

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2757

### Title: New Year's Eve 2021, 2022 and 2023

#### Executive Summary:

Following the impact of the COVID-19 pandemic, New Year's Eve (NYE) 2020 moved away from our usual public ticketed NYE Fireworks display, and instead delivered a broadcast only pyrotechnic, light and drone show in several locations across London. The New Year's Eve celebrations were seen by over 50 million people globally.

The 2020 NYE project was delivered with a 45% reduction on the originally identified budget for the 2020-21 event. Considering the continuing financial pressures on the GLA budget, the net NYE budget for 2021, 2022 and 2023 has been set at £1.5 million.

This request seeks approval to develop and deliver New Year's Eve events for 2021, 2022 and 2023. This multi-year approach is essential to enable best value and more transparently competitive procurement, alongside improved planning and development opportunities over multiple years.

#### Decision:

That the Mayor approves:

1. net expenditure of £4.5 million from the GLA budget 2021-22, 2022-23 and 2023-24 (£1.5 million per year) to deliver a New Year's Eve broadcast moment which celebrates and promotes London nationally and internationally;
2. the seeking and receiving of income from other areas (including but not limited to sponsorship, concessions and ticket income) to apply to the event to enhance and/or cover increased operational costs, such as crowd management;
3. the establishment of a four-year single supplier framework for delivery of NYE from 2022 and other major impact/international events, as required; and
4. a delegation from the Mayor to the Executive Director, Strategy & Communications and the Assistant Director, External Relations which delegation may be exercised by either one of them or by both of them acting jointly, in consultation with the Mayor's Office, in relation to the New Year's Eve 2021, 2022 and 2023 events and without the need for further Individual Decision Forms, to:
  - execute contracts, funding agreements and similar agreements on behalf of the Authority;
  - approve creative and operational scope of each year's event; and
  - approve allocation of the agreed budget and any additional income received by the Authority 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:

21/3/21

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

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

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

- 1.1. This decision form requests approval for expenditure of up to £4.5 million over three financial years 2021-22, 2022-23 and 2023-24 to deliver London's New Year's Eve (NYE) broadcast moment and/or event in 2021, 2022 and 2023.
- 1.2. The annual NYE budget of £1.5 million is in line with the budget set for the 2020 NYE broadcast moment and is a 45% reduction from the originally identified budget of £2.75 million from 2020-21.
- 1.3. The international profile that London received for New Year's Eve broadcast in 2020-21 was more significant than ever before, with live viewers on BBC One, a record social media reach and growing YouTube views which collectively reached more than 50 million views by February 2021. This positive profile enhances London's global reputation, supporting long-term economic recovery.
- 1.4. The GLA's financial pressures mean that we must rethink London's traditional NYE event, as we will be unable to return to ticketed live audience events (with low cost ticket prices) with this reduced budget. This reduction in budget, combined with the long-term changes associated with the pandemic and social distancing, mean that we will likely need to move away from large in-situ live audiences. The management of crowds associated with a large live event would not be possible within the current budget, unless additional financial resources were secured – either through ticketing, concessions or sponsorship, or an increased budget from the GLA.
- 1.5. Following the success of the NYE broadcast event in 2020-21 and with potential COVID-19 restrictions still very likely to be in place, we intend to prioritise a broadcast NYE moment rather than an event with mass crowds in 2021-22.
- 1.6. Alongside developing 2021-22 plans, we will begin long-term work to establish if we can return to a mass gathering NYE event in London from 2022-23.
- 1.7. It is important to note that planning for 2021-22, 2022-23 and 2023-24 needs to consider the risks associated with potential crowds gathering to celebrate New Year's Eve, regardless of the change to the delivery model. Any form of New Year's Eve event or broadcast moment in London is a complex multi-agency planning exercise. Core to the planning will be to mitigate these risks through public communications and to work with the multitude of stakeholders to ensure that they are satisfied with future plans to minimise the risk of crowds gathering and mitigate the need for on-site staffing and infrastructure, particularly at locations synonymous with New Year's Eve in London.
- 1.8. The perceived environmental impact of fireworks will be a key consideration in the reimagining of future London New Year's Eve celebrations.

#### *Procurement requirements*

- 1.9. The complexity of procuring an event of this scale, and one which is changing in nature, means that we must commence procurement much earlier. Our traditional NYE event tendering process has resulted in us selecting the same event producer for a number of years. Following extensive engagement with TfL Commercial, to seek to increase the competitiveness of this process, we have agreed to establish a new single supplier framework for this event. This work will commence in 2021-22 for use for the NYE event in 2022. As such, the procurement strategy is as follows:
  - 2021 NYE event: mini-competition call-off from the existing events framework; and
  - 2022-25 NYE events: via a single supplier framework established via open tender.

