



## **HBAA Members and Partners**

### **The Code of Conduct**

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## **1. Introduction**

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The Hotel Booking Agents Association was formed in 1997. Its members are all independent, well established companies that specialise in making accommodation, meetings and/or events reservations as their core business.

The Association was formed to act as a united forum to address common issues and to push for improved standards in product and service delivery by suppliers - the hotel and venue industry - for our corporate clients ("Clients"). In turn we ensure that our Members abide by agreed standards in dealing with Clients and suppliers alike.

### **The HBAA Vision**

The HBAA shall be recognised as the industry body representing the accommodation, meetings and/or events reservation profession, for the benefit of its members, in partnership with hotels, venues and corporate buyers.

### **The HBAA Strategic Objectives**

- Promoting best practice for those involved in the procurement and provision of accommodation, meetings, conferences and events.
- Providing a framework for recognised personal professional development within the industry.
- Encouraging and nurturing innovation that will advance the industry.
- Ensuring that the HBAA is the voice of the industry, promoting the interests of its membership.
- Continuing to develop opportunities to provide formal and informal business networking for members.
- Ensuring that the HBAA is recognised as the primary source of expertise for the corporate MICE and travel professionals and other individuals seeking to understand meetings, conferences, events and accommodation.

### **The Code of Conduct for HBAA Members & Partners ("The Code of Conduct")**

This document, the Code of Conduct, sets out the principals by which HBAA Members and Partners shall operate and conduct business. It is the intention that the HBAA shall be made up of Members and Partners, who are like minded with regard to their intention to improve standards and service delivery within the accommodation, meetings and/or events reservation profession.

The Code of Conduct has drawn together many of the documents that previously constituted the principals of how Members and Partners interacted, and it should be considered as the sole document for reference.

The Code of Conduct indicates the standards of behaviour expected of a Member/Partner of the HBAA. It sets out, in general terms, the standards and duties which it is reasonable to expect a Member/Partner to observe. This can be used as a point of reference when dealing with disciplinary procedures against Members/Partners. This is intended to protect the profession, individual practitioners, and their clients.

#### **The Scope of the Code of Conduct**

1. The code has been drawn up to provide the minimum standards to be maintained by all Members and Partners.
2. All Members and Partners shall observe the Code of Conduct in so far as it applies to their business.
3. Members and Partners are required to sign the Code of Conduct to confirm their acceptance of the terms and conditions of the Code of Conduct as a condition of membership.
4. The HBAA may issue changes to the Code of Conduct from time to time.

## **2. Benefits of Membership & Partnership**

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### **2.1 Mutual Benefits**

- 2.1.1 To be part of a united forum, working towards improved industry standards.
- 2.1.2 Assurance that Members and Partners are committed to particular standard protocols, and this Code of Conduct.
- 2.1.3 Regular networking opportunities for Members and Partners.
- 2.1.4 Discounted rates at HBAA Training Courses.
- 2.1.5 Two, free of charge, tickets for the HBAA Annual Forum with the option to purchase additional tickets.
- 2.1.6 Members and Partners have an allocation of complimentary tickets for the Annual Dinner.
- 2.1.7 Web presence with a link to your own Web Site. Your company description & logo is displayed on the HBAA Web site.
- 2.1.8 Access to the HBAA Dispute Resolution Process, detailed in Section 9.
- 2.1.9 Transparent and unambiguous financial arrangements between Members and Partners.
- 2.1.10 Representation of Members and Partners at the HBAA annual CEO Dinner.

### **2.2 Benefits to Members**

- 2.2.1 Bi monthly Members meetings at no charge.
- 2.2.2 Special discounted accommodation and conference rates offered to HBAA Members.
- 2.2.3 Other suppliers may offer discounted rates to Members.
- 2.2.4 Continual updates of special and seasonal rates available.
- 2.2.5 Parity of information with Members through all distribution channels, updating on industry issues & newsworthy material.
- 2.2.6 The ability, subject to the agreement of the Partner, to deduct commission at source against bookings made into a Partner venue.
- 2.2.7 Numerous networking forums arranged to enable like minded industry professionals to meet.

## **2.3 Benefits to Partners**

- 2.3.1 Marketing to Members through hosted meetings.
- 2.3.2 Access to management information prepared exclusively by the HBAA, on industry trend data, produced from Members' spend data.
- 2.3.3 Access to HBAA annual accounts, as submitted to Companies House.
- 2.3.4 Event/meeting hosting opportunities.
- 2.3.5 Regular Partner meetings.

## **3. Mutual Obligations of HBAA Members & Partners**

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This section contains obligations which are to be observed by both the Members and Partners

- 3.1. Members & Partners must conduct themselves in such a way that their conduct would not be reasonably regarded by their professional colleagues within the field of accommodation, meetings and/or events reservations, as professional misconduct. It is by this overall test that the conduct will be judged.
- 3.2. Members & Partners must not engage in conduct which may seriously prejudice the standing and reputation of the accommodation, meetings and/or events profession or of the HBAA.
- 3.3. Members and Partners agree to maintain as confidential and not to use or disclose to any third party any confidential information derived from the other party without the consent of the disclosing party except where such use or disclosure is reasonably necessary for the proper performance of the Code of Conduct or their respective relationship.
- 3.4. Members and Partners are obliged to distribute throughout their organisations and to train all appropriate staff on the information/obligations contained in this Code of Conduct.
- 3.5. Attendance at meetings, as required by clause 4.4 and clause 5.4 below
- 3.6. Members and Partners agree to have principal Directors, Partners or senior representatives attend HBAA meetings, whenever possible.
- 3.7. Members and Partners are to advise the HBAA Secretariat of key contacts within the Member/Partner's organisation that will be available to resolve issues raised with their respective organisations, and a contact address at which notices can be served. The HBAA Secretariat will review this contact list regularly. Any changes to the Member/Partner's contacts should be made known to the HBAA Secretariat immediately.

- 3.8.1 The rate of commission between a Partner and the Member is a matter of commercial negotiation, but in a situation where commission is due and no rate of commission has expressly been agreed, it is recommended that the minimum rate of commission shall be either;
- 8% + VAT on a rate inclusive of VAT; or
  - 10% inc VAT on a rate inclusive of VAT
  - 10% + VAT on a rate exclusive of VAT
- 3.8.2 It is recommended that unless otherwise agreed commission, shall be paid on accommodation, room hire, delegate rates (whether day or 24 hour rates), pre-booked (i.e. prior to arrival) food and beverage whether booked by the Member or the Client.

## **4. Members Obligations**

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Being a professionally operated organisation, the HBAA requires its Members to conform to the following obligations of membership. These obligations have been established to ensure the interests of Members are protected.

### **Criteria for Membership:**

1. Be fully aware of the HBAA Code of Conduct and adhere to the code throughout their business. Members must agree to sign and abide by all terms and conditions of the Code of Conduct and are responsible for ensuring all members of their staff are aware and abide by the Code of Conduct.
2. Provide Statistical management information upon request to the HBAA secretariat
3. Ensure the owner or senior representative attends at least 50% of members meetings per year.
4. Applications must be proposed by one existing member and seconded by two existing partners
5. Payment of membership fees must be settled on the due date. The Executive Committee reserves the right to expel members who have not paid their annual fees within 30 days of the due date.
6. Agencies must be trading for at least 6 months prior to applying for membership. Any application from an agency that has been trading between 6 months and less than 2 years must provide a business plan showing financial viability. Partner references must be relevant to the business placed since start up.



