

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT  
GENERAL COMMITTEES

Public Bill Committee

## LONDON OLYMPIC GAMES AND PARALYMPIC GAMES (AMENDMENT) BILL

*Third Sitting*

*Thursday 19 May 2011*

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### CONTENTS

CLAUSE 1 agreed to.  
CLAUSE 2, as amended, agreed to.  
CLAUSES 3 to 9 agreed to.  
Bill, as amended, to be reported.

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PUBLISHED BY AUTHORITY OF THE HOUSE OF COMMONS  
LONDON – THE STATIONERY OFFICE LIMITED

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**Monday 23 May 2011**

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**The Committee consisted of the following Members:***Chairs:* † MR DAVID AMESS, KATY CLARK

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| † Barwell, Gavin ( <i>Croydon Central</i> ) (Con)                              | † Macleod, Mary ( <i>Brentford and Isleworth</i> ) (Con)                   |
| † Blackman, Bob ( <i>Harrow East</i> ) (Con)                                   | Nandy, Lisa ( <i>Wigan</i> ) (Lab)   |
| † Cryer, John ( <i>Leyton and Wanstead</i> ) (Lab)                             | † Robertson, Hugh ( <i>Minister for Sport and the Olympics</i> )           |
| Donaldson, Mr Jeffrey M. ( <i>Lagan Valley</i> ) (DUP)                         | † Watkinson, Angela ( <i>Lord Commissioner of Her Majesty's Treasury</i> ) |
| † Foster, Mr Don ( <i>Bath</i> ) (LD)  | † Wicks, Malcolm ( <i>Croydon North</i> ) (Lab)                            |
| † Freer, Mike ( <i>Finchley and Golders Green</i> ) (Con)                      | † Wilson, Phil ( <i>Sedgefield</i> ) (Lab)                                 |
| † Hames, Duncan ( <i>Chippenham</i> ) (LD)                                     | † Wilson, Mr Rob ( <i>Reading East</i> ) (Con)                             |
| † Hodgson, Mrs Sharon ( <i>Washington and Sunderland West</i> ) (Lab)          |  |
| † Johnson, Joseph ( <i>Orpington</i> ) (Con)                                   | Sarah Thatcher, <i>Committee Clerk</i>                                     |
| † Jowell, Tessa ( <i>Dulwich and West Norwood</i> ) (Lab)                      |  |
| † McCann, Mr Michael ( <i>East Kilbride, Strathaven and Lesmahagow</i> ) (Lab) | † <b>attended the Committee</b>  |

## Public Bill Committee

## Clause 3

Thursday 19 May 2011

[MR DAVID AMESS *in the Chair*]

## London Olympic Games and Paralympic Games (Amendment) Bill

9 am

*Clause 1 ordered to stand part of the Bill.*

### Clause 2

REGULATIONS: PARLIAMENTARY PROCEDURE AND  
PUBLIC NOTICE

**The Minister for Sport and the Olympics (Hugh Robertson):** I beg to move amendment 1, in clause 2, page 7, line 5, at end insert—

( ) In section 37 of that Act (Scotland), in subsection (8)(b), after “references”, in the first place it appears, insert “(other than in sections 20 and 26)”.

( ) After subsection (9) of that section insert—

“(9A) Sections 20 and 26 are to have effect as if, in each case—

(a) subsection (2) were omitted, and

(b) for subsections (2A) and (2B) there were substituted—

(2A) The first regulations under that section are subject to the affirmative procedure.

(2B) Subsequent regulations under that section are subject to the negative procedure.”.

May I welcome you to the Chair, Mr Amess? May I also thank all members of the Committee for their participation in Tuesday’s session? It is sometimes easy to be cynical about changes to Parliamentary procedure, but that was the first time I have been through that procedure on a Bill. I hope everybody else found it as useful as I did. The opportunity to talk directly to the experts who lie behind what is quite a technical Bill was a very good innovation, and I am grateful to everyone for their constructive and helpful contributions.

