

**Item 6.****Sydney New Year's Eve 2021 - 2026 Memorandum of Understanding and Agency Agreements**

**File No: X080346.003**

**Summary**

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

The Memorandum of Understanding provides Hallmark status for the Sydney New Year's Eve event providing exemption from charges of the NSW Police Force, Transport for NSW (traffic services only) and NSW Ambulance, establishing responsibilities to both parties in the MOU, vital to the successful rollout of the event.

These arrangements enable the City to work collaboratively with the NSW Government 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 Sydney New Year's Eve event has an economic impact of \$280 million to Sydney.

**Recommendation**

It is resolved that authority be delegated to the Chief Executive Officer to negotiate and enter into a Memorandum of Understanding with the NSW Government, and Agency Agreements with relevant NSW Government Agencies, for a further five year period with regard to the facilitation and support of 2021 to 2025 Sydney New Year's Eve Events.

## Background

1. In 2001, Council entered into a Memorandum of Understanding 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 Memorandum of Understanding was renegotiated in 2005 and 2010 for further five-year periods, covering the Sydney New Year's Eve event from 2006 to 2010 and 2011 to 2015 respectively. The most recent MOU was signed on 18 May 2016 and concludes on 30 June 2021. The associated Agency Agreements will also conclude in 2021.
3. Sydney New Year's Eve is recognised as being of profound significance in generating tourism and tourism awareness for Sydney. The event has a direct economic impact of \$280 million for Sydney 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 Memorandum of Understanding 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 Memorandum of Understanding:
  - (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, Transport for NSW 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.
  - (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 Memorandum of Understanding, the City negotiated and implemented Agency Agreements with:
  - (a) Transport for NSW;
  - (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 2021 to 2026 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 Memorandum of Understanding. 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 Memorandum of Understanding where appropriate.
  8. The most recent Memorandum of Understanding with the State was signed on 18 May 2016 and concludes on 30 June 2021. The associated Agency Agreements will all also conclude in 2021.
  9. To successfully deliver 2021 Sydney New Year's Eve, the City must ensure that a further Memorandum of Understanding with the State is executed by the end of June 2021. Negotiation and execution of the Agency Agreements will follow, with all to be in place prior to the 2021 event.
  10. Five-year Memorandum of Understandings, 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 Memorandum of Understanding are that it:
    - (a) maintain the same spirit of previous Memorandum of Understandings;
    - (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 Memorandum of Understanding will be substantially the same as the previous Memorandum of Understanding, with minor changes to contemporise the scope, such as endeavours to make the event accessible to people with disability and acknowledging the importance of collecting data related to the event. Continuation of the Memorandum of Understanding in substantially the same form is considered a positive outcome.

## Key Implications

### Strategic Alignment - Sustainable Sydney 2030

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 Sustainable Sydney 2030 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 Memorandum of Understanding 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 Memorandum of Understanding 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 Memorandum of Understanding and Agency Agreements is critical to enable delivery of the Sydney New Year's Eve event, which has a potential direct economic impact to Sydney of \$280 million annually.

### **Financial Implications**

17. The operational budget for Sydney New Year's Eve is predicated upon continued Hallmark Event status and the resources and support of key State Government agencies.
18. By securing continued Hallmark Event status for Sydney New Year's Eve, the City is exempted from a number State Government agency charges, including the NSW Police Force, Transport for NSW 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.
19. The Agency Agreements also secure additional savings for the City, including a 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 Frame**

20. The current Memorandum of Understanding and Agency Agreements expire on 30 June 2021.
21. The further Memorandum of Understanding to cover the Sydney New Year's Eve events needs to be negotiated and executed by the end of June 2021. Negotiation and execution of the Agency Agreements will follow, with all to be in place prior to 2021 Sydney New Year's Eve event.

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