7. Member's income must be predominantly from the booking of hotels and conference venues and the associated management of conferences, incentives and events. At least 75% of the total trading company's income revenue must be derived from commissions paid from hotels and venues, management fees for booking hotels and venues and event management fees.
8. The Executive Committee has the right to amend the membership criteria as deemed necessary from time to time
9. The Executive Committee reserves the right to request management accounts and/or a credit check.
10. The Executive Committee reserves the right to reject any application for membership.
11. Names of applicants are to be circulated to members and partners 14 days prior to an application being considered by the Executive Committee and if any objections are received these will be taken into account when considering the application
12. All use of the HBAA logo and reference to membership must be removed from websites, printed matter and other marketing within 30 days of leaving the association (either by resignation, non renewal or expulsion)

**HBAA Members will:**

- 4.1 Be fully aware of the Code of Conduct and be able to adhere to the Code of Conduct throughout their business.
- 4.2 Provide statistical management information on a monthly basis upon request to the HBAA Secretariat, in order to analyse market trends & association spend.
- 4.3 Attend at least 50% of Members Meetings per year and / or send a colleague in the absence of the principal.
- 4.4 Pay within the requested time frame the annual membership fee, which from time to time will change.
- 4.5 Identify themselves, at the outset of negotiations, as booking agents and state clearly their requirement for commission, if any required, if no existing arrangement is in place.
- 4.6 Be honest in dealings with Partners and either identify their Client by name, or issue a form of reference and industry sector, should the Member be unable to identify their Client for confidentiality reasons.
- 4.7 Not mark up a rate quoted by a venue/hotel, unless consent is received from the venue/hotel; such consent not to be unreasonably withheld.
- 4.8. Seek clarification on venue's cancellation policies and terms and be responsible for informing their Client of same.

- 4.9 Issue written or electronic confirmation of all booking details to Partners and Clients within an agreed time frame, generally accepted as 8 business hours. Such confirmations to be in a clear format with reference to the venue's cancellation policy and any booking reference issued.
- 4.10 Give written notice to the Secretariat of the Member's intention to resign from the HBAA. There will be no entitlement to any refund of fees.
- 4.11 Not to prejudice a Partner's commercial position by demanding that net rates are made commissionable when a Client with a pre-existing contracted 'net rate agreement' is secured part way through the term of that agreement.
- 4.12 Carry an assurance of quality for their Clients and are required to use the HBAA logo on all appropriate promotional material within 12 months of becoming a Member.
- 4.13 Honour any booking guarantees they commit to, with reference to non-arrival/cancellation charges and will assist with the collection of any non arrival and cancellation charges from their clients.
- 4.14 Outside of preferred supplier agreements, prioritise, at the point of sale, Partners over non-Partners.
- 4.15 Commit to providing face to face access to Partners at least twice a year where mutual benefit can be demonstrated. The format of this access is at the Members' discretion.
- 4.16. Not claim bookings as their own and subsequently claim commission from a Partner when the initial enquiry and provisional booking was made by the Client unless otherwise agreed, such consent not to be unreasonably withheld.

## **5. Partners Obligations**

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Organisations that provide accommodation, conference, meeting or training facilities or operate within a similar industry or in a similar manner and are like minded with regard to their intention to improve standards and service delivery within the accommodation, meetings and/or events industry shall be entitled to apply to join the HBAA as a 'Partner'.

As a Partner of the HBAA, you agree to work with Members of the HBAA in alliance with the Code of Conduct, and confirm that you will uphold your obligations set out below:

### **HBAA Partners will:**

- 5.1. Be fully aware of the Code of Conduct and be able to adhere to the Code of Conduct throughout their business.
- 5.2. Alert the Member, at the outset, if a specific enquiry has already been received from another agent, or direct from the client.
- 5.3. Attend at least 50% of Partners Meetings per year and / or send a colleague in the absence of the principal.
- 5.4. Use discretion and be confidential about the Client's identity on any enquiry.

- 5.5. Honour commission agreements in place.
- 5.6. Not undercut prices given to a Member for the same business/enquiry already made on the same or similar date subsequently received directly from a Client.
- 5.7. Honour verbal or written agreements for all rates issued for an agreed period.
- 5.8. Agree to pay commission, at the rate agreed between the parties on all commissionable business. Commission will be due and payable to the Members in accordance with the following;
  - 5.8.1 Where the Client is settling the invoice directly with the Partner, or on departure, commission will be due to the Member within 30 days of the date of the Member's commission invoice.
  - 5.8.2 Partners are to provide, if requested, copy invoices to the Member within 5 days of the guest's departure from a venue or 5 days of the Members request for the same.
  - 5.8.3 Where the Member is operating a 'billback' process for the Client, as an agent; commission will be due to the Member as soon as possible and no more than within 30 days of the Member transferring 'billback' funds' to the venue/hotel.
  - 5.8.4 Where the Member is operating a 'billback' process for the Client, as the principal; commission will be due to the Member within 30 days of receipt of 'billback' funds' from the Member or may be taken at source by the agent.
  - 5.8.5 For the avoidance of doubt, commission will also be due to Members on any monies collected as a result of cancellation charges, 'no shows' and 'short stays'.
- 5.9. Be honest in any deductions of commission due to No Shows or Short Stays.
- 5.10. In the absence of prior agreed terms and conditions, charge only valid amounts for 'No Shows' and late cancellations – e.g. loss of profit and such charges associated with Partners obligations as to reletting the space/accommodation, exclude VAT, etc.
- 5.11. Not book out a Members' Client unless in extreme circumstances. In such cases the Partner would:
  - 5.11.1 Advise the HBAA Member during working hours.
  - 5.11.2 Accept full responsibility for the outbooking to the customer and absolve the HBAA Member of such responsibility.
  - 5.11.3 Book the customer in an alternative venue in close proximity to the outbooked venue of at least the same standard or better.

- 5.11.4 Pay any difference in cost of the room if relevant.
  - 5.11.5 Arrange and pay the cost of a taxi to and from the new venue to the venue from which they are being checked out.
  - 5.11.6 Advise the Member by 9.00am the following day of the occurrence of the outbooking.
  - 5.11.7 Write to the client, if required, the contents of such letter to be mutually agreed.
  - 5.11.8 In the instance where the outbooking venue is the payee for the transaction, ensure that the Member's commission is paid.
- 5.12. Direct all incentive offers - financial or otherwise, to induce additional business - to the directors of the Member agency in the first instance and not directly to the agency staff. Each Member will choose whether they wish to participate in any such scheme, and if so whether they wish to "pool" such benefits or allow individual incentivisation. Partners will also advise Members, at the time of offering such incentives, whether the Partner offering the incentive is also assuming responsibility for all/any national insurance and tax liabilities.
  - 5.13. Not offer credit facilities, to Members or other booking agents who cannot conform to the requirements set out in Section 7, unless a commercial agreement exists between the parties.
  - 5.14. Only with prior agreement, allow Members to deduct undisputed commission from the payment to the venue prior to making the said payment, such agreement not to be unreasonably withheld.
  - 5.15. Use best endeavours to implement procedures for central commission payments and will not impose a central commission collection charge.
  - 5.16. Not act in a manner which unfairly prejudices Members from non-Members of the HBAA and will use best endeavours, subject to commercial arrangements, to allow Members the same beneficial terms and conditions that may exist between non-Members and Partners.
  - 5.17. Not inform the Members' Clients of the percentage commission receivable by the Members, either by express or implied methods. Such information should not be contained in contracts to be signed by the Clients. However, for the avoidance of doubt the contracts may state that rates are commissionable but not the value or percentage of the commission.
  - 5.18. In the event of a disputed commission invoice, pay all undisputed amounts within the stipulated time, as herein referred, leaving the disputed amounts outstanding. The Partner shall have a period of 30 days from the date of the Member's invoice to dispute any amount on the invoice. Once disputed amounts have been resolved such agreed amounts shall be payable within 30 days of the agreement. For the avoidance of doubt the amount to be disputed shall not be the total amount of the invoice but shall be the individual amounts, unless the total amount is made up of one entry.

- 5.19. Pay commission on the full commissionable value as booked if a Partner reduced a client's invoice by an amount representing a discount or credit, the reason for the discount or credit being without doubt due to the Partners failure to provide a service, unsatisfactory service or similar circumstances. However, it is understood that this may be subject to negotiation between the parties.