- 1.10. This requested approval is for multiple years because we need to run a procurement process and deliver the event, and this takes more than a year. For 2021 we will use our existing framework, whilst for 2022 we intend to run a new framework procurement. This is a 6-9 month process and we need 6-9 months for delivery so we need to start this work now, in advance of upcoming Mayoral elections.
- 1.11. Market feedback shows clear reticence from suitable event suppliers to bid for the NYE contract where it is for single year delivery and where the lead in time to tender is less than a year ahead of the first event. Continuation of single year procurement will further impact market confidence and risks challenge through lack of commercially competitive opportunities.
- 1.12. The multiple year framework will provide opportunities for economies of scale and best value outcomes to be achieved, providing this is also supported by multiple year budget approval to give confidence through the supply chain.

#### *2021-22 New Year's Eve Broadcast*

- 1.13. Whilst legislation is being reviewed for events and gatherings, the continuing impact of the COVID-19 pandemic and the potential for fast-changing government advice means that even if mass gatherings were permitted by December 2021, it is not clear what social distancing or other interventions may be required. Therefore, the most appropriate option for 2021 is to plan a New Year's Eve broadcast moment, without a live audience. We will look long term at how we can best generate additional income to deliver a mass gathering event from 2022-23, within the budget limitations.
- 1.14. Following the success of the broadcast moment produced last year, in conjunction with the BBC, we are looking to replicate this 'no audience', multi-site/special effects model in 2021-22, while noting and addressing the risks as defined below.
- 1.15. The continued uncertainties around the event environment require that the detail of creative and operational scope must be developed year on year, and as such delegation of this approval to director level is needed.
- 1.16. This delivery model takes 6+ months of active planning with an appointed event producer under relative secrecy, to avoid people gathering, and the operational support of over 50 partners and statutory agencies, who need to be actively engaged, to successfully deliver the event.
- 1.17. The risk of crowds forming for a 'no audience' show this year is likely to significantly increase and we will have to work closely with all partners to minimise that risk. Communication to the public will be designed specifically to mitigate against any crowds forming. The £1.5m budget will have to include some contingency, if required, to address any serious and unresolvable concerns which the statutory agencies may have during the planning process regarding stewarding and crowd management.
- 1.18. Planning will also consider any impacts of COVID-19 on partner agencies, stakeholders and suppliers in providing both infrastructure and staff. The planning and development phase will also look at the impact of:
  - government advice and requirements around social distancing and other preventative measures;
  - the capacity of major stakeholders to participate in the planning process and the required actions to gain their agreement to the event proceeding; and
  - supply chain capacity to deliver as required, including challenges on time, availability of resources, cost differences to 'standard' services and products.
- 1.19. A crucial element to the delivery of a broadcast moment for NYE, is in establishing a broadcast partner to reach a national and global audience. As such, we will work to draw up an agreement with a broadcast partner, who will also form part of the core group informing the creative input.

- 1.20. A key part of the project will be to define the messages and themes that the Mayor wants to convey. Intrinsic to the planning will be to link the show messaging with GLA communications campaigns to ensure the project delivers clear messaging of these themes, as well as responding to any potential change in the tone of the event in the possible scenario of a further wave of COVID-19.
- 1.21. For 2021-22, we will procure a show producer from the GLA's framework of major event production companies as agreed with TfL Commercial as our procurement advisers.

*2022-23 and 2023-24 New Year's Eve broadcast/event*

- 1.22. In planning for NYE 2022-23, we will work to establish if we can return to an event with a live audience in attendance, as we have previously. However, the event will need reimagining, including its financial model, in order to achieve this within the revised GLA budget envelope.
- 1.23. The reimagining of the event will seek to minimise the environmental impact, specifically in terms of air quality.
- 1.24. The timescales associated with considering new or amended formats for the event, a detailed and lengthy procurement process and in excess of six months in delivery, means that we must move away from a single year planning approach. In order to facilitate this, and to ensure we are able to open this opportunity to the event industry more broadly, we will procure a new multi-year single-supplier framework with a broad array of specifications in order to develop options for future years. This will include:
- creative drive and flair to reimagine London NYE and to ensure we maintain our global NYE reputation;
  - responsibility for end-to-end delivery of any new format of event prioritising broadcast as opposed to a single location event with mass audience/crowds;
  - potential commercial opportunities associated with the event;
  - any contractor undertaking this work needs to have expert understanding of city coordination and pan-agency working;
  - a detailed understanding of the potential for, and the likely impacts of, crowds build up at key locations on the night – both for ticketed and non-ticketed events; and
  - ticketing considerations, including developing new viewing areas, increasing ticket prices and new formats of delivering tickets to both reduce ticket agency fees and reduce likelihood of touting and second selling.
- 1.25. Under the contract, the event producer will be responsible for delivering the requirements for the event, including all creative installations and development, provision of infrastructure, stewarