

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD3172

**Title:** New Year's Eve 2023

### Executive summary:

This Mayoral Decision (MD) updates MD3009 with regards to the delivery of London's New Year's Eve (NYE) celebrations in 2023. The Mayor approved (MD3009) a GLA net expenditure of £12m across 2022-23, 2023-24, 2024-25 and 2025-26 (£3m per year) to deliver an annual NYE event and broadcast that celebrates and promotes London nationally and internationally.

London's NYE celebration is a significant driver of domestic and international visits to London, generating over £7.5m of additional revenue for London's businesses and economy.

This MD seeks to approve the event ticket price being set at £20 and additional funding for the NYE event of up to £868,333 each year between 2023-24 and 2025-26 to support an increase in event costs. This is in addition to the net £3m per year already approved in MD3009.

### Decision:

That the Mayor approves:

1. further GLA net expenditure of up to £868,333 in years 2023-24, 2024-25 and 2025-26 (total cost of up to £2,604,999) above that already approved in MD3009 to deliver the 2023 NYE event ensuring safety at the event is maintained.
2. the event ticket price being set at £20 over the periods of 2023-24, 2024-25 and 2025-26, broadly designed to cover the cost of the ticket implementation and management
3. a delegation to the Executive Director, Strategy and Communications, in consultation with the Mayor and his Office, in relation to the NYE events and without the need for further individual decision forms, to:
  - execute contracts, funding agreements and similar agreements on behalf of the GLA
  - approve operational scope of the event
  - seek and receive income from other areas (including but not limited to sponsorship, concessions and ticket income) to apply to the events to enhance and/or cover increased operational costs, such as crowd management
  - allocate the budget and any additional income received by the GLA from sponsorship, concessions, ticket sales or other contributions.

### Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

**Signature:**



**Date:**

28/1/23

## **PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1. This Mayoral Decision (MD) is an update to MD3009 with regards to the delivery of London's New Year's Eve (NYE) celebrations. It seeks the Mayor's approval of the ticket price at £20 and additional funding of up to £2,604,999 (up to £868,333 per year) over the periods of 2023-24, 2024-25 and 2025-26.
- 1.2. Prices in the events industry have been driven up by reduced availability of staff, inflation, supply-chain issues, and cost increases in both materials and event infrastructure. Industry experts agree that these increased costs are likely to be a new baseline across the industry for the foreseeable future. We have also seen a significant increase in the expectations and requirements imposed by local authorities since the pandemic.
- 1.3. During the 2022 NYE event, significant crowd management challenges were encountered from non-ticket holders. This was due to increased non-ticketed audiences, and a change in behaviour by a section of the public, as seen across the events, sporting and entertainment industry since the pandemic.
- 1.4. According to post-event feedback from key stakeholders (the Metropolitan Police Service (MPS), London Fire Brigade (LFB), Transport for London (TfL), Westminster City Council (WCC)), the change in crowd behaviour was the most significant impact cause of the issues that arose on the day and during the event. Therefore, the primary focus for planning NYE is to build resilience into the event plans to account for the much bigger non-ticketed crowds and how this can be managed. As such, to ensure safety at the event is maintained, further budget will be required to provide the additional and enhanced infrastructure and services.
- 1.5. From the start of ticketing in 2014, until 2019, the NYE event ticket price was £10 per person; in 2022, this increased to £15. This contributed to the cost of implementing the ticketing system (including ticketing agency fees, VAT, ticket distribution, communication, infrastructure and stewarding to manage ticket entry points).
- 1.6. Last year, additional GLA funding was required alongside the ticket revenue, and this will again be the case this year. To strike an appropriate balance between attendee and taxpayer funding, it is proposed to increase the ticket price to £20. This is considered in the context of ticketholders' average spend and is deemed necessary so that attendees make a fair contribution to the costs of their admission and safety. As a comparison, the ticket price for Edinburgh's Hogmanay is £28.50. The GLA will not make a profit from this ticket increase, which will solely cover the costs of implementing ticketing.
- 1.7. As noted in decision three, above, a broad delegation is sought regarding: the execution of contracts and funding; approving additional income from third parties; and the allocation of the budget, in relation to the project. This is necessary to ensure the project remains agile; and to be reactive and responsive to the ever-changing event environment and in securing partnerships.