## 6. Enquiry Process and Options Policies

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HBAA Members and Partners are committed towards providing space at venues, which is booked and used efficiently for the mutual benefits of Members/Partners and Clients.

In order for the space to be used efficiently, both Members and Partners commit towards establishing a detailed client brief and the provision and holding of venue space which is subsequently not diluted by vague or unlikely commitment.

This policy serves to:

- ☐ Create clearer identification of client requirements, through improved enquiry qualification and understanding of client brief;
- ☐ To provide clients with the best and most suitable match to their requirements;
- ☐ To increase conversion rate of provisional booking to confirmed status;
- ☐ To eradicate the false demand that exist within the market as a result of multiple option holding, whereby inaccurate demands can inflate rates above the "true" market conditions.

Please refer to the "**Enquiry Best Practise Process**" – Appendix E to support the below.

- 6.1 When holding space – always hold as per initial enquiry – this should not be amended or cancelled unless discussed with the Member who must agree any changes with the Client.
- 6.2 Member (Agency) and Partner (venue) enquiry/option holding protocol.
  - 6.2.1 Upon receiving an enquiry, where space is available and subsequently offered by the Partner to the Member on behalf of the Members client, the venue will provide the Member requesting the space first with an exclusive provisional booking on a 1<sup>st</sup> option basis.
  - 6.2.2 During the agreed exclusive provisional 1<sup>st</sup> option period the Partner cannot release the said space without consultation with the Member.
  - 6.2.3 Partners will not operate "joint 1<sup>st</sup> option" or "race for space" policies.
  - 6.2.4 On receiving a brief, where Partner subsequently "denies" or "turn down" that business, a Partner will communicate the reason, including but not limited to, a lack of availability, tactical decision making, historical low client conversion, strategic sale decision, such reasons to be no different than those that a Partner would communicate to a Client direct. Such a practise will positively influence opportunities for Partners to maximise business potential through educating the market and guiding business into non peak days and/or periods.

- 6.2.5 When requesting to hold space at venues Members will support the options policy by proposing 2<sup>nd</sup> and subsequent options to clients and not restrict to only offering 1<sup>st</sup> options to Clients. Members and Partners will liaise in order to track the progress of the option.
- 6.2.6 The Member commits to working with their clients towards reducing the number of options held per enquiry with the aim of increasing hotel conversion, reducing Member operational costs, and reducing the existence of inaccurate demand and providing a more realistic price within the market at any given time.
- 6.2.7 Partners recognise that there will be situations where it is in the interest of all parties for Members to promote to their clients “wild card options” that do not entirely meet the client’s brief. These may be Partner venues that are new and need great exposure, new destinations, venues under new ownership/management, venues offering particularly attractive deals owing to cancellations or low season dates, or any reasons. Members should be neither penalised nor discouraged from proposing wild card options to Clients but should be transparent with Partners when this is the case.
- 6.2.8 Members agree to transparency in regards to the number of options held per enquiry, but Members must be mindful of the implications of multiple option holding. Partners are encouraged to discuss consistently low conversion with relevant Members prior to restricting said Members from holding space.
- 6.3 At the outset of the enquiry always advise the Member if there are any limitations on public access to the venue/hotel e.g. whether areas are open to the public, lack of disability access etc and/or if there are any planned or current building/refurbishment works being undertaken at the hotel/venue or its immediate neighbours where there will be any actual or possible noise, vibration or other disturbance at the time of the proposed reservation. Unusual access points, specific to the venue/hotel, must always be advised to the Member. This point will be covered by best endeavour.

## **7. Model Agency Agreement**

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The HBAA recommends that Members and Partners have written agreements with each other. The HBAA has produced a recommended format, contained in Appendix A, as a basis for Members and Partners, to prepare their own. This will enable both parties to undertake business in a more professional manner, to clarify their relationships, to avoid disputes and to build mutual loyalty leading to additional business.

## **8. Billback & Credit**

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Given the importance of financial best practice within the accommodation, meetings and/or events reservation profession, the HBAA has set out below the basis on which financial transactions should take place between Members, Partners and Corporate Clients, subject, of course, to individual commercial agreements between them.

For the avoidance of doubt, Billback is a service which may be offered by the Members and/or the Partners to their respective Clients, whereby invoices for the services provided by the Partners are not settled on departure, but are sent to the Members or retained by the Partners, and subsequently sent to the Client for payment or settled directly by the Member. There are numerous variations to the operation of a Billback service, but the common definition which exists within the industry should be applied.

Members can act in either of two legal capacities, **principal** or **agent** and have a right to elect which capacity they wish to operate under. Under the former the Member assumes financial liability for the venues invoiced charges whilst under the latter the Member acts as an agent (either by implication or expressly) and thus the financial liability rests with the Client.

The billing instructions of the Member should be clearly established with the Partner at the outset of every transaction, either periodically or on a transaction by transaction basis. Furthermore, the Member can elect to hold different capacities dependent upon the Client.

The HBAA has written a “Best Practice” code, which is attached in appendix C. Members who can certify that they adhere to that code are entitled to display a “kitemark” and promote this status to clients and partners alike.

The Members hereby agree to operate under one of the following capacities;

#### **8.1. Member acts as a Principal**

This means that the financial liability for the transaction rests with the Member and any debt collection issues or obligation is between the Partner and the Member.

##### **8.1.1. Standard Credit Agreement**

A credit agreement exists between the Member and the Partner. The credit limit is set at a level advised by the credit checking agencies of the Partners. The Member must abide by the terms of the agreement.

##### **8.1.2. Extended Credit Agreement**

Where the Member requires a credit limit beyond the limits recommended by the credit checking agencies of the Partners, the Member will be required, if requested by the Partner, to provide evidence of “credit guarantee insurance”, enough to cover the additional amount of credit required for all the Partners with which the Member places business.

##### **8.1.3. Separate commercial agreements exist between the parties.**

The Parties establish a separate and legal commercial agreement, wherein the Member acts as Principal, which overrides the provisions of 8.1.1 and 8.1.2 above and thus agree with each other on the terms and conditions particular to their circumstances.

## 8.2. The Member acts as an Agent

This means that the financial liability for the transaction rests with the Client and any debt collection issues or obligations are between the Partner and the Client.

### 8.2.1. Standard Credit Agreement

There is a credit agreement between the Partner and the Client. The Client empowers the Member in writing to access the Client's credit facility for the fulfilment of the services provided by the Member. The Partner is provided, if requested, with a copy of a letter/contract, such as the letter contained in Appendix B, prior to any business being placed.

### 8.2.2. Deferred Liability Agreement

The Member forwards to the Partner, details of any Clients to whom it wishes to offer a billback facility. This can be done by transaction or for a medium term facility. The Partner takes out the necessary credit checks on the Client. The Partner confirms back to the Member the acceptable credit limit they would offer the corporate Client/s in question. The Partner may provide a standard credit agreement for signature by the Client. The Member then provides the Partner with a copy of the signed letter/contract from the Client, which shall be on the Client's letter headed paper. This unambiguously confirms:

- ☐ the Client's liability for any debts which may arise in connection with the services provided by the Member, in the fulfilment of the Client's hotel and conference booking requirements.
- ☐ the Partner's right to bring a direct claim against the Client in the event of default.
- ☐ the Partner's right to take any necessary steps to recover the debt from the Client in the event of default.

A copy of a sample letter is attached at Appendix B

### 8.2.3. Separate commercial agreements exist between the parties.

The Parties establish a separate commercial agreement, wherein the Member acts as Agent, which overrides the provisions of 8.2.1 and 8.2.2 above and thus agree with each other on the terms and conditions particular to their circumstances.

## 9. Whose Client Is It?

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There are four areas to consider when the issue of 'whose client is it?' might arise and more particularly who is entitled to receive any commission due from the Partners and who can make approaches to the Client for business. These areas can be categorised as follows;

- A. Member & Member** – Where two agents disagree as to who owns the Client and therefore who is entitled to receive the commission
- B. Member & Partner** – Examples such as when the Partners are entitled to approach the Client, introduced by a Member, directly for business
- C. Member & Client** – Examples of whether the Member has been properly instructed to act on behalf of the Client
- D. Partner and Client** – Examples such as concerns as to whether the Partner has been properly instructed to act on behalf of the Client



The following provisions of this section are to be considered as best practice and it is the intention of this section, as it is throughout this document that Partners and Members operate in a fair and ethical manner. Furthermore, the provisions of this section are not to be used to protect Members/Partners who do not invest in developing strong Client relationships.

Section 9 establishes that there is a desire between Members and Partners to have a level playing field in terms of price and product, so that Partners do not make direct bookings more attractive to Member's Clients.

- 9.1. It is accepted by the Members and Partners that the Member who has been instructed by the Client to enter into a contractual relationship to place business ("Confirmation of Business") is the Member who is entitled to receive any commission due from the business.
- 9.2. If a Client has in place a policy which mandates, although not wholly exclusively, the use of a particular Member ("the Mandated Member") and the Client chooses to use a Member who is not the Mandated Member (the "Non-Mandated Member"), the Non-Mandated Member shall be entitled to receive any commission properly incurred, provided the Non-Mandated Member confirms the piece of business.
- 9.3. Where there are two agents handling an event on behalf of a Client, commission is paid to the agent that confirms the business with the authority of the Client, not necessarily the one that makes the first enquiry.
- 9.4. When there is one Member involved in an enquiry and prior to confirmation the Client appoints an event management company, another Member or a non member, it is considered best practice that commission is paid to the party that confirms the booking with the Client's instructions.

However, if the Client chooses an event management company, another Member or non member after confirmation, then commission is paid to the agent that confirms the event on behalf of the Client, with the Clients' instructions regardless of the subsequent appoint of another event management company, Member or non member.

- 9.5. It is not acceptable practice for a Partner to provide an incentive to a Client, introduced by a Member, to place subsequent bookings direct by using price, added value items or other beneficial factors. This does not restrict Partners from maintaining existing and building new relationships with any bookers within any corporate companies.

This does not restrict the Partners signing up Clients to loyalty programmes or reward schemes where these are not used specifically to act as an incentive to a Client to book a hotel/venue directly.

## **10. Dispute Resolution Process**

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This dispute resolution process is considered as best practice to resolve any matters that arise between Members and Partners and is not to be considered as the route to enforcement of this Code of Conduct. If the Code of Conduct is breached or considered to have been breached, the HBAA, as an association, will take the necessary action against the party considered to have breached the Code of Conduct in accordance with Section 11.

Whilst this dispute resolution process has been sanctioned by the Chartered Institute of Arbitrators, UK (CIA) and the HBAA, the Members and Partners are not obliged to follow these guidelines; rather, they should be used if other attempts to resolve disputes have failed.

In the situation where a dispute has arisen and cannot be resolved without a process, it has been agreed by the Members and Partners that the following processes should apply; furthermore, it is not the intention of the HBAA that this process is utilised for disputes between Members/Partners and their Clients. In these situations Members/Partners should seek alternative dispute resolution processes.

As a starting point, the parties shall attempt to resolve any dispute arising out of or relating to this Code of Conduct through negotiations between senior executives of the parties, who have authority to settle the same.

If the matter is not resolved by negotiation within 30 days of receipt of a written 'invitation to negotiate', the parties will attempt to resolve the dispute in good faith through the agreed Dispute Resolution Process procedure set out in Appendix C, or in default of agreement, through an Alternative Dispute Resolution (ADR) procedure as recommended to the parties by the President or the Vice President, for the time being, of the Chartered Institute of Arbitrators.

The 5 Step Dispute Resolution Process set out in Appendix D contains the following:

**Step 1 Negotiation.** As referred to above, both parties will attempt to resolve the issues between them. There will be no involvement of the HBAA or the CIA at this stage.

**Step 2 Consultation.** At this stage a nominated mentor from the HBAA, either a Member or a Partner, will provide advice to either or both parties on how to resolve the issue that has arisen. This will be informal advice and based on best practice.

**Step 3 Conciliation.** This is a formal process and commences with the agreement of both parties. Once both parties are in agreement a panel of two past Member Chairs of HBAA and one past Partner Chair of the HBAA will be appointed. The panel will hear the dispute and will, based on the issues presented, propose a resolution for the parties. This resolution need not be implemented but failure to do so may be construed later as a reluctance to resolve the issue.

**Step 4 Mediation/Arbitration.** If the dispute is referred to this stage, the CIA will be asked to hear the dispute. This will be at the cost of both parties. The CIA will decide on the course of action which will be either Mediation or Arbitration.

**Mediation** is a private and structured form of negotiation assisted by a third party that is initially non-binding. If a settlement is reached the mediator can draw up an agreement that will then become a legally binding contract.

**Arbitration** is a formal and binding process where the dispute is resolved by the decision of a nominated third party, the arbitrator or arbitrators.

**Step 5 Court Action.** Finally, if the matter cannot be resolved through stages 1 to 4 above, the final point for resolution will be via a referral to the Judiciary system and a civil action brought by one party in the Courts.

As stated in Step 4, if the matter has not been resolved by an ADR procedure within 60 days of the initiation of that procedure, or if any party will not participate in an ADR procedure, the dispute may be referred to arbitration by any party. The seat of the arbitration shall be England and Wales. The arbitration shall be governed by both the Arbitration Act 1996 and Rules as agreed between the parties. Should the parties be unable to agree on an arbitrator or arbitrators, or be unable to agree on the Rules for Arbitration, any party may, upon giving written notice to other parties, apply to the President or the Vice President, for the time being, of the Chartered Institute of Arbitrators for the appointment of an Arbitrator or Arbitrators and for any decision on rules that may be necessary.

“Nothing in this clause shall be construed as prohibiting a party or its affiliate from applying to a court for interim injunctive relief.”

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Please refer to Appendix D for a more detailed description of the Dispute Resolution Process.

## **11. Breach of the Agreement**

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This Code of Conduct has been agreed between the Members and the Partners and has been designed to protect the interest of both parties. Consequently, the Code of Conduct should not be breached.

On occasions when the Code of Conduct is breached or suspected of having been breached, the Members, Partners and HBAA shall bring before the Executive Director of the HBAA substantiated evidence and background to the breach/potential breach.

The Executive Director shall then arrange for the Disciplinary Panel to consider the breach/potential breach and the Disciplinary Panel shall ultimately make a decision on the basis of the available information. The Disciplinary Panel shall constitute a select committee of the HBAA Chairperson, as from time to time elected, plus 4 other people being an equal representation of Members and Partners as constituted and called together by the HBAA Chairperson, as elected at the time of the matter being referred to or being actioned by the HBAA.

### **11.1. Offences Leading to Disciplinary Action**

The under noted actions by Members and Partners may be interpreted (by the Disciplinary Panel) to fall within this Code of Conduct. However, the list is not to be considered as fully inclusive or covering all possible offences.

**"Misconduct"** is the carrying out of an event considered to be of a minor nature (unless frequently repeated) and will normally incur a written warning from the Executive Committee together with a demand for full and appropriate corrective action. Examples of offences that may be considered as misconduct include:

- ☐ Discourteous, crude or offensive behaviour at a meeting venue, public place or whilst representing the HBAA.
- ☐ Disregard for the HBAA profession.
- ☐ Consistent disruption of events or meetings organised by the HBAA.
- ☐ Persistent failure to attend meetings/events after having notified acceptance.
- ☐ Any other actions of similar gravity to the above, at the discretion of the Executive Committee.

Repetition of the above offences or failure to comply with any demands made in writing by the Executive Committee may result in further action by the Executive Committee involving a disciplinary hearing.

