

ITEM 3. SYDNEY NEW YEAR'S EVE 2016 - 2020 MEMORANDUM OF UNDERSTANDING AND AGENCY AGREEMENTS

FILE NO: S122489

SUMMARY

Since 2001, a Memorandum of Understanding (MOU) between the City and the NSW State Government (the State) has provided a commitment between the State, the NSW State Government Agencies (the Agencies) and the City to cooperate in the organisation and staging of Sydney New Year's Eve.

These arrangements enable the City to work collaboratively with the State to deliver the annual event, which is acknowledged as important to both parties in achieving economic, strategic marketing, and community impacts for Sydney and NSW. The event generates more than \$130 million annually in direct economic impact for NSW.

The MOU:

- confers Hallmark Event status for Sydney New Year's Eve, providing the City with an exemption from the costs of policing, ambulance and traffic services;
- sets out the responsibilities of both parties in relation to the event, including the State's responsibility to provide information, support, coordination and planning for transport, emergency and health, policing and public safety;
- protects the rights to the event that the City may grant to corporate partners, such as broadcasting rights, and the City's creative and artistic control of the event; and
- establishes a mechanism by which the State will facilitate the negotiation and implementation of Agency Agreements between the City and relevant agencies, which secures resources and land required to deliver the event.

The most recent MOU was signed on 20 October 2010 and concluded on 28 February 2016. The associated Agency Agreements all also concluded in early 2016.

To successfully deliver 2016 Sydney New Year's Eve, the City must ensure that a further MOU with the State is executed by the end of April 2016. Negotiation and execution of the Agency Agreements will follow, with all to be in place prior to the 2016 event.

The further MOU will be substantially the same as the previous MOU, with minor changes to contemporise the scope, such as endeavours to make the event accessibility to people with disability and acknowledging the importance of collecting data related to the event. Continuation of the MOU in substantially the same form is considered a positive outcome.

RECOMMENDATION

It is resolved that authority be delegated to the Chief Executive Officer to negotiate and enter into a Memorandum of Understanding with the New South Wales State Government, and Agency Agreements with relevant State agencies, for a further five year period with regard to the facilitation and support of 2016 – 2020 Sydney New Year's Eve.

ATTACHMENTS

Nil.

BACKGROUND

1. In 2001, Council entered into a MOU with the State which provided a commitment between the State, the Agencies and the City to cooperate in the organisation and staging of the Sydney New Year's Eve events between 2001 and 2005.
2. The MOU was renegotiated in 2005 and 2010 for further five year periods, covering the event from 2006 to 2010 and 2011 to 2015 respectively. The most recent MOU was signed on 20 October 2010 and concluded on 28 February 2016. The associated Agency Agreements all also concluded in early 2016.
3. Sydney New Year's Eve is recognised as being of profound significance in generating tourism and tourism awareness for Sydney. The event generates more than \$130 million annually in direct economic impact for NSW and is important to both the State and the City in achieving economic, strategic marketing, and community impacts for Sydney and NSW.
4. While the MOU is not a legally binding contract, it is a firm commitment between the State and City to cooperate in the organisation and staging of the event. It clearly establishes the responsibilities of both parties in relation to the event, and recognises the significant resources and support provided by various State agencies that are critical to the event's continuing success.
5. The MOU:
 - (a) confers "Hallmark Event" status for the event under the *Whole of Government Policy for the Application of User Charges for Major and Special Events*. Such events enhance awareness, appeal and profitability of a destination at a particular time; have an international and/or national audience; and provide significant economic and social benefits. Hallmark Event status provides the City with an exemption from the charges of the NSW Police Force, Roads and Maritime Services (traffic services only), and NSW Ambulance;
 - (b) sets out the responsibilities of both parties in relation to the event, including the State's responsibilities to provide information, support, coordination and planning for transport, emergency and health, policing and public safety, and convene relevant forums as part of the whole-of-government approach to major events;
 - (c) protects the rights to the event that the City may grant to corporate partners, such as broadcasting rights, and the City's creative and artistic control of the event; and
 - (d) establishes a mechanism by which the State will facilitate the negotiation and implementation of Agency Agreements between the City and relevant agencies, which secures resources and land required to deliver the event.
6. In the most recent period covered by the MOU, the City negotiated and implemented Agency Agreements with:
 - (a) NSW Roads and Maritime Services;
 - (b) Office of Environment and Heritage;
 - (c) Port Authority of New South Wales;

- (d) Royal Botanic Gardens and Domain Trust;
 - (e) Sydney Harbour Foreshore Authority; and
 - (f) Sydney Opera House Trust.
7. The agencies with whom Agency Agreements are required for the 2016 – 2020 Sydney New Year's Eve event are likely to be similar to the previous period. However, the specific agencies will be determined in consultation with the State following negotiation and execution of the MOU. The determination will be based upon the scope and nature of resources and support required by the City for the event, and the durations of these Agreements may be less than the five-year term of the MOU where appropriate.
8. The most recent MOU was signed on 20 October 2010 and concluded on 28 February 2016. The associated Agency Agreements all also concluded in early 2016.
9. To successfully deliver 2016 Sydney New Year's Eve, the City must ensure that a further MOU with the State is executed by the end of April 2016. Negotiation and execution of the Agency Agreements will follow, with all to be in place prior to the 2016 event.
10. Five year MOUs, and Agency Agreements to cover this period, have always allowed the City to develop long term strategies for creative and operational improvements.
11. The main points that have been discussed to date between the State and the City relating to the re-negotiation of the MOU are that it:
- (a) maintain the same spirit of previous MOUs;
 - (b) be for the same period (five years); and
 - (c) refer to the direct economic impact of Sydney New Year's Eve.
12. The further MOU will be substantially the same as the previous MOU, with minor changes to contemporise the scope, such as endeavours to make the event accessibility to people with disability and acknowledging the importance of collecting data related to the event. Continuation of the MOU in substantially the same form is considered a positive outcome.

KEY IMPLICATIONS

Strategic Alignment - Sustainable Sydney 2030 Vision

13. *Sustainable Sydney 2030* is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. The continued delivery of the annual Sydney New Year's Eve event is aligned with the following SS2030 strategic directions and objectives:
- (a) Direction 1 - A Globally Competitive and Innovative City: the Sydney New Year's Eve event, and the associated event broadcasts and marketing, is significant in generating tourism and tourism awareness for Sydney.

- (b) Direction 5 - A Lively and Engaging City Centre: the Sydney New Year's Eve event, and associated activities of Harbour foreshore landowners, creates a vibrant, safe and accessible experience of the city centre on New Year's Eve.
- (c) Direction 7 - A Cultural and Creative City: the Sydney New Year's Eve event provides opportunities for the cultural and creative sector, and showcases Sydney as a creative city through its delivery of major special events.
- (d) Direction 10 - Implementation through Effective Governance and Partnerships: the negotiation and implementation of the MOU and Agency Agreements result in strong strategic alignments with the State and agencies in the delivery of the annual Sydney New Year's Eve event.

Organisational Impact

- 14. The negotiation and subsequent implementation of the MOU and Agency Agreements is critical to securing the resources and support of the State and relevant agencies that are required to deliver the annual Sydney New Year's Eve event.

Risks

- 15. Failure to secure the support of the State and its agencies would jeopardise the ability of the City to practically and financially deliver the annual Sydney New Year's Eve event. It would also likely reduce the quality of the event experience for attendees (through reduced service levels) and create public safety risks (from a lack of an all agency coordination approach).

Economic

- 16. Negotiation and implementation of the MOU and Agency Agreements is critical to enable delivery of the Sydney New Year's Eve event, which has a direct economic impact to NSW of more than \$130 million annually.

BUDGET IMPLICATIONS

- 17. By securing Hallmark Event status for Sydney New Year's Eve, the City is provided with an exemption from the charges of a number of State Government agencies, including the NSW Police Force, Roads and Maritime Services and NSW Ambulance. Without this exemption, the City would be charged for the costs incurred by these agencies in relation to policing, traffic services and ambulance services.
- 18. The operational budget for Sydney New Year's Eve is predicated upon securing Hallmark Event status, and the resources and support of key State Government agencies.
- 19. The Agency Agreements also provide other savings for the City including waiver of fees and charges associated with the use of land and licence fees required for the City's ticketed events, the maritime exclusion zone on Sydney Harbour, land required for the loading and unloading of pyrotechnics, and the effects placed on the Sydney Harbour Bridge.

CRITICAL DATES / TIME FRAMES

20. The current MOU and Agency Agreements expired on 28 February 2016.
21. The further MOU to cover the 2016 – 2020 Sydney New Year's Eve events needs to be negotiated and executed by the end of April 2016. Negotiation and execution of the Agency Agreements will follow, with all to be in place prior to 2016 Sydney New Year's Eve.

ANN HOBAN

Director City Life

Kirsten McLeod, Acting Producer Sydney New Year's Eve