make regulations for a compensation scheme for any damage caused by any enforcement activity, although a person responsible for a contravention of the regulations will not be entitled to compensation. The definition of 'infringing article' in subsection (10)(b) covers advertisements plus other things such as graffiti which may constitute a contravention of the regulations.

# Section 23: Role of Olympic Delivery Authority

58. This section places a duty on the ODA in relation to the regulations made or expected to be made under section 19. Specifically, this duty requires the ODA to inform those people likely to be affected by the regulations about the effect of the regulations, and

- allows the ODA to provide assistance to persons so that they can comply with the regulations.
- 59. Subsection (4) gives the ODA a specific power of prosecution in England and Wales in relation to offences under section 21.
- 60. Subsection (6) requires the ODA to publish a strategy for how they intend to publicise the advertising restrictions and how they will exercise the enforcement powers provided for in section 22. This strategy would, for example, cover matters such as the relevant grade of officer in the ODA that can approve entry onto premises without a warrant.

# Section 24: Local planning authorities

61. This section allows the Secretary of State to make an order that requires certain local planning authorities to notify those people to whom they grant consents (in relation to advertisements) of the nature of regulations made and obligations imposed under section 19. Such orders are to be subject to the negative resolution procedure.

#### **TRADING**

### Section 25: Street trading, & c.

- 62. This section imposes a duty on the Secretary of State to make regulations to control trading in the vicinity of Games venues. These regulations are required in order to fulfil obligations imposed by the International Olympic Committee and made within the Host City Contract and in order to address issues of amenity and public safety (including avoiding congestion). The regulations will specify the nature and extent of restrictions including the place, time period and type of activity to which restrictions will apply. Regulations may apply during different periods in respect of different places. As is the case in relation to the advertising regulations under sections 19 to 24, much of the detail of the restrictions has been left to secondary legislation in order to make a proper assessment of what is required closer to 2012; the IOC may change the requirements which are placed on host cities and venues may also change.
- 63. Subsection (4) provides that the restrictions in the regulations may apply to trading on a highway, in a public place, and to trading on private land but not to trading within buildings (except car parks).
- 64. The regulations will allow the ODA to authorise trading within the vicinity of Olympic venues. The ODA will be able to delegate the function of granting authorisations. This ability to delegate is required as the ODA may rely on the expertise of local authorities that already license street trading in their areas. The regulations will also include provision about the circumstances in which such authorisations may or may not be granted. For example, the regulations may provide that the ODA is restricted to granting authorisations in relation to areas or types of trading already permitted by the relevant local authority. An authorisation may itself be subject to terms and conditions about the times of trading or steps to be taken to reduce congestion, litter or noise. Such terms and conditions may differ from, or be more onerous than, those of existing trading licences for the same area.

# Section 26: Section 25: supplemental

65. Subsection (1) sets out in more detail what restrictions and flexibilities will apply to regulations made under section 25. In particular, the regulations may disapply existing legislation in relation to street trading (including legislation about markets) and exceptions to the application of the regulations may be provided. For example, exceptions may be provided to permit certain news vendors and milk floats to trade in the vicinity of venues. Exceptions may also allow charitable sales. Subsection (2) applies the affirmative resolution procedure to these regulations. Subsection (3) requires the Secretary of State to, before making regulations, consult those authorities

responsible for licensing relevant trading, the ODA, LOCOG and persons representing interests likely to be affected by the regulations. *Subsection (4)* gives these regulations precedence over any other trading licence granted before or after the regulations are made, including rights granted under enactments and Charters. *Subsection (5)* prevents the regulations from being subject to the process that is applied to hybrid instruments. Very broadly, a hybrid provision is one that has characteristics of both a public and a private provision.

# Section 27: Offence

66. Contravention of a regulation made under section 25 will be an offence, punishable by a fine. In the Magistrates' Courts the maximum fine will be £20,000, which is higher than the maximum fine that Magistrates can normally apply. The level of fine is applied to this offence for the same reasons provided for the advertising regulations at paragraph 56 above.

# Section 28: Enforcement: power of entry

- 67. This section gives a constable, or enforcement officer designated by the ODA, the power to enter premises on which they reasonably believe a contravention of the regulations is occurring. Officers may remove and retain any offending articles (either something being sold or something containing items for sale) for as long as its removal is justified by a need to:
  - End a contravention of regulations made under section 25,
  - Prevent a future contravention of the regulations,
  - Enable an article to be used in evidence in proceedings for an offence under section 27, or
  - Enable the article to be forfeited where the article has been used for the purpose of committing an offence.
- 68. Subsection (6) provides for the Secretary of State to make regulations for a compensation scheme for damage caused by enforcement activities under section 28, although a person who is responsible for a contravention will not be eligible for compensation.

# Section 29: Role of Olympic Delivery Authority

69. This section places a duty on the ODA in relation to regulations made under section 25. The ODA is required to inform those people likely to be affected by regulations about the effect of the regulations. It may also provide people with any assistance they need to comply with the regulations and must work with people affected by the regulations to identify alternative ways or places to trade. Subsection (4) gives the ODA a specific power of prosecution in England and Wales in relation to offences under section 25.Subsection (6) requires the ODA to publish a strategy for how they intend to publicise the nature of regulations, to grant authorisations and to exercise enforcement powers. That strategy is to be approved by the Secretary of State before publication.

# Section 30: Other authorities

70. The Secretary of State may make an order requiring those persons who grant authorisations to trade to notify recipients that their rights will be superseded by any relevant regulations made under section 25. Such orders are to be subject to the negative resolution procedure.

### Section 31: Sale of tickets

- 71. This section is based on section 166 of the Criminal Justice and Public Order Act 1994 which deals with ticket touting primarily in relation to tickets for football matches. It creates a criminal offence of touting tickets for the 2012 Olympic Games.
- 72. It will be an offence to sell a ticket (or anything that purports to be a ticket) for an event held as part of the London Olympics or Paralympics in a public place or in the course of a business without the written authorisation of LOCOG. If convicted of such an offence, a person would be liable to a fine up to level 5 on the standard scale (currently £5,000).
- 73. The definition of "selling a ticket" includes offering to sell a ticket, exposing a ticket for sale, advertising that a ticket is available for purchase and giving (or offering to give) a ticket to someone who is paying for other goods and services. The definition is drafted to include a situation where a ticket is offered as part of a package of other goods because this sort of activity has been used to circumvent ticketing conditions in the past.
- 74. In *Subsection* (2) the reference to an event held as part of the London Olympics includes non-sporting events and pre-Olympic test events.
- 75. Under Subsection(2)(c), a person will be treated as acting in the course of a business if they are doing something as a result of which they will make a profit or aim to make a profit.
- 76. A person ('the advertiser') will commit an offence if they advertise that a ticket is available for purchase and if the person making the ticket so available is acting in the course of a business. However, if the only reason the ticket is made available in the course of a business is by reason of subsection 2(c) (that is, that the person makes, or aims to make a profit) and the advertiser did not know or could not reasonably be expected to know that the person offering the ticket for sale was doing so for a profit or with an aim to make a profit then the advertiser will not commit an offence.
- 77. Subsections (4) and (5) provide a defence for internet and other electronic communication service providers of being accessories to a ticket touting offence where they play an unwitting or unknowing role. However, once they become aware that their services are being used for touting tickets contrary to subsection (1), the service provider must withdraw those services in the shortest reasonable time.
- 78. LOCOG is required to establish a system for granting written authorisations to official ticket sellers. It will be allowed to charge for such authorisations and will be entitled to exercise unfettered discretion in deciding whether or not to authorise vendors.
- 79. *Subsections* (8) to (10) make necessary amendments so that this provision has the same effect in Scotland as it does in England and Wales.