**"Serious Misconduct"** is the carrying out of an event of such gravity that in the opinion of the Executive Committee it warrants a HBAA disciplinary hearing. Examples of offences, which may be considered as serious misconduct, include:

- ☐ Misconduct offences above if specially grave or repeated.
- ☐ Deliberate or consistent breaches of Code of Conduct.
- ☐ Any attempt to achieve gains or advantage over others by unfair or unscrupulous means, theft or misappropriation.
- ☐ Use of threatening or abusive behaviour.
- ☐ Disregard for one's own or other people's safety.
- ☐ Lying or providing falsified information.
- ☐ Deliberate obstruction of events, of other Members or of officials' lawful actions.
- ☐ Any other action, which in the opinion of the Executive Committee may bring the HBAA or the industry which it represents into disrepute, or which left unpunished, may result in the detriment of the HBAA or its Members.

**"Gross Misconduct"** is action of such seriousness that the Executive Committee may require the immediate suspension of the Member or Partner from the HBAA. The Executive Committee after consultation with a Legal Adviser should they so wish, are empowered by means of an executive decision to summarily expel such an offender without invoking a disciplinary hearing. The suspended Member will have the right to a disciplinary hearing as soon as this can be arranged but will remain suspended until and unless such a hearing overturns the decision of the Disciplinary Panel. Examples of gross misconduct are:

- ☐ Physical violence or assault towards other Members or Partners or related activity, including seriously threatening, intimidating or forceful behaviour.
- ☐ Reckless disregard of the Code of Conduct.
- ☐ Being convicted of criminal offences involving fraud or physical violence or abuse.
- ☐ Other acts that are considered to be of an extremely serious nature perpetrated against the HBAA its Members or any other party.

#### **11.2. Disciplinary Procedure**

On receipt of a written complaint from a Member, Partner or HBAA the Executive Committee with advice from a Legal Adviser, should they so wish, will decide whether the complaint falls within the scope of this disciplinary procedure. If in their opinion it does, then the Executive Committee will decide as to the level of misconduct.

If the offence is considered to be one of simple misconduct, the Executive Committee will write to the offender with a formal written warning including the demand for an apology or other corrective action the Executive Committee may deem appropriate. The Executive Committee will also attempt to obtain approval for their action from the complainant.

A disciplinary file will be opened by the Executive Committee which will contain copies and records of the original complaint, together with the written warning and any other correspondence.

The action outlined above will normally finalise the process unless any of the parties involved object strongly to the decision of the Executive Committee in which case they may appeal directly to the Chairman of the HBAA for a final decision.

Should the complaint be considered by the Executive Committee as one of serious misconduct, then the following procedure will be implemented.

- ☐ The Executive Committee will research evidence presented and, if possible, will obtain further written evidence, witness statements, etc. If necessary they will consult all relevant witnesses for supportive evidence.

- ☐ Advise Member/Partner that if a disciplinary hearing is called, then the Member/Partner and all relevant witnesses will be obliged to attend and give evidence. (Non-attendance at hearing will only be allowed in extenuating circumstances, i.e., ill-health; threat of violence or other intimidation, etc. In such instances a sworn declaration must be submitted to the Executive Committee.
- ☐ Contact the Member/Partner subject of the complaint to advise of the official complaint and request the Member/Partner to submit a written statement of events.
- ☐ In cases of disputes of a personal nature, the Executive Committee will attempt to resolve the situation amicably and to the mutual satisfaction of the parties concerned.
- ☐ If settlement cannot be agreed between the parties, or if the offence merits it, then a disciplinary hearing will be arranged as soon as possible.
- ☐ Contact the HBAA's Legal Adviser if necessary and supply copies of all evidence.
- ☐ Notify all parties as to the hearing date and ensure the parties have all relevant copies of paperwork in good time prior to the hearing, copies to be sent by first class recorded delivery.

### **11.3. The Disciplinary Hearing**

- ☐ The Executive Committee may decide to appoint a Legal Adviser, Solicitor or party of similar standing to take charge of the hearing; all questions will be addressed through this person, if agreed by all the parties.
- ☐ All witnesses to be consulted and all written and material evidence to be reviewed at the hearing.
- ☐ No witnesses or statements can be introduced at the hearing without prior notice and copies of all written evidence produced for consideration prior to the hearing, to be available in advance to the parties.
- ☐ The Disciplinary Panel may adjourn the hearing to allow further evidence to be referred to if the Disciplinary Panel considers it fair to do so.
- ☐ After the Disciplinary Panel has reached a decision, the subject of the complaint to be notified in writing of such decision and informed of any penalties within 7 days of the decision being reached, penalties will be effective from the date of the decision. The result of the hearing may be published on the HBAA's website or any other relevant press.
- ☐ All Members and Partners to be notified of relevant penalties imposed in order that they may fulfil their obligations to the HBAA in the implementation of such penalty. The Member/Partner also to be informed of the result of the hearing as soon as possible thereafter.
- ☐ Details of appeal procedure to be notified to the offender.

### **11.4. – Penalties**

Following the hearing, the Disciplinary Panel will apply such penalties as the Disciplinary Committee consider appropriate, including temporary or permanent expulsion of the Member/Partner from the HBAA such penalties will have immediate effect, notwithstanding the possibility of an appeal. Offences of deliberately breaking the Code of Conduct or those involving threats of physical violence will carry automatic expulsion from the HBAA and will preclude the offender from taking part in the HBAA at any level.

### **11.5. – Appeals**

If an appeal of the decision or penalty is to be made then written notice of appeal by way of first class recorded delivery to the HBAA Secretariat must be given by the offender, within 28 days of being notified of the decision. No appeal will be valid or considered after that period has elapsed.

It will not be sufficient simply to state "I wish to appeal", the offender must give full written grounds for the appeal, stating exactly what being is appealed against and the reasons for this. An appeal together with full and reasoned argument may be considered relative to

- The decision
- The penalty
- Other

An appeal hearing will be convened as soon as practicable and will consist of an Appeal Committee of 4 Members of the HBAA past and current committees (including Chairs of both the HBAA and the Partners Executive Committee) who did not take part in the first hearing and who will elect their own Chairman (who shall have a casting vote).

New evidence cannot be presented at the appeal hearing.

The Appeal Committee shall have power to rescind or amend any decision made at the previous disciplinary hearing.

The decision of the Appeal Committee is final and binding on the parties and not subject to further appeal.

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**APPENDIX A**

**Recommended Agreement Between the HBAA**

**Members and Partners**

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## HBAA Agreement between Members and Partners

The HBAA recommends that Members and Partners have written agreements with each other. The HBAA has produced a recommended format as a basis for Members and Partners, to prepare their own. This will enable both parties to undertake business in a more professional manner, to clarify their relationships, to avoid disputes and to build mutual loyalty leading to additional business. A proposed agreement follows:

This Agreement is made between the parties and on the date set out below.

### 1. DURATION

This Agreement shall remain in force (option - for a period of **X years** from the date of signing), unless and until terminated by one party giving the other not less than one month prior written notice to expire on any annual anniversary of this Agreement.

### 2. COMMISSION

2.1 Commission shall be payable on the rates charged for the following facilities and/or services:

- Residential delegate packages (24 hr)
- Non residential delegate packages (DDR)
- Accommodation
- Room hire
- Food and beverage pre-booked (i.e. prior to arrival) whether by Member or Client

2.2 Commission is payable at the following rate. Please tick appropriate option.

- 8% plus VAT on venue rates inclusive of VAT
- 10% including VAT on venue rates inclusive of VAT
- 10% plus VAT on venue rates exclusive of VAT
- Other – (please specify).....

### 3. COPY INVOICES

Commission will be calculated by the Member from copy invoices and/or a summary of accommodation provided to the Member by the Partner within 5 days of completion of the conference or within 5 days of the guests departure from the venue.

