

MIKE PITT, employment, company and commercial law specialist, of Oldham's Pearson Hinchliffe, looks at how to prevent the works Christmas party from turning into an expensive nightmare.

EAT, drink and be merry may be a fine recipe for a family Christmas party, but the annual works "do" needs a somewhat different set of rules.

An organization's Christmas party – wherever and whenever it takes place – is now seen in the eyes of the law as an extended version of the workplace. So any behaviour that would be ruled out in the office or on the factory floor is also inappropriate at the festive get-together.

We are not at the stage where alcohol should be banned or invitations printed with a disclaimer of liability on the part of the employer. But the days of the drunken free-for-all, where the boss told dirty jokes and the office lecher dragged the secretaries under the mistletoe, are gone for good.

Employers are likely to be liable for any acts of sexual harassment on members of staff, whether committed by other employees or invited guests. There is no maximum compensation level for sexual harassment. Awards for injury to feelings can reach five figures.

But employers do have a defence to claims of sexual harassment if they have taken reasonable steps to prevent it. I therefore advise employers to:

- remind everyone before the party about the organization's expectations regarding their behaviour;
- designate someone who is responsible for monitoring the activities of revellers and defusing any potentially difficult situations;
- tell staff who is performing this task and that any problems arising during the party can be reported to him or her;
- control the amount of free alcohol available – without, of course, appearing to be frugal; and
- ensure that inappropriate behaviour is linked to the organisation's informal and formal disciplinary and grievance procedures.

There are other potential pitfalls for employers organising a Christmas get-together. If you are providing entertainment, make sure that your employees will not view it as offensive.

Ensure that the time and place of the event do not prevent any employees from attending on religious or racial grounds.

Be certain that any handicapped employees can make it to the venue and get round the arrangement of tables and chairs.

Finally, warn employees against discussing sensitive company business with outsiders. No organisation wants to start the new year with its trade secrets exposed or a potential deal in tatters.

This article is intended for general guidance and should not be relied upon without detailed legal or financial advice on your specific circumstances. This article relates to the Laws of England and Wales.

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