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| Description: Description: Description: cid:497B18D9-471A-41D7-8F62-AFF88701C40D  **Legal Division** | School Councils - Cancellations due to COVID-19 |

## **Information Sheet**

This document is provided as guidance to school councils who have:

* cancelled bookings (eg excursion) or the hire of equipment (eg for an event),
* cancelled a booking made by a third party (eg travel agent), or
* had bookings of school facilities cancelled by a third party (eg sporting association)

due to COVID-19.

## **Impact on contracts of cancellation due to COVID-19**

| **Scenario** | **Steps School Council should take** |
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| **School Council** has cancelled an excursion – domestic or international – due to COVID-19 directive and has claimed back a deposit (eg, for travel agent fees, travel, accommodation, food, entry fees, etc).**Third party** refuses to refund the deposit or claims cancellation fees | **Can the third party refuse to refund the deposit or claim a cancellation fee under the terms and conditions of the booking?**  If the terms of the booking state that a deposit is not refundable or a cancellation fee is payable if the school council cancels through no fault of the other party, the school council will have to accept the deposit is not refundable or will have to pay the specified cancellation fee.**What cancellation fee is payable where the school council cancels due to COVID-19?** Carefully read the terms of the booking to determine if a cancellation fee is payable if the excursion is cancelled. If the booking is for an event in Victoria and is subject to the **shut down of non-essential services directive or the health directive requiring social distancing**, the third party may not be able to honour the booking and the school council cannot be charged a cancellation fee.**Can the school council recover the cancellation fee from an insurer?** The school council may be able to claim the cancellation fee if it arranged travel insurance. The school council should check the terms of any insurance policy.If Financial Services arranged travel insurance, then contact [michael.roleff@education.vic.gov.au](mailto:michael.roleff@education.vic.gov.au). If the school council arranged travel insurance privately, it should make enquiries of its insurer. |
| **School Council** has cancelled a booking in respect of an event (eg equipment hire) due to COVID-19 and has claimed back the deposit.**Third party** refuses to refund the deposit or demands payment of a cancellation fee. | **Can the third party refuse to refund the deposit or claim a cancellation fee under the terms and conditions of the booking?**  If the terms of the booking state that a deposit is not refundable or a cancellation fee is payable if the school council cancels through no fault of the other party, the school council will have to accept the deposit is not refundable or will have to pay the specified cancellation fee.**What cancellation fee is payable where the school council cancels due to COVID-19?** Carefully read the terms of the booking to determine if a cancellation fee is payable if the booking is cancelled. If the booking cannot go ahead due to the fault of the third party or the third party cannot honour the booking for any reason, the school council cannot be charged a cancellation fee.**Can the school council recover the cancellation fee from an insurer?** The school council may be able to claim the cancellation fee if it arranged insurance for the event. The school council should check the terms of any insurance policy.If Financial Services arranged travel insurance, then contact [michael.roleff@education.vic.gov.au](mailto:michael.roleff@education.vic.gov.au).If the school council arranged travel insurance privately, it should make enquiries of its insurer. |
| **Third party** has cancelled a booking of school facilities due to COVID-19 and demands refund of any deposit paid or refuses to pay for hire fees. | **Can the school council claim a cancellation fee from the third party?**  The school council should check the hire contract to see if the terms of the contract state that a cancellation fee is payable to the school council if the third party cancels through no fault of the school council.If the school council is not able to honour the booking it cannot refuse to refund the deposit nor can it claim a cancellation fee from the third party. |

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| **Scenario** | **Steps School Council should take** |
| **Third party** has hired school facilities from a school council.The **school council** cancels the booking due to COVID-19 | **What must a school council do if the school council cancels due to COVID-19?** If the school council cancels the booking through no fault of the other party, the school council will have to repay any deposit paid by the third party and cannot claim a cancellation fee even when the school is directed to cancel the booking or contract because of COVID-19.**Is the school council liable to the third party?** The school council may be liable to compensate the third party for any loss suffered through no fault of the third party. However, if the booking is for an event in Victoria and is subject to the **shut down of non-essential services directive or the health directive requiring social distancing**, the third party cannot claim compensation from the school council. The school council should seek assistance from the Legal Division. |

## **Contact**

For further information or legal advice, schools should contact [legal.services@education.vic.gov.au](mailto:legal.services@education.vic.gov.au) of the Legal Division, Department of Education and Training.