### 4. CLIENT CANCELLATIONS/NO SHOWS/SHORT STAYS

Commission will be due from Partners to Members on any monies collected as a result of cancellation charges, no shows and short stays. In these circumstances the Member will do what they reasonably can to assist the Partner to collect any charges due from the client.

### 5. TIME FOR PAYMENT

- Where the Client is settling the invoice directly with the venue/hotel, or on departure, commission will be due to the Member within 30 days of the date of the Member's commission invoice.
- Where the Member is operating a 'billback' process for the Client, as an agent; commission will be due to the Member as soon as possible and no more than within 30 days of the Member transferring 'billback funds' to the venue/hotel.
- Where the Member is operating a 'billback' process for the Client, as the principal;

commission will be due to the Member within 30 days of receipt of 'billback funds' from the Member or may be taken at source by the agent.

**6. DEDUCTIONS OF COMMISSION AT SOURCE**

Where Members are providing a bill-back service for their clients, Partners shall allow Members, by agreement, to deduct undisputed commission from the payment to the Partner prior to making the said payment. Members are obliged to advise the Partners of the amounts deducted and follow correct invoicing procedures for reconciliation purposes as set out by HM Revenue and Customers.

**7. EXCLUSION OF OTHER TERMS**

The terms set out in this Agreement will apply to the exclusion of all others, whether express or implied by law, and shall supersede all conditions previously issued by the agency or the host venue. No variation or additions shall be effective unless agreed by the Member and the HBAA Partner in writing.

**8. GOVERNING LAW**

This Agreement shall be construed in accordance with and be governed by the laws of England.

**9. DISPUTES**

Any dispute may at the option of either party be referred to the HBAA Dispute Resolution Process and if necessary to the Chartered Institute of Arbitrators Scheme available through the HBAA. Their award including any direction as to payment of fees and costs in the arbitration and/or the award shall be binding on both parties.

**PARTIES AND SIGNATURE**

**Signed by:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**(for and on behalf of) "HBAA Member":** \_\_\_\_\_

**Signed by:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**(for and on behalf of) "HBAA Partner":** \_\_\_\_\_

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**APPENDIX B**  
**Letter of Authority**

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To be typed on **[Client's]** official letterhead.

To: **[insert list of hotel/venue companies to which this letter will be circulated]**

Date: [            ]

Dear Sirs,

**Re:** Authority for **[insert name of agent]** to manage a “billback” service on behalf of **[XXXXX [insert details of the client]**

This is to confirm that **[XXXXX [insert details of the Client]** have appointed **[insert the name of the Agent]**, to act as hotel-booking agent.

**[insert the name of the Agent]** will be placing hotel, conference and banqueting reservations on our behalf. All reservations will be subject to the Hotel's/Venue's standard terms and conditions, a copy of which has been provided to us by **[Insert the name of the Agent]**. We acknowledge that no reservation shall be binding on the Hotel/Venue unless and until confirmed. **[Insert the name of the Agent]** will also be handling, processing and paying hotel/venue invoices on behalf of **[XXXXX]**.

Please note all invoices must be addressed to **[XXXX]**, and sent to:

**[XXXX]**, [c/o **[insert the name and address of the Agent]**

**[Insert the name of the Agent]** will collate the billing information on our behalf and will issue [weekly] statements for our attention. We have agreed to pay **[Insert the name of the Agent]** within [ ] days of receiving their statement, so that you may receive payment within [ ] days of the date you invoice **[Insert the name of the Agent]**. **[XXXX]** agrees and confirms that it is liable for all expenditure and indebtedness incurred by **[Insert the name of the Agent]** on its behalf.

Yours faithfully

For and on behalf of  
**[XXXXX]**

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## APPENDIX C

### Billback Best Practice Code- handling client funds

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In any commercial arrangement there is an element of risk. We propose a way of defining best practice in the way that Members handle Client funds and centralised billing services to minimise risk for all parties.

The best practice proposed by us has developed as a result of problems raised by Members, Partners and Clients with the Billback service and the uncertainty of each party's role and liability within the billback service. The HBAA Billback best practice code has been developed to ensure that members, partners and clients involved in billback transactions clearly understand each party's roles and liabilities

The Billback service is a service which may be offered by the Members and/or the Partners to their respective Clients, whereby invoices for the services provided by the Partners are not settled on departure, but are sent to the Members or retained by the Partners, and subsequently sent to the Client for payment or are settled directly by the Member.

Members can act in either of two legal capacities, **principal** or **agent** and have a right to elect which capacity they wish to operate under. However, which capacity the Member is operating under should be made clear in writing to all parties involved in the Billback process at the earliest possible stage in the booking process, and certainly before confirmation / contract.

When a Member is acting as Principal then the Member contracts directly with the Partner and assumes financial liability for the Partner's invoiced charges whereas when the Member acts as agent then the Member is an intermediary involved in making a contract between his Client and the Venue/Partner and the financial liability rests with the Client.

If the Member is acting as agent on behalf of an identified principal (Client) and the Member acts within the scope of his authority (actual or ostensible), direct contractual relations will be established between the Partner and the Client. Only the Client can sue and be sued on the contract.

If the Member acts outside the scope of his authority and the Client has not ratified his acts, the Client will incur no liability to the venue but the Member will. It is therefore important to identify clearly the scope of the Member's authority.

If the Member acting as agent does not disclose the fact that he is acting as agent to the Partner, who contracts with the Member thinking that he is dealing with a principal, the general rule is that, provided the agent acted within the scope of his authority, both the Client and the Member may sue or be sued on the contract. If the Client reveals the agency relationship to the venue, the venue may either treat the Member with whom he contracted as the principal or accept the true principal i.e. the Client, in

which case the Member is relieved of his obligation to the Partner. However if the Partner knows it is dealing with an agent, but does not know who the principal is then in this scenario the Member has no liability to the venue.

The billing instructions of the Member should be clearly established in writing with the Partner and the Client to cover every transaction, and this can be done either periodically or on a transaction by transaction basis. Furthermore the Member can hold different capacities for different transactions but for the same Client. It is the members' responsibility to advise the partner in which capacity he is acting if requested to do so by the Partner.

It is worth noting that when a Member is acting as Agent and the Client transfers money to the Member to pay the Partner on its behalf and the Member subsequently becomes insolvent and/or simply does not use the money to pay the Partner then the Partner may still pursue the Client for the payment so that the Client has to effectively pay twice. Whilst it cannot be guaranteed by HBAA that its Members will always adhere to the best practice outlined in this document and therefore guarantee that this situation will not occur it is recommended that Partners and Clients use an accredited Member in order to reduce the risks of this happening.

The basis of the best practice is set out in the Best Practice Guidance Notes set out below for those Members operating a Billback arrangement with their Clients. The Best Practice Guidance notes set out the process to be followed, the commitment from the Client to accept responsibility for the debt and the responsibility of the Member to manage communication and exercise probity in handling funds. Members who adopt this level of operation when acting as agent or as principal will be entitled to apply an HBAA kite mark to their billback process once they have confirmed to the HBAA that they adhere to this code.

#### Best Practice Guidance Notes

1. The Member is responsible for ensuring that both Client and Partner are aware of the terms of business, the processes and the timetable for fund flow and all parties are aware of their responsibilities and obligations including the capacity in which the Member is acting. This should be confirmed in writing.
2. The Member should obtain confirmation in writing from an authorised representative of their Client that they agree to be responsible for the debt (either to the Partner if the Member is acting as agent or to the Member if the Member is acting as principal), and if the Member is acting as agent that they authorise the Member to raise credit on their behalf in defined circumstances (i.e. to enable the procurement of accommodation and meeting facilities). A copy of this written confirmation is to be made available to any Partner on demand.
3. If the Member is acting as agent then the Partner may grant credit to Client as Principal after undertaking credit checks as per their policy.