#### **MISCELLANEOUS**

# Section 32: Olympic Symbol etc. (Protection) Act 1995 and Schedule 3: Olympic Symbol Protection

- 80. This section introduces *Schedule 3*. Schedule 3 amends the Olympic Symbol etc. (Protection) Act 1995 ("OSPA") which creates the Olympic association right, protecting the Olympic symbol, motto and other words relating to the Olympics. Schedule 3 allows for joint proprietorship of the Olympic association right, affords increased protection for the Olympic words, symbols and motto, clarifies exceptions to the Act, and creates a Paralympic association right.
- 81. Paragraph 2 provides additional flexibility in relation to proprietorship of the Olympic association right allowing more than one person or body to exercise rights in relation to the Olympic symbol, motto and associated words. Appointments may be made for different purposes, which will allow Paralympic organisations to be joint proprietors of

Paralympic words and Olympic organisations to hold rights to Olympic words. Joint proprietorship is necessary because of IOC requirements: the IOC requires rights to Olympic intellectual property to pass from the national organising committee – the British Olympic Association – to the LOCOG in the lead up to and during the Games. However, the British Olympic Association will need to retain residual rights for certain purposes.

- 82. *Paragraph 3* extends the infringement of the Olympic association right to words that are similar to the protected words in OSPA and which create in the public's mind an association with the Olympic Games or the Olympic movement. OSPA already provides protection against the use of mottos and symbols similar to the Olympic symbol and motto. This new measure provides protection to words similar to those protected under the Olympic association right.
- 83. Paragraph 4 clarifies the exemptions and limitations to the Olympic association right. This includes providing clarity over the definition of "association", particularly linking it to the idea that someone has created a commercial or contractual, or corporate or financial (eg sponsorship), link between a person, product or service and the Games except where this is in accordance with honest commercial practices. Paragraph 4 also provides the Secretary of State with a power to further clarify the concept of association by order.
- 84. Paragraph 4 also provides for limitations and exemptions to the Olympic association right, including reporting on, or providing information about, the Games..
- 85. Paragraphs 6 to 9 create a Paralympic association right analogous to the Olympic association right offering protection to the Paralympic symbol, motto and associated words. Rights over Paralympic words or symbols which exist at the time that the Paralympic association right is created will be protected. This means that, for example, individuals or companies will be entitled to continue to use existing business names which use words which become protected under the Act.
- 86. If the International Olympic Committee (IOC) or International Paralympic Committee (IPC) change their motto or symbol, the Secretary of State has power to amend by order that which is protected under the Act.
- 87. Paragraph 11 raises the fine which can be imposed for committing an offence under section 8 of OSPA (infringement marketing of goods) during the period from 2 months after Royal Assent until 31 December 2012. In the Magistrates' Courts the maximum fine will be £20,000, which is higher than the maximum fine which Magistrates can normally apply. The section provides for higher fines because the offence is considered to be highly lucrative in the lead up to and during Games time.
- 88. Paragraph 12 gives Trading Standards Officers enforcement powers in relation to offences under OSPA and allows LOCOG to make payments to local weights and measures authorities for any enforcement activity they carry out as a result of these increased powers.
- 89. *Paragraph 13* makes offences under OSPA an arrestable offence.
- 90. *Paragraph 14* gives Her Majesty's Revenue and Customs (HMRC) officers powers to detain OSPA infringing goods on entry to the UK. These provisions provide HMRC officers with largely analogous powers to those they already hold for trademark infringing goods.
- 91. Paragraph 14 specifically provides for HMRC officers to seize goods either where they have notice in writing from LOCOG or the British Olympic Association, or the British Paralympic Association (the "proprietors") or where HMRC officers discover items during their ordinary course of business.

92. *Paragraph 14* also sets out the process for how the proprietors are informed about any seizures, how they are provided with samples and the time limits by which proceedings have to be brought in relation to any infringing goods.

