**Live Events COVID cancellation scheme opened on 22ndSeptember 2021**

**Information for brokers**

On 5 August, the government announced that it is partnering with insurers to offer a cost indemnification insurance scheme which will make cover available against the cancellation, postponement, relocation or abandonment of events due to new UK Civil Authority restrictions in response to COVID-19.

The Live Events Reinsurance Scheme will support live events across the country — such as music festivals, conferences and business events — that are at risk of being cancelled or delayed due to an inability to obtain COVID-19 cancellation insurance. Cover will be available to purchase alongside standard non-covid commercial events insurance for an additional premium.

This intervention will support the UK’s economic recovery from the COVID-19 crisis by giving events the confidence they need to plan for the future, whilst also ensuring that we deliver value for money for taxpayers.

The full scheme rules, as published by DCMS, can be found at

https://www.gov.uk/government/news/800-million-reinsurance-scheme-officially-opens-to-help-give-festivals-conferences-and-live-events-cover-to-plan-with-confidence

HMG have taken care to ensure that the product offered is closely aligned with those available on the market prior to the COVID-19 crisis. Key features of the scheme are as follows:

· The Live Events Reinsurance Scheme is a cost indemnification scheme which protects against costs incurred due to the event being legally unable to happen due to new (or an amendment to existing) Civil Authority restrictions

· The scheme will cover live events that are open to the general public and are physically located in the UK. This includes live music events, festivals, sports events, trade shows and business events. Private events such as weddings and anniversaries will not be covered.

· In order to be eligible, event organisers must purchase the covid cover from participating insurers within the scheme. Event organisers must also have or purchase a standard events cancellation policy (or a policy which includes event cancellation coverage) provided at least in part by a participating insurer – the government backed covid cover will not be offered on a standalone basis.

· Premium is set at 5% of the total value of insured costs (plus Insurance Premium Tax).

· Claims will be subject to an excess of 5% of the value of the insured costs or £1,000 (whichever is higher) per policy.

· Event organisers can purchase cover up to the full cost of their event, irrespective of when those costs are incurred.

. It is possible to purchase cover for a run of events (e.g. a concert tour), but cover is only available when purchasing cover for the entire run of events or when pre-selecting events that will be covered.

· Cover must be purchased at least 8 weeks prior to the event taking place. This requirement will however not apply for the first 12 weeks of the scheme.

· The government’s expectation is that participating insurers will pay no brokerage in connection with the scheme and no deductions for such brokerage will be made to any premiums paid by insurers to DCMS in connection with the scheme.

The scheme will run until the end of September 2022. Cover will be available to purchase through participating insurers. A number of prominent insurers in the Lloyd’s market, including Arch, Beazley, Dale, Ark and Munich Re are supporting the scheme, and we expect more to follow. Brokers can now start approaching these insurers to discuss risk information needed for cover and event eligibility. Brokers are also encouraged to approach Oliver Wyman/Marsh, the administrator of the scheme, at liveevent@marshcommercial.co.uk.