4. Where the Member is acting as agent then the Member shall undertake in writing to the Client to hold its funds in a non trading account in good faith and shall undertake in writing to the Client to only to use those funds for the purpose of Settling the client's account with Partners in accordance with the clients remittance
5. Partners who insist on adopting these best practice guidelines in their Billback dealings with Members undertake to the HBAA for the benefit of its' members not to apply lower standards in similar dealings with non members.

#### Notes

- A Member/ may choose not to operate to this standard - if they do so they must advise Partners that they are operating outside the code.
- A Partner may choose not to insist on this standard. – if they do they should be aware of the lower level of protection

This Best Practice Guidance Document will be deemed incorporated into the Code of Conduct for any Member wishing to apply the HBAA kite mark to their billback process. To achieve that the member must lodge a signed copy of the billback best practice guide with the HBAA at the Secretariat, who will issue a kite mark logo for the member to use for the current year. Continued use of the kite mark requires an annual reapplication. Email: [secretariat@hbaa.org.uk](mailto:secretariat@hbaa.org.uk)

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## **APPENDIX D**

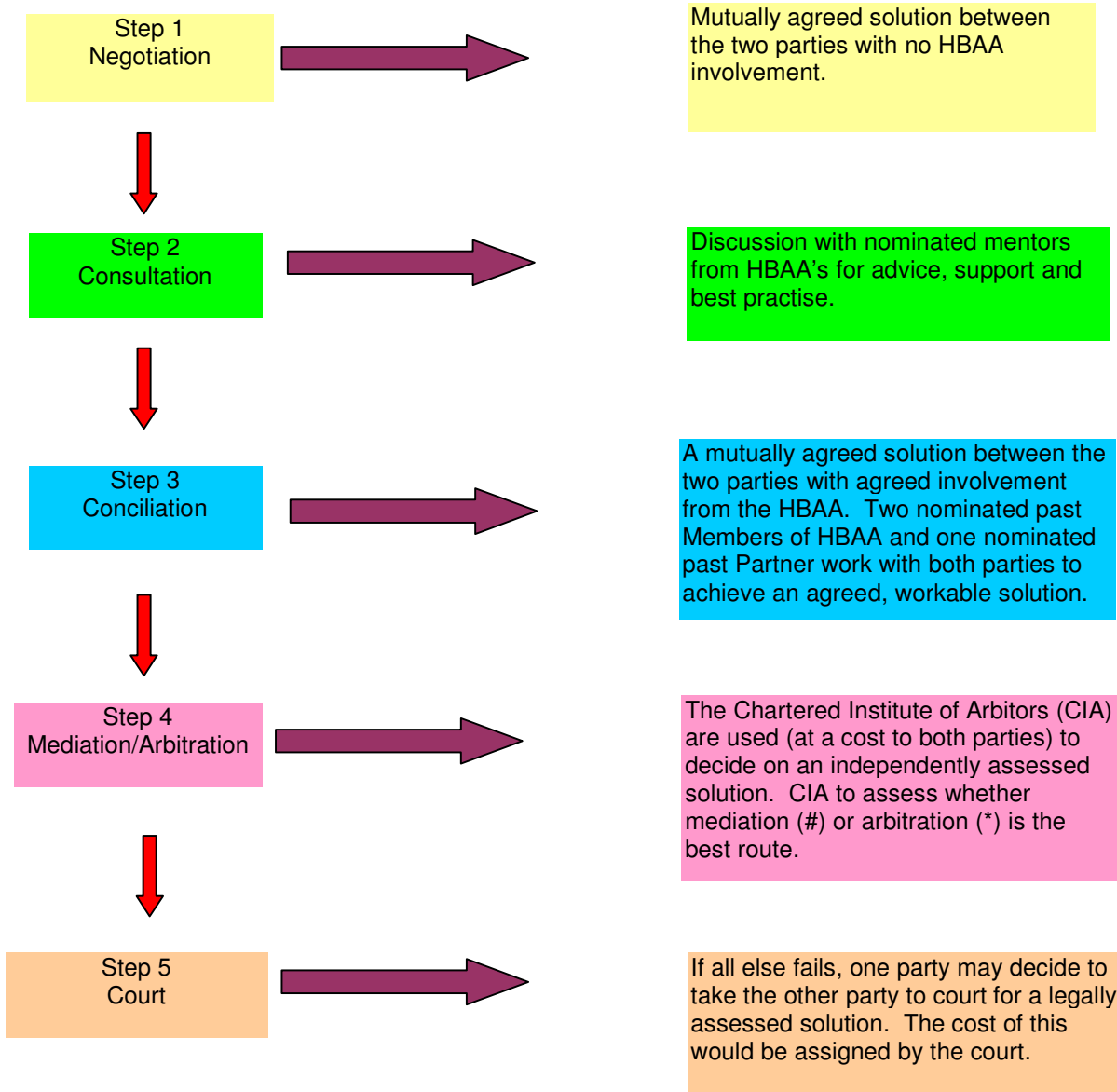
### **Dispute Resolution Process**

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If all else fails, one party may decide to take the other party to court for a legally assessed solution. The cost of this would be assigned by the court



## HBAA Five Step Dispute Resolution



# Arbitration – a formal and binding process where the dispute is resolved by the decision of a nominated third party, the arbitrator or arbitrators.

\* Mediation – a private and structured form of negotiation assisted by a third party that is initially non-binding. If a settlement is reached the mediator can draw up an agreement that will then become a legally binding contract.

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**APPENDIX E**  
**Enquiry Best Practise Process**

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## ***BEST PRACTICE for Agents and Hotels on dealing with: Enquiry Handling and Options***

### **Objective**

To produce clear “Guidelines” and recommendations highlighting best practise around “Enquiry Handling” and the holding of venue options.

Whilst this is “best practice” only – one must respect that there will be different procedures and guiding principles across the industry.

To clearly identify the terminology used across the industry and provide an understanding of such terminology and key words, which have typically held different meaning between one business and another. Clear interpretation of the meaning of such terminology will eradicate any confusion and misunderstanding providing complete transparency and clarity.

### **Terminology**

- **D = Definite or contracted:** *Contract and deposit schedule returned and signed by client.*
- **C = Confirmed (Some hotels refer to this as Tentative):** *A provisional booking that the client has instructed the agent to confirm with the venue on the understanding that a contract then needs to be issued, signed and returned by the client (and/or agent, if responsible for signing contracts on behalf of the client)*
- **P = Provisional Space being held on 1<sup>st</sup>, 2<sup>nd</sup> and further options:** *Hotel to indicate option and decision time frames on higher options.*
- **Option date = This is the date that the venue is prepared to hold the space:** *It should be clearly communicated if option dates are being used.*
- **1<sup>st</sup> option =** *Provisional space being held for one client at any one time.*
- **2<sup>nd</sup> and subsequent options:** *Holding space behind the customer who has first option, and so on.*
- **It is essential that option status is clearly clarified for customer / agent.**
- **E = Enquiry or Prospect:** *Enquiry only, no space being held from agent perspective*
- **TD = Turned down:** *The hotel is not able to take or deal with the booking and has declined the enquiry.*
- **Cx = Cancelled:** *The client has cancelled a contracted/definite booking being held.*
- **R = Released:** *Business that the agent and hotel were holding on a provisional option basis (no matter whether on 1<sup>st</sup>, 2<sup>nd</sup> or subsequent option basis), which was subsequently released by the hotel, agent, or client direct.*
- **Wait List:** *In the case of a piece of business in the diary being provisional, confirmed, definite, a wait list could be operated in case of release or cancellation.*
- **Deadline = Reasonable time scale for decision to be made** *i.e. 24 hours/48 if client overseas.*
- **Chasing =** *It is an expectation that dialogue should be entered into.*
- **Multiple Agents =** *Client giving the brief to more than one agent.*
- **Cost of process =** *Prices being increased artificially due to excessive space being held (thereby giving an false picture of true availability, demand and market price).*
- **Natural daylight =** *Windows looking outside the building emitting natural daylight.*
- **24 hour hold =** *The meeting rooms are blocked over night and not sold to another client for a dinner or other function.*
- **Exclusive use of meeting space =** *No one to be making site visits into the space, which is contracted or definite.*