# Section 33 and Schedule 4: London Olympics association right

- 93. This section introduces *Schedule 4*. Schedule 4 creates a specific event association right in relation to the 2012 London Olympic and Paralympic Games. It seeks to prevent those who use innovative ways of making an association with the Games (that is, who create an association with the Games without using specific words or symbols protected under trademark or under the Olympic Symbol etc. (Protection) Act) from doing so.
- 94. Paragraphs 1 and2 establish the principle of the London Olympics association right and define it as an attempt in the course of trade to create an association between services or goods or a person who provides good or services and the London Olympic or Paralympic Games. In particular, the concept of association is defined as where a person has created a commercial or contractual, or corporate or financial (eg sponsorship) link between a person, product or service and the Games. Paragraph 1 also makes clear that the London Olympic association right is not infringed by someone who simply makes a statement that accords with honest commercial practices.
- 95. Paragraph 3 sets out words and phrases, the combination of which may be taken into account by a court when considering whether the London Olympics association right has been contravened. Sub-paragraphs (6) and (7) of Paragraph 3 allow the Secretary of State to amend the list of words and phrases by order the order would be subject to the negative resolution procedure. Sub-paragraph (9) of Paragraph 3 requires the Secretary of State to consult representatives of the advertising industry, LOCOG and others before altering the list of words. This consultation would follow usual Cabinet Office guidelines as to duration.
- 96. Paragraphs 4 and 5 provide exceptions to the London Olympics association right in relation to authorised use. In particular they allow LOCOG to grant authorisations where individuals (most likely to be sponsors of LOCOG and of the Olympic Programme) are given permission to associate themselves with the London Olympic Games. LOCOG will be under a duty to maintain a public register of those individuals who have been granted the right to associate with the London Olympic Games and may charge individuals in relation to those authorisations. Paragraphs 4 and 5 also allow LOCOG to grant class authorisations that they may grant to specific groups or types of people or organisations.
- 97. Paragraphs 6, 7, 8 and 9 provide a number of exceptions to the London Olympic association right. These include specific reporting and information providing exemptions and exceptions relating to indications that describe (amongst other things) the purpose, quality or origin of a product or service.
- 98. Paragraph 10 sets out the sections of the OSPA that will also apply to this new London Olympic Association right. These include provisions that protect existing rights and that permit the Secretary of State to issue directions to LOCOG in relation to the exercise of this right.

# Section 34: Greater London Authority: powers

- 99. This section enables the Greater London Authority (GLA) to play its part in delivering the 2012 Olympic Games. The section gives the GLA the power to do anything for the purpose of complying with the obligations which are placed on the Mayor of London in the Host City Contract (whether before, during or after the London Olympics), or to prepare for and manage the London Olympics.
- 100. In exercising this power, the GLA shall have regard to the desirability of consulting and cooperating with the Secretary of State, the British Olympic Association, LOCOG,

and anyone else with experience or knowledge which might be useful in relation to preparing for or managing the London Olympics.

- 101. When undertaking actions to deliver the Olympic Games, the GLA must consider how best to maximise the benefits to be derived from the preparations for the London Olympics once the Games are over.
- 102. The GLA is given particular powers to:
  - arrange for the construction, improvement or adaptation of premises or facilities,
  - arrange for the provision of services,
  - undertake works,
  - acquire land or other property,
  - enter into agreements,
  - act jointly or co-operate with any other person,
  - give financial and other support to others for activity connected with the London Olympics,
  - take action in respect of places outside London.
- 103. The GLA may delegate its function under this section to the London Development Agency although the provisions of section 5(2) and (3) of the Regional Development Agencies Act (1998) shall apply: this means that the LDA will still be required to obtain the Secretary of State's consent for certain activities and its powers in relation to housing will still be restricted.

# Section 35: Section 34: supplemental

- 104. When giving financial support to others for activity connected with the London Olympics, the GLA may do so on specific terms or conditions, in particular as regards the payment of interest. The GLA is given the power to accept contributions towards expenditure in connection with the Olympic Games.
- 105. Once the London Olympics are over, the Secretary of State may, having consulted the Mayor of London, make an order to repeal the powers provided by section 34. This order would be subject to the negative resolution procedure.
- 106. The order may make incidental, supplementary, consequential or transitional provisions or savings in relation to the cessation of the powers. It may also provide for the transfer of property, rights or liabilities, and make provision relating to the management, control or treatment of anything constructed or done under the GLA's powers to prepare for and stage the Games. The provisions could be of a specific or general nature, and different provisions can be made for different cases or purposes.