This is a technical amendment that takes account of changes to the procedure for making Scottish statutory instruments in the Scottish Parliament. Identical amendments are being tabled to a series of Acts that are going through Parliament at the moment. For those of a technical bent, part 2 of the Interpretation and Legislative Reform (Scotland) Act 2010, which is a Scottish parliamentary Act, came into force on 6 April 2011, which explains why the amendment is necessary. The 2010 Act includes provisions on the making of Scottish statutory instruments, and as a direct consequence of those changes, Westminster Acts passed after that date have to make specific provision, where appropriate, for the new measures.

The London Olympic Games and Paralympic Games Act 2006 gives Scottish Ministers the power to make advertising and trading regulations, and clause 2 amends the Parliamentary procedure for making these regulations. Accordingly, the Government amendment ensures that the Bill will reflect the changes for making Scottish statutory instruments in the Scottish Parliament.

*Amendment 1 agreed to.*

*Clause 2, as amended, ordered to stand part of the Bill.*

### INCREASE OF MAXIMUM FINE

**Tessa Jowell** (Dulwich and West Norwood) (Lab): I beg to move amendment 3, in clause 3, page 7, line 10, leave out ‘£20,000’ and insert ‘£50,000’.

**The Chair:** With this it will be convenient to discuss the following: amendment 4, in clause 3, page 7, line 12, at end add—

‘(3) Where a person is found guilty of an offence on summary conviction under section 31(1) of the London Olympic Games and Paralympic Games Act 2006 the prosecutor must consider whether it is appropriate to ask the magistrates’ court to commit the defendant to the Crown Court under section 70 of the Proceeds of Crime Act 2002, with a view to a confiscation order being considered under section 6 of the 2002 Act.’.

Clause stand part.

**Tessa Jowell:** I would like to join the Minister in thanking all our witnesses who gave evidence at the sessions on Tuesday, which were exceptionally helpful and reassuring in enabling our discussions this morning to be based on evidence and expert advice. That demonstrates good use of that procedure before scrutiny of the Bill. I also welcome you to the Chair, Mr Amess.

Amendment 3 is a probing amendment, following the evidence on Tuesday from Chris Allison of the Metropolitan police. In all matters related to ticket touting, I defer to the expert on ticket touting, my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson)—*[Interruption]* No, no, no, not in doing it, but in devising proportionate public policy. We were reassured by the evidence from Chris Allison, and the purpose of the amendment, which was tabled before the evidence session on Tuesday, is to probe whether the maximum amount in the Bill is sufficient to create the deterrence that everybody would like to see. We want to ensure that ticket touts, many of whom operate on a large and profitable scale, do not regard the level of fine as simply an occupational hazard that they can easily write off in the profit that they make.

That was an issue that we looked at closely during the Beijing games, where the Minister and I were observers almost throughout. There are limits to the analogy between the London and Beijing games, but it was reported in the latter that some type A tickets for the opening ceremony, priced at the equivalent of £460, ended up on sale for the equivalent in yuan of nearly £18,000. At our games, the top tickets for the opening ceremony are £2,012—there are many people who put in a bid for such tickets at any price and are now nervously waiting to see whether £8,048 has come out of their bank accounts—and could have a very profitable sell-on value. Our amendment would therefore make sure that a £20,000 fine is not regarded as an occupational hazard, but is a substantial deterrent to touting at that level.

In conclusion, my hon. Friends and I were greatly reassured by the assistant commissioner’s evidence to the Committee on Tuesday. He is a key arbiter regarding the application of the appropriate level of fine, which he considers to be £20,000. In this probing amendment, we are seeking similar reassurance from the Minister.

**Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): This debate presents an opportunity to recap some of the excellent information that we received on Tuesday which, as we have heard, was an excellent and useful session. Like my right hon. Friend, I hope to obtain assurances from the Minister. My right hon. Friend tabled the probing amendments to stimulate debate on this issue, and she has succeeded in doing so. I know that she is satisfied, as I, along with the rest of the Committee, following the evidence from the assistant commissioner on Tuesday, believe that the measures in the Bill are sufficient.

However, there are a couple of issues that I wish to raise. I will not delay the Committee too much because, although they relate to the aims of the Bill, they do not need to be put into legislation. The first concerns awareness, which we mentioned on Tuesday, and hopefully the Minister will discuss it with the London Organising Committee of the Olympic Games and Paralympic Games. The majority of people who have applied for tickets do not know that it is illegal to sell them, much less that, subject to parliamentary approval, doing so could be punishable by a fine of up to £20,000. As I have said, that is because ticking touting for almost everything else, while considered unsavoury by many, is allowed and even supported by the Government; the Minister and I have our opinions on that matter, which we have debated at length. The outcome is that people are perhaps more likely to buy from a ticket tout and might even consider ticket touting themselves.

The Minister said on Tuesday that the rules were stated in the terms and conditions of sale on the ticketing website. However, I am sure that he, as much as any of us, may be guilty of not always reading through the boring bits of small print on a website when buying something, and sometimes just ticks the box to say that he has read the terms and conditions. Although I did not go through the process—as I have said, I intend to buy from the resale exchange facility to test it out—I understand that applying for the tickets was fairly laborious, no doubt necessarily so. Having made the selections and decided how many thousands of pounds they were possibly willing to commit on their credit card, it would be understandable if an applicant did not have the patience to read through the small print.

Perhaps the Minister could speak to LOCOG to see if there is a way of making it absolutely clear to anyone lucky enough to win tickets in the ballot that they may not resell them through any mechanism other than the official channels, or in a private transaction, at face value, to friends and family. Perhaps there could be a bold section on the back of the ticket, with the full implications in plain English. I do not think that it is beyond the ticket designers' ability to incorporate that section, and I imagine that the tickets have not yet been designed or finalised.

Other awareness campaigns would also be appropriate to ensure that people do not buy from unofficial sources—the Minister referred to that in his contribution on Tuesday. In his evidence, the assistant commissioner said that the police would work closely with LOCOG to get that message out, but perhaps the Minister, and his very able Department, could also work on it.

My next point arises from the assistant commissioner's evidence, in which he explicitly said that touts targeting the games are operating for other music and sporting

events, and are involved in other criminal activity. That is something else on which the Minister and I have exchanged views. From reading the evidence, I am fairly confident that my position has been vindicated, at least in part, by what the assistant commissioner said. He also spoke about the impact on the UK's reputation; touts hanging around outside venues and transport hubs make a place look lawless, and that is not the kind of image we want to portray to the people who come from around the world to see the games.

The same can be said about touts for other types of tickets. Coincidentally, UK Music published a report on music tourism on Tuesday—the day on which we discussed this in Committee—which claimed that live music and festivals are worth £1.4 billion to the UK's economy annually, and that people from other countries are responsible for a fifth of that revenue. It is clear therefore that if touting for the Olympics is a matter of protecting the reputation of our great country, efforts should be made to protect our reputation with the far greater number of people who come here to enjoy some of the fantastic cultural events that we are known for the world over, such as Wimbledon and Glastonbury—even the Chelsea flower show, which the Minister will no doubt have spotted was in the news last week because of ticket touting. Bringing my remarks back to the Bill, I am satisfied, as is my right hon. Friend, that the amendments need not be made. I look forward to seeing the strong public awareness campaign that is needed to support and improve the deterrent.

**Mr Don Foster** (Bath) (LD): I rise to take the opportunity to say how delighted I am to serve under your chairmanship, Mr Amess. Having done that, may I respond to the Minister's comments about the evidence sessions? I think that all members of the Committee would agree that, while it was a very helpful session, the most helpful evidence by far was given by Assistant Commissioner Chris Allison. Members will be aware that, in response to a question I asked, he said very clearly that the £50,000 figure proposed in the amendment was disproportionate and inappropriate. He went on to point out that, were we to make the amendment, it might lead us into difficulty because the court procedures that would have to be followed would be different, and therefore more time consuming and difficult. He gave us a very clear steer that we should avoid going down the route proposed by the amendment.

As the issue has been raised by the hon. Member for Washington and Sunderland West, who rightly takes great interest in these matters, I hope that the Minister will take her comments on board, and those of others. There is an urgent need to make clear not only the illegality of touting and its various forms, but the fact that there will be an exchange system in place, because many people are not yet aware of that. The sooner we can promote that more vigorously, the better.