- **Total Exclusive use** = *Relates to the areas requested, and could mean TOTAL building. No other clients or guests would be allowed in the building even for afternoon tea, drinks at the bar etc. This may exclude the leisure club if the hotel has a private membership.*
- **Call for contracts** = *When down to final short list, contracts can be called for so that client can review terms and conditions prior to confirmation.*
- **Site inspections / Showround** = *Client going to view venue space relevant to their enquiries.*
  - Staff to be fully trained on site inspections ensuring all relevant space is available to view and that the inspection is preferably carried out by the person dealing with the enquiry. Client to be advised in advance if full space is not available.
  - Take floor plans, menus and brochures as necessary to the meeting to give to the client before the site visits commences.
  - If there is no access to the relevant meeting rooms or bedrooms advise the agent/client well in advance

### **ENQUIRY PROCESS: From the Agents perspective**

- Fully qualify the brief to ensure correct venue selections are made. This ensures that the agent does not waste time and money contacting venues that are not suitable, and also ensures that venues time is not wasted dealing with enquiries that they are not suitable for.
- At the appropriate time, provisional bookings to be made.
- Client reference to be given, preferably the company name – in order for the venue to inform the agent if conflicting business is within the venue or to inform if the enquiry has already been received from another source. In the case of total secrecy, the type of business should be discussed. Must have industry as minimum.
- A note of any option date should be made, if given by the venue. It is also useful to note the name of the person spoken to at the venue and the date the provisional made.
- While space is being held, the agent should keep the venue abreast of any change of circumstance on the booking.
- The practice of offering 2<sup>nd</sup> and subsequent options should be in use and openly communicated.
- Site inspections to be made within a reasonable time frame, check the venue space is available to view and the relevant venue person available to meet. Specify timeframe limits, although sometimes difficult as client led.
- Venue/Hotel to give honest and full information on space available for the enquiry and its suitability.
- The Agent should inform the venue with as much detail about where it stands in the order of preference as this can give them a better idea of the likelihood of the booking coming to them and therefore diary prospective.
- Agent to provide relevant feedback to venues post site inspections / showrounds.
  - Negotiate and narrow down options with venues
  - Finalise list and call for contracts
  - Agree terms & conditions
- Confirm relevant space and send accurate confirmation within a reasonable time frame.
- Release other space immediately, explaining why the venue did not win the business, and also where business / booking went.
- Check with the client to ensure contract been sent back to venue signed, with relevant deposits.

### **ENQUIRY PROCESS: From the Venues perspective.**

- Hold provisional space on first option, 2<sup>nd</sup> or subsequent options if possible.
- Hold in client name and agent name, with any relevant reference advised.
- Check for competing business within the venue/hotel.
- Inform agent if conflicting business does come to the venue after provisional/confirmation.
- Inform all parties immediately if the same piece of business has been received from another source already.
- Offer 1<sup>st</sup>, 2<sup>nd</sup> and subsequent options to the agent.
- Joint Options and Race for Space policies are not appropriate.
- Nothing should block the diary out unless the contract has been signed off and deposits are received by the venue.
- Put in the diary STRAIGHT AWAY.
- If offering an option date, advise the agent verbally or via email.
- Inform agent if the hotel will be undergoing any renovation or refurbishment at the time of the event enquiry relevant to the date of arrival.
- Management of options– There should always be open dialogue at all times during the enquiry process between hotel, agent and client.
- Deadlines should be adhered to.
- Chases should be made as the business dictates/demands.
- Be flexible wherever possible.
- If contracts are requested, they need to be adequately followed up for signature and return.
- Be prepared to discuss your terms & conditions and also be aware of their meaning, in particular payment policies.
- Issue contract in timely fashion, and subsequently chase deposit and signed contract.
- Should contract and deposit not come back by the agreed timescale, speak with the Agent urgently.
- Should the event cancel, cancellation charges may be applied.

## GUIDELINE QUESTIONS DURING ENQUIRY PROCESS

Questions and answers must be made/given honestly

<b>The name of the client and Company or Organisation, if top secret then reference and industry</b>
<b>Are you/your clients in a position to make a decision? What's the timescale and decision making process</b>  <b>Note – Hotels should be able to take as an enquiry/prospect only if clients are not ready to progress. Rebecca not quite sure what this means? My understanding is that if the venue feels the enquiry lacks depth or is vague, venues are not compelled to hold space – comments?</b>
<b>Is there flexibility in the spec &amp; dates provided?</b>
<b>What is the budget &amp; Preferred Brand/style of hotel? How flexible is this?</b>
<b>What is the level of attendees/reasons for the event?</b>
<b>Are there other destinations/locations being considered?</b>
<b>Who are we up against &amp; Rates? (if possible!) – Client budget</b>
<b>Are there any/other agents involved?</b>
<b>Have they won the business or are they in a pitch?</b>
<b>Decision Date &amp; Decision Maker</b>
<b>When are you anticipating you will be doing your site inspections?</b>
<b>How many options will be proposed to the client?</b>
<b>Where will they NOT go/consider?</b>

<b>Where are delegates travelling from?</b>
<b>What is important to them for this event (deal breakers etc...)?</b>
<b>What are the timings of the event?</b>  <b>I.e. Does early access need to be granted for set-up / preparation, or late access for similar or break down?</b>
<b>Frequency of the meeting?</b>
<b>Commitment level – Strength of relationship</b>  <b>Have you got all of the information you require?</b>  <b>What can we do to help you to win this business for us?</b>
<b><i>Be prepared to give further information:</i></b> <ul style="list-style-type: none"> <li>○ Bedrooms - Will they contract or are they looking for an allocation?</li> <li>○ Date flexibility?</li> <li>○ Payment method and contract should be discussed up front.</li> <li>○ Where has the client been before?</li> <li>○ Give venues/hotels a clear idea of budgets rather than best possible rate.</li> <li>○ Access and set up needs should be discussed at enquiry stage.</li> <li>○ Purpose of event – audience?</li> <li>○ Agenda programme details and timings – F&amp;B, equipment, set up, overnight hold etc.</li> </ul>

## Room Layout Guide

## Maximising the effectiveness of your meeting



### Boardroom Style

- Best for smaller groups.
- Effective if everyone needs to be able to see each other.
- Good communication facilities for individuals (modem lines, speaker phone etc).
- Attractive environment & very comfortable seating.
- Generous space for each delegate.

### Banquet Style

- Good for team discussions.
  - Appropriate for team work, group study & training.
  - Works well for formal events, celebrations, dining but not for viewing entertainment or presentations.
- A sensible choice for large groups of 30+



### Cabaret Style

- Good for team discussions.
- Appropriate for team work, group study & training.
- Good for viewing presentations by medium sized groups.
- Works well for formal events, celebrations, dining & particularly for viewing entertainment.
- Less formal than classroom.

### Theatre Style

- Appropriate for large numbers of delegates 30+
- Good for audience questions but not for audience discussion.
  - Suitable where audience watches & listens, but does not need to write.
  - Good for receiving presentations.



### Reception Style

- Great if you are having drink reception only.
- Can also precede a meal.
- Short speech or presentation can be done – but not possible to take notes.
- Can be accompanied by canapés or finger food.
- Can be formal or informal.
- Works well if people need to mix/network.

### U Shape Style

- Good for training meetings where presentations, study writing & discussions required.
  - Helps promote discussion.
- Appropriate for presenting to groups max 30.
  - Lay out facilities good for interaction with delegates.



### Classroom Style

- Effective where delegates need to watch, listen, study & write.
- Appropriate for groups of 30 or less.
- Ideal where delegates listen but do not need to discuss together – as you are not facing one another.
- Good where clear visibility of the screen/presenter is needed.