#### **2. Objectives and expected outcomes**

- 2.1. The key objectives for the NYE celebrations are to:
  - galvanise Londoners behind a core values statement, which generates optimism and positive public support for London as a centre of progression and equality during the current national economic challenges

- promote London nationally and internationally as a global city, strengthening its reputation across the UK and overseas, and raising confidence to visit, study and do business in London, thereby supporting economic recovery
  - generate economic benefit to London through visitor spend
  - support London's emergency services with a planned and managed focal point for NYE.
- 2.2. Attainment of the above objectives will be monitored and measured through: pre- and post-event market research; levels and analysis of local, national and international media coverage; and digital traffic and click-through rates on the GLA website and social channels.
- 2.3. In 2021, a report by professional services firm Hatch, and promotion organisation London & Partners, revealed that major events contribute over £600m on average to the capital's economy every year. The report also found that these events can be a huge catalyst towards London's recovery from the pandemic. It estimated that every visitor to a concert and cultural event generated, on average, £23 to the London economy.
- 2.4. London's NYE celebration is a significant driver of domestic and international visits to London over Christmas and the New Year. Usually, around 70 per cent of the 100,000 attendees to the event are from outside London. Data from the GLA's previous NYE events indicates that these visitors spend, on average, £112.27 in the city, generating over £11m of additional revenue for London's businesses and economy. This indicates a return on investment of nearly £3 for every £1 spent, generated from ticket-holders alone.
- 2.5. By providing a planned and managed major event in London on NYE, which is a focal point for celebrations, we support the emergency services in keeping visitors to central London safe on NYE. Unplanned and spontaneous mass-gatherings, which are at risk of occurring without any event focus, increase risk to public safety and put additional pressures on our emergency services, at a time when resources are already stretched on one of the busiest nights of the year.

#### *Additional benefits*

- 2.6. The additional benefits to London and Londoners of the event are:
- an enhanced positive global profile for London, encouraging economic investment and tourism
  - increased awareness of London's core values through messaging, encouraging social integration and cohesion
  - increased skills through volunteering opportunities.

### **3. Equality comments**

- 3.1. Under section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have 'due regard' of the need to:
- eliminate unlawful discrimination, harassment and victimisation
  - advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.
- 3.2. The "protected characteristics" are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage/civil partnership status. The duty involves having appropriate regard to these matters as they apply in the circumstances, including having regard to the need to: remove or minimise any disadvantage suffered by those who share or are connected to a protected characteristic; take steps to meet the diverse needs of such people; and encourage them to participate in public life or in any other activity where their participation is disproportionately low.

This can involve treating people with a protected characteristic more favourably than those without one.

- 3.3. The NYE event is aimed at bringing people from different communities together, celebrating London's diversity and helping to foster good relations between communities. This is achieved through the creative show, which will highlight and celebrate London's diversity; and through a broad and targeted approach to marketing channels, encouraging people from different communities to attend.
- 3.4. The contract will seek to ensure diversity and representation are embedded throughout the project delivery, and within the creative options for the show.
- 3.5. An access assessment will be carried out, and will seek the input of independent disability access specialists. Recommendations from this assessment will be incorporated into the event planning, with minimum provision including a dedicated viewing area for people with disabilities and mobility issues; and the provision of a support line in the lead-up to the event to discuss access requirements.
- 3.6. The event will be accessible to all via national media coverage, and live broadcast on national and international television. Subtitles and audio-descriptive support will be available throughout the programming.
- 3.7. Tickets are set at the lowest possible price point in order to maintain affordability and accessibility for public attendance at the event, whilst broadly offsetting the cost of ticket implementation.

#### 4. Other considerations

##### *Risks and mitigation*

- 4.1. The table below shows the key risks and corresponding mitigation/responses.

Risk	Mitigation	RAG
Despite planning, proposed event is not deliverable, or is cancelled, due to force majeure – e.g. extreme weather, industrial action, further wave of pandemic, etc. This would result in both reputational and financial risk, as costs for event planning and secured services will still be liable.	External issues are monitored via project planning and risk assessment. There is a risk that society and essential services may continue to be impacted by COVID-19, especially in winter; and that strict control measures are reintroduced, making the NYE event undeliverable. Given the high rates of inoculations, stringent public restrictions are unlikely to be reintroduced. However, should this occur, there is an option to move to a broadcast-only event, but some costs for the mass-public event are still likely to be incurred, depending on the timing.	Green
Capacity of essential services to support delivery.	Continuous review of event feasibility – through consultation with partner agencies, authorities and other stakeholders – will highlight challenges of capacity and identify appropriate mitigating actions.	Amber
Net budget of £3.8m plus ticketing income insufficient to deliver event over the period of 2023-24, 2024-25 and 2025-26 .	The event industry was significantly impacted following the pandemic and Brexit, with the impact to the supply chain only just starting to be realised. Fluctuating costs are common due to supply/demand issues. The four-year single-supplier framework for NYE delivery	Amber