#### Section 36: Regional development agencies

- 107. Section 36 amends the purposes of a regional development agency as listed in the Regional Development Agencies Act 1998 to include the purpose of preparing for the London Olympics. A regional development agency may only take action for the purpose of preparing for the Games at the request of the ODA.
- 108. Where a regional development agency purchases land for the purpose of preparing for the London Olympics:
  - Section 19 of the Acquisition of Land Act 1981, which requires a compulsory purchase order relating to part of a common, open space or allotment to go through a special Parliamentary procedure in specified circumstances, shall not apply.

- Section 295 of the Housing Act 1985 shall apply in the same way that it applies to land acquired by a local housing authority, so that all rights over such land are extinguished. Any person who suffers loss by the extinguishment of any right is entitled to be paid compensation, in accordance with the Land Compensation Act 1961 (the amount is to be determined by the Lands Tribunal).
- No other Act shall prevent or restrict the use of a common, open space or allotment for construction, works or any other purpose, although the usual requirements for planning permission will still apply.
- It will be permitted to compulsorily purchase Crown land or any interest in Crown land.
- These provisions apply irrespective of whether the purchase is made under the specific Olympic purpose provided by section 36 or not, and irrespective of whether the purchase had any other purpose.
- 109. Once the London Olympics are over, the Secretary of State may make an order to repeal the powers provided by this section. This order would be subject to a negative resolution procedure.
- 110. The order may make incidental, supplementary, consequential or transitional provisions or savings in relation to the cessation of the powers. It may also provide for the transfer of property, rights or liabilities, and make provision relating to the management, control or treatment of anything constructed or done under a Regional Development Agency's purpose to prepare for the Games. The provisions could be of a specific or general nature, and different provisions can be made for different cases or purposes.

#### **GENERAL**

#### Section 37: Scotland

111. This section modifies the provisions of the Act in relation to their application to Scotland. The Act confers some regulation and order-making functions on Scottish Ministers (in place of the Secretary of State) and approval functions on the Scottish Parliament in relation to advertising and trading regulations as they are to be applied to venues in Scotland which will stage Games events.

### Section 38: Northern Ireland

112. This section modifies the provisions of the Act in relation to their application to Northern Ireland.

# Section 39: Offences: arrest

113. This section adds the offences of breach of the advertising and street trading regulations in sections 21 and 27 respectively and of ticket touting created by section 31 to Schedule 1A to the Police and Criminal Evidence Act 1984 (c.60) – to make those offences arrestable. Subsections (2) and (3) create the same effect in Scotland.

#### Section 40: Commencement and duration

- 114. This section sets out when provisions of the Act will come into force. The following provisions will come into force on Royal Assent:
  - section 1 (Interpretation of principal terms),
  - sections 3 to 5 and Schedule 1 (The Olympic Delivery Authority),
  - section 32 (Olympic Symbol etc. (Protection) Act 1995) and paragraphs 1 to 11 of Schedule 3 (Olympic Symbol Protection),