9.15 am

Finally, may I say to the Minister that, while I am delighted by the assistant commissioner's evidence about the vigour with which touting at the Olympics will be tackled, I hope that the same vigour will be applied to touting at football matches, as I do not believe that that is taken seriously enough? We are all very exercised

about the issue of touting. We know that measures will be in place for the Olympics and Paralympics and for football, but in relation to many other events we have not got our act together and we need to address the issue of touting and what we can do to stop it.

**Hugh Robertson:** May I begin by thanking the right hon. Lady the Member for Dulwich and West Norwood for tabling the amendments? I understand why she has done so. I suspect that had we been having this debate 18 months ago I would have done exactly what she has done this morning. I also thank the hon. Lady the Member for Washington and Sunderland West for her contribution.

May I say at the outset—I have said this before to the hon. Lady the Member for Washington and Sunderland West—that I do not personally have strong feelings about this, although the hon. Lady does? At the other end of the debate, some people believe that ticket touting is a reasonable free-market activity. I do not subscribe to either of those views; I am happy to be led by the evidence.

The original provisions were included in the 2006 Act. However, when we bid for almost any global sports event, there is an anti-touting provision in the host nation contract that we have to sign. It is not just for the Olympics; it is becoming much more widespread. The original provisions of the 2006 Act led to a fine of £5,000. As a result of Operation Podium, the Metropolitan police said that they thought that fine was insufficient and that it should be £20,000 instead. This was backed up—and I agree with my right hon. friend the Member for Bath—by the excellent evidence of the assistant commissioner on Tuesday. That was an instance where having the expert in front of the Committee was very helpful. I spoke to him again afterward the evidence session, and he made it clear that that fine is sufficient. He was keen that we should stick to £20,000, given that a higher fine would lead to extra complications.

I do not have a doctrinaire position one way or another; this was driven by the operational requirements of the Metropolitan police. That is why we have gone for £20,000. The hon. Lady the Member for Washington and Sunderland West made a good point about awareness. Yes, we have all bought airline tickets with two pages of tightly typed conditions, where we tick the box at the bottom and move on quickly to credit card payment. If the measure is going to work, it is vital to target criminality, so that we do not catch out people who have simply done something that they think will be helpful to a friend. It is vital that the message about this is correct. I undertake personally to write a letter to the chief executive of LOCOG to make this point. By good fortune, we have an Olympic Board meeting this afternoon, which both the right hon. Member for Dulwich and West Norwood and my right hon. friend the Member for Bath will attend. I will ensure that we have an opportunity to report on the progress of the Bill should we conclude proceedings today, and I will make that point at the board on behalf of the hon. Member for Washington and Sunderland West so that it gets the airing that it deserves.

**Tessa Jowell:** History will judge that this is an issue that was well scrutinised and tested. Given the assurances from the Minister and the satisfaction with which the

evidential basis for the £20,000 fine has been accepted by my hon. Friends, I am content to beg to ask leave to withdraw the amendment.

*Amendment, by leave, withdrawn.*

*Clause 3 ordered to stand part of the Bill.*

*Clause 4 ordered to stand part of the Bill.*

## Clause 5

### ENFORCEMENT OF TRAFFIC REGULATION ORDERS AND NOTICES

**Tessa Jowell:** I beg to move amendment 5, in clause 5, page 8, line 38, leave out paragraph (a).

**The Chair:** With this it will be convenient to discuss the following: amendment 6, in clause 5, page 8, line 40, leave out ‘Secretary of State’ and insert ‘Mayor of London’.

Amendment 7, in clause 5, page 9, line 4, leave out ‘Secretary of State’ and insert ‘Mayor of London’.

Amendment 8, in clause 5, page 9, line 6, leave out ‘Secretary of State’ and insert ‘Mayor of London’.

Amendment 9, in clause 5, page 9, line 7, leave out ‘Secretary of State’ and insert ‘Mayor of London’.

Amendment 2, in clause 5, page 9, line 16, at end insert—

‘(3) Before setting the level of any charges, the Authority must consult the relevant local authorities.’.

**Tessa Jowell:** Again, the amendment deals with two issues: the responsibility for setting and administering the penalty charges for breach of the Olympic route network and the obligation to consult the relevant authorities, given that, as we heard from Hugh Sumner and others at our evidence session, parts of the ORN will support venues outside London.

Clause 5 will enable the Olympic Delivery Authority to set the penalty charges for traffic contraventions during the games, and proposes that final approval of the level of charges for the violation of Olympic traffic regulations should lie with the Secretary of State for Communities and Local Government. The purpose of our amendments is to argue that those final powers and responsibilities should lie with the Mayor of London instead. That is one way in which Labour believes that the clause could be improved.

The case is one of consistency and the proximity of accountability. Significant powers have been devolved to the Mayor in recent years, including housing, economic regeneration and, most recently by the coalition Government, full responsibility for the Olympic legacy. It therefore seems inconsistent that final approval of the level of charges for violating Olympic traffic regulations should lie with the Secretary of State rather than the Mayor of London.

We now have devolved government for London. Under the previous Government, in 1999, the Mayor was given further responsibilities. Through Transport for London, the Mayor was given the power to impose congestion charges, emission charges and a workplace parking levy. We also decided that the Mayor should have the power to appoint and set the budget of the Metropolitan

Police Authority and to set the budget for the London Fire and Emergency Planning Authority. Government for London, which had previously been out of step with other western capitals, was clearly important, and it has turned out to be popular with Londoners and economically vital to securing London's place as a competitive centre for business and commerce.

I make no judgment about the respective merits of either incumbent in handling transport issues, but the amendment would establish the important principle that ultimately, the elected Mayor of London should have the final say in approving the charges proposed by the Olympic Delivery Authority. The fines have the potential to be controversial in London and for Londoners, so it is only right that London's elected representative should determine at what level they are set for the relatively short period in which they will apply.

The second part of our amendment relates specifically to the ODA's duty to consult the relevant authorities, particularly in relation to the Olympic route network that will operate outside London. Having made those points, I commend the amendment to the Committee, in the interests of consistency with the other powers that now reside with the Mayor.

**Hugh Robertson:** I thank the right hon. Lady for the amendment. As she is a former Minister for London, I understand why she tabled it.

I will deal with the amendments in reverse order. Amendment 2 requires the ODA to consult the relevant local authorities outside London before it sets the level of penalty charges, and the ODA has already done so. Indeed, that was a key part of its consultation. Having considered the matter last night, it is possible to do what the right hon. Lady seeks. As she will know, having been in this position herself, the Secretary of State is able to give binding direction to the ODA under the 2006 Act. We could, if she so wishes, write into the regulations a binding commitment—a direction—that

the ODA must consult all relevant local authorities. We could give such instructions, which would meet the intention of her amendment.

On amendments 5, 6, 7, 8 and 9, the 2006 Act made provision for setting penalty charges for games-related contraventions in London. The Secretary of State was given that power because there are venues outside London, and it was deemed sensible and practical to have one single body responsible for all the regulations, rather than having two separate bodies, with one inside London and one outside. Given our conversation beforehand, and the way in which the right hon. Lady has set out the issue, I accept that it is important to her and I am keen to preserve the sensible, co-operative and consensual nature of our discussion. I do not have a direct answer as to how it might be doable this morning, but if she is happy for me to do so, I will give the matter some thought. I suspect it will be difficult to make the Mayor responsible for contraventions outside London, but we can consider whether we could have a sort of double lock so that the Mayor is responsible inside London. I cannot promise the right hon. Lady that that is possible, but if she will give us time to consider the matter, I will make sure that my civil servants come back to her with an answer before Report.

**Tessa Jowell:** In relation to the obligation to consult, the Minister's proposal is acceptable and, as he rightly says, uses the existing powers of the 2006 Act. We are grateful that he is willing to give further consideration to meeting the point about consistency with the Mayor's other powers, and we are happy for him to take further advice and return to the matter on Report. In light of that, I beg to ask leave to withdraw the amendment.

*Amendment, by leave, withdrawn.*

*Clause 5 ordered to stand part of the Bill.*

*Clauses 6, 7, 8 and 9 ordered to stand part of the Bill.*

*Bill, as amended, to be reported.*

9.29 am

*Committee rose.*