	<p>provides some mitigation, with some level of certainty being provided to suppliers; and it supports longer-term negotiations.</p> <p>Additionally, the scope of the event – including the creative ambition – will be reviewed to bring budgets back in line. Where this is not possible due to Mayoral ambition or priorities, additional approvals will be sought through the formal decision-making process.</p>	
Some creative elements – such as drones – can only be used in the correct weather conditions.	We will create a show fit for a broadcast and live audience that includes multiple display elements. This will minimise the risks of weather-dependent technology impacting the whole show. We will also continue to work with suppliers to find the most robust delivery options to further mitigate this risk.	Green
In the situation of moving to a contingency broadcast-only event, the public expectation is such that it will be more challenging to keep the locations secret. Operational/safety bodies will likely mandate crowd management if the locations are well known in advance. This could have an impact on the expected reduced budget.	Ensure that all partners and contractors sign non-disclosure agreements; and that agencies understand the risk of information being made public. We will need to make sure agencies understand our commitment to not having an audience, including sharing communication plans.	Green
Reputational risk to the Mayor, and London, of the event failing – particularly with a new delivery partner.	There is a robust multi-agency planning process for NYE, so early indications of potential event failure can be identified.	Green
Increased security risk in London.	There will be a police presence at the event that remains appropriate and proportionate to the current threat levels.	Green
Crowd management issues resulting in non-ticketed public gaining access to the event footprint.	There is a robust multi-agency planning process for NYE. Strategies and mechanisms for managing non-ticketed crowd behaviour will be planned and agreed in consultation with key partners including MPS. Additional infrastructure will be put in place to ensure non-approved access to the event footprint is prevented.	Amber
Lack of engagement with statutory agencies, businesses and residents who may object to plans.	There is a robust multi-agency planning process for NYE. There is a significant business and residents workstream to engage those impacted and other key stakeholders.	Green
Insufficient planning timelines impacting on delivery due to protracted procurement timeframes.	Robust project plans and working groups established to ensure key milestones met. Close monitoring of issues and early escalation to ensure early resolution.	Amber

Environmental impact of event.	The environmental impact will be an important consideration in the show's development, with an impact assessment carried out. Sustainability was also a key element of the procurement process for the event producer.	Amber
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#### *Links to Mayoral strategies and priorities*

4.2. In approving the NYE events, links to the following are established:

- The GLA commitment to support events that form centrepieces in the city's calendar of events, supporting London's recovery from COVID-19 and the current national economic challenges.
- Recovery mission – Engaging Londoners: ensuring Londoners are informed and equipped to participate in the capital's recovery. This includes through mass public engagement, research and community and cultural engagement designed to include those most affected by the pandemic; developing engagement activity that enables Londoners to connect and come together around celebrations, commemorations and opportunities to share in cultural activities and feel united in London life, noting the uncertainty caused by the current context; and continuing to support cultural activities that help Londoners to engage with the cultural and community life of their city.
- Recovery mission – Helping Londoners into Good Work: supporting Londoners into good jobs with a focus on sectors key to London's recovery.
- Culture strategy: the Mayor will continue to fund festivals and events with an emphasis on more community involvement, increasing quality, raising London's profile, and increasing volunteering.
- Inclusive London – the Mayor's equality, diversity and inclusion strategy: celebrating London's rich diversity; and bringing communities together through a series of high-profile, accessible and inclusive events and campaigns.

#### *Consultation and impact assessment*

- 4.3. Extensive consultation will need to take place with all operational agencies including, but not limited to, the MPS, TfL, the British Transport Police, the London Ambulance Service, LFB, WCC, the City of London Corporation, the Royal Parks, the London Borough of Lambeth, the London Borough of Southwark and any other London boroughs affected. From discussions to date, they will welcome the additional funding providing through this decision.
- 4.4. Consultation will also be carried out by the event production company as part of their delivery role with any residents and businesses affected by the event. The outcome of all such consultation will be factored into the delivery of the event as appropriate.

#### *Conflicts of interest*

- 4.5. There are no known conflicts of interest in relation to those involved in the drafting or clearance of this decision form, or those involved in the delivery of the programme.

## **5. Financial comments**

- 5.1. Mayoral approval is sought for GLA gross expenditure of £16.66m across 2023-24, 2024-25 and 2025-26 (£5.55m per year) to deliver NYE events that celebrate and promote London nationally and internationally. This is an increase of £1.470m per year from the previous MD approval.



- 5.2. Approval is also requested for the event ticket price being set at £20 broadly designed to cover the cost of the ticket implementation. Stall and ticket income is expected to be approximately £1.687m per year across 2023-24, 2024-25 and 2025-26 net of VAT.
- 5.3. GLA net expenditure of up to £3.87m is proposed to be spent on each of the event years. The 2023-24 expenditure will be funded from the agreed 2023-24 NYE budget held within the Major Events team in External Relations, which has sufficient budget to manage this additional cost. Future years' budget (2024-25 and 2025-26) will be subject to the annual budget-setting process.