- section 33 (London Olympics association right) and Schedule 4 (London Olympics Association Right),
- section 34 and 35(1) and (2) (Greater London Authority: Powers and Supplemental),
- section 36(3)(a) and (d) (Regional development agencies),
- section 37 (Scotland),
- section 38 (Northern Ireland).
- 115. Sections 40 to 42 of the Act (commencement and duration, extent and application and short title) will also come into force on Royal Assent. The remaining provisions of the Act (including paragraphs 12 to 14 of Schedule 3) will come into force by order of the Secretary of State. Such an order may be general or specific in its application and may make different provision for different purposes. It may include transitional or incidental provision, and shall be made by statutory instrument.
- 116. Subsection (3) provides that the Scottish Ministers will commence sections 19 to 31 (street trading and outdoor advertising) and 39(2) and 39(3) (arrestable offences) so far as they extend to Scotland.
- 117. Subsection (6) provides that sections 10 to 18 (relating to Olympic transport) shall cease to have effect at the end of the London Olympics period.
- 118. As noted above, section 32 and paragraphs 1 to 11 of Schedule 3 regarding Olympic symbol protection shall come into force on Royal Assent. However, under *subsection* (5), criminal proceedings under a provision of OSPA in respect of anything done during the two-month period after Royal Assent shall not take account of amendments made to OSPA by Schedule 3 to the Act.
- 119. Subsection (7) provides that paragraph 14 of Schedule 3, which inserts new sections 12A and 12B into OSPA (to give Customs officers increased powers to detain infringing goods as they enter the UK), will have effect only in relation to things entering the UK between the day specified for the commencement of paragraph 14 and 31st December 2012.
- 120. Under *subsection* (8), section 33 and Schedule 4 (London Olympics Association Right) will cease to have effect at the end of 31st December 2012.
- 121. Subsection (9) provides that, in respect of section 36 (Regional development agencies):
  - Subsection 3(a) shall have effect in relation to compulsory purchase orders made on or after 1 October 2005,
  - An order bringing *subsection* 3(b) into force may provide for that provision to have effect in relation to purchases completed before the specified commencement date, although no extinguishment of rights is to take effect before that commencement date,
  - An order bringing *subsection* 3(c) into force may provide for that provision to have effect in relation to purchases (whether voluntary or compulsory) made on or after 1 October 2005, although the provision will not change the legal standing of anything done before *subsection* (3)(c) is commenced,
  - Subsection 3(d) shall be treated as having taken effect on 1 October 2005.

#### Section 41: Extent and application

122. This section sets out the territorial extent and application of the Act. The Act extends to the whole of the UK except for section 6 (Planning), 7(2) and 7(4) (Street Lighting

and Cleaning), 10 to 18 (Transport) and 34 and 35, (relating to the Greater London Authority), which extend to England and Wales only, although they will only have territorial application to England. Section 36 (Regional development agencies) amends the Regional Development Agencies Act 1998, which extends to England and Wales only, and makes provision in relation to the purchase of land by regional development agencies established under the Act. The Act confers some regulation and order-making functions on the National Assembly for Wales in relation to advertising and trading restrictions as they are to be applied to venues in Wales which will stage Games events. Section 31 (sale of tickets) is to apply in respect of anything done in the United Kingdom or elsewhere. That means that a person may commit the offence of ticket touting outside the UK, for instance via the internet.

# Section 42: Short title

123. The short title of the Act will be the London Olympic Games and Paralympic Games Act 2006.

# HANSARD REFERENCES

The following table sets out the dates and Hansard references for each stage of this Act's passage through Parliament.

Stage	Da	nte	Hansard reference
House of Commons – as London Olympics Bill			
Introduction	14 July 2005		Vol. 436 Col 979
Second Reading	21 July 2005		Vol. 436 Col 1432
Committee	13 October 200		
	18 October 200	)5	D
Report and Third Reading	6 December 2005		Vol. 440 Col 759
Commons consideration of Lords amendments – as London Olympic Games and Paralympic Games Bill	21 March 2006		Vol. 444 Col 202
House of Lords – as London (	Olympic Games	and Paralympic	Games Bill
Introduction	7 December 2005		Vol. 676 Col 619
Second Reading	11 January 2006		Vol. 677 Col 249
Grand Committee	31 January 2006		Vol. 678 Col GC65
	2 February 2006		Vol. 678 Col GC177
	15 February 2006		Vol. 678 Col GC383
Report	6 March 2006		Vol. 679 Col 586
Third Reading	14 March 2006		Vol. 679 Col 1208
Royal Assent – 30 March 2006		House of Lords Hansard Vol. 680 Col 861	
		House of Com 1061	nmons Hansard Vol. 444 Col