

Item 17.

Contract Variation - Sydney New Year's Eve Crowd and Transport Management Services

File No: X008402

Summary

This report seeks approval to vary the contract with Australian Concert and Entertainment Security Pty Ltd trading as ACESGroup to add to the scope of services the resourcing of additional security and public safety measures for 2018 Sydney New Year's Eve.

Sydney New Year's Eve is one of the biggest annual celebrations in the world, attracting one million spectators along the Sydney Harbour foreshore and a global audience of one billion. The event is recognised as a Hallmark Event by the NSW Government and has an annual direct economic impact on NSW of more than \$133 million.

The City has responsibilities for the event as both event owner/producer and as a key landowner for areas that attract large crowds. This includes the preparation of an integrated crowd management plan for the event, and implementation of the plan by way of infrastructure and resources on land that is owned by the City.

In 2017, the City invited tenders for the supply of crowd and transport management services for the 2017 Sydney New Year's Eve, with an option to extend to cover the 2018 event. On 26 June 2017, Council resolved to accept the tender offer from ACESGroup. In May 2018, the option to extend the contract to cover the 2018 was exercised.

In December 2017, Council approved a variation to the contract in relation to the 2017 Sydney New Year's Eve event, increasing the value to include additional scope of services for security and public safety measures as the additional scope exceeded the contingency already approved.

Following recent engagement with law enforcement agencies, the City has confirmed that additional scope of services will be required for the 2018 Sydney New Year's Eve event. The additional scope of services exceeds the contingency already approved by Council for the contract. Accordingly, approval is sought to vary the contract to increase the value to include the additional scope of services for 2018 Sydney New Year's Eve as described in Confidential Attachment A.

Recommendation

It is resolved that:

- (A) Council approve a variation to the contract with Australian Concert and Entertainment Security Pty Ltd trading as ACESGroup for the additional scope of services for 2018 Sydney New Year's Eve as described in Confidential Attachment A to the subject report;
- (B) authority be delegated to the Chief Executive Officer to vary the contract with Australian Concert and Entertainment Security Pty Ltd trading as ACESGroup as outlined in the subject report; and
- (C) Council approve funding from the 2018/19 General Contingency budget, should the additional costs be unable to be fully funded from savings in the 2018/19 Sydney New Year's Eve operating budget.

Attachments

Attachment A. Financial Implications of Additional Services (Confidential)

Background

1. Sydney New Year's Eve is one of the world's biggest annual celebrations, and a Hallmark Event for NSW. The City has responsibilities for the event as both event owner/producer and as a key landowner for areas that attract large crowds. The event attracts more than one million people to the foreshores of Sydney Harbour.
2. In 2016, to meet the NSW Whole of Government Crowd Management Guidelines issued in August of that year by the NSW Government, the City prepared an integrated crowd management plan for the event. The focus of the plan is the safe ingress and egress of crowds across the land of multiple landowners.
3. In early 2017, the City invited tenders for the supply of crowd and transport management services for 2017 Sydney New Year's Eve, with an option to extend to cover the 2018 event. The scope of work included components of the crowd management plan and the implementation of it on City land.
4. On 26 June 2017, Council resolved to accept the tender offer from Australian Concert and Entertainment Security Pty Ltd trading as ACESGroup to provide the services.
5. In August 2017, the Federal Government released Australia's Strategy for Protecting Crowded Places from Terrorism. The Strategy aims to protect people working in, using, and visiting crowded places. Events are specifically considered a crowded place in the Strategy. Under the Strategy, owners and operators of crowded places have the primary responsibility for protecting people in those places from foreseeable threats.
6. As the additional resources occur in the context of an operational environment involving the arrival and departure (ingress and egress) of crowds, there is a need to ensure the measures implemented are consistent with the crowd and transport management arrangements already planned.
7. In December 2017, Council approved a variation to the contract to increase the value to include additional scope of services for the 2017 Sydney New Year's Eve event, as the additional scope of services exceeded the contingency already approved by Council for the Contract.
8. Planning for Sydney New Year's Eve involves extensive collaboration with multiple agencies and landowners. In May 2018, following engagement with law enforcement agencies, the City received confirmation that additional scope of services will also be required for the 2018 Sydney New Year's Eve event.
9. Accordingly, the City sought a quotation from ACESGroup to deliver the additional services, the details for which are outlined in Confidential Attachment A. The City has assessed the quotation provided and is confident it provides value for money to the City.
10. Delivery of the services by the City's crowd and transport management services contractor removes any integration risk to the City between this scope of work and its crowd and transport management obligations, and reduces the overall risk given the contractor's familiarity with the event, stakeholders and overall planning.

Budget Implications

11. Funds have already been budgeted for an additional scope of services in the 2018/19 operational budget, however if funding is required for additional security measures that cannot be absorbed from the approved NYE budget, it is recommended that this be sourced from the General Contingency as detailed in Confidential Attachment A.

Relevant Legislation

12. Attachment A contains confidential commercial information of the City's contractor, which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
13. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise the City's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.
14. Attachment A also contains confidential information about the additional security and public safety measures proposed for 2018 Sydney New Year's Eve. To ensure operational integrity of security and public safety arrangements for the event, law enforcement agencies require that the specific details not be publicly disclosed. The information, if disclosed, could prejudice the maintenance of law.

Critical Dates / Time Frames

15. The implementation of the additional security and public safety measures must occur for the 2018 Sydney New Year's Eve event on 31 December.
16. To enable sufficient time to secure the necessary resources, and vary the contract, approval to proceed with the variation is required no later than 13 August 2018.

ANN HOBAN

Director City Life

Hugh Covill, Associate Producer, Major Events and Festivals

Stefanie Makaroff, Business Operations Manager Sydney New Year's Eve