<b>Expenditure</b>	<b>Amount (£) per annum</b>
	<b>2023-24, 2024-25 and 2025-26</b>
Event production contract	5,300,000
Other operational costs (ticketing commission / Traffic Management Orders/ volunteering/ facilities)	175,000
Marketing	80,000
<b>Total expenditure</b>	<b>5,555,000</b>
<b>Estimated ticket and stall income</b>	<b>(1,686,667)</b>
<b>GLA net expenditure</b>	<b>3,868,333</b>

- 5.5. This decision is also to approve seeking and receiving income from other areas (including but not limited to sponsorship, concessions income and ticket income) to apply to the event to enhance and/or cover increased operational costs, such as crowd management. Any income received will be accounted for in the year it is generated, and the NYE budget will be adjusted accordingly.
- 5.6. In order for the GLA to be satisfied with event suppliers or any future event organiser's capacity and financial status to successfully deliver the event, contracts will be subject to procurement and contract management processes including satisfactory due diligence; checks on an annual basis; and mitigations included in the contracts to protect the GLA's financial commitment in the event.
- 5.7. Break clauses will be included in contracts, should funding not be available in years after 2023-24.

## **6. Legal comments**

- 6.1. The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the statutory powers of the GLA to promote and/or to do anything that is facilitative of, or conducive or incidental to, social development and economic development and wealth creation within Greater London; and in formulating the proposals in respect of which a decision is sought, officers have complied with the GLA's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people
  - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom
  - consult with appropriate bodies.

- 6.2. These decisions also fall within the statutory powers of the GLA under section 378 of the Greater London Authority Act 1999 (the Act). Under that section, the GLA has the power to do anything for the purposes of encouraging people to visit Greater London and encouraging people from outside the United Kingdom to visit the United Kingdom via Greater London. As set out in 2.1 and 2.6 above the broadcasting of the NYE event serves to promote London nationally and internationally as a destination to visit, study and do business.
- 6.3. In taking the decisions requested of him, the Mayor must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender reassignment, age, sex, sexual orientation, religion or belief, and pregnancy and maternity) and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section three (above) of this report.

*Income from sponsorship, concessions and ticket sales*

- 6.4. Decision three, above, requests approval for the seeking and receipt of income from sponsorship, concessions and ticket sales. Pursuant to section 93 of the Local Government Act 2003, the GLA has the power to charge for discretionary services. However, the officers should note that this power is subject to a duty to ensure that, taking one financial year with another, the income from the charges must not exceed the costs associated with the provision of the services. Furthermore, under section 378(9) of the Act, the GLA may receive contributions towards its expenses in carrying out its functions. Accordingly, to the extent that income is unrelated to sponsorship, concessions and ticket sales – for example, donations – that income may also be received by the GLA for the purposes of the NYE events.

*The delegation*

- 6.5. Any function exercisable by the Mayor on behalf of the GLA may also be exercised by any staff member, albeit subject to any conditions that the Mayor sees fit to impose. To this end, the Mayor may make the requested delegation to the Executive Director, Strategy and Communications following consultation with him and his office.

## 7. Planned delivery approach and next steps

Activity	Timeline
Public announcement	September/ October 2023
Ticket sales	October - December 2023
Delivery end date	1 January 2024
<b>NYE 2023 project closure</b>	28 February 2024
Define specification for NYE 2024	February 2024
Call of contract and award	April 2024
Commence planning	April 2024
Public announcement	September/ October 2024
Ticket sales	September – December 2024
Delivery end date	1 January 2025
<b>NYE 2024 project closure</b>	28 February 2025
Define specification for NYE 2025	February 2025
Call of contract and award	April 2025
Commence planning	April 2025
Public announcement	September/ October 2025



<b>Ticket sales</b>	<b>September – December 2025</b>
<b>Delivery end date</b>	<b>1 January 2026</b>
<b>NYE 2025 project closure</b>	<b>28 February 2026</b>

**Appendices and supporting papers:**  
**MD3009.**

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

**Part 1 – Deferral****Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason: To ensure commercial confidentiality not compromised during supplier negotiations.

Until what date: 31/01/2026

**Part 2 – Sensitive information**

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO****ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

David Holley has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

Niran Mothada has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

**Mayoral Adviser:**

Patrick Hennessy has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal.

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on 25 September 2023.

✓

**INTERIM CHIEF FINANCE OFFICER:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

**Signature:****Date:**

27/09/2023

**CHIEF OF STAFF:**

I am satisfied that this is an appropriate request to be submitted to the Mayor.

**Signature:****Date:**

26/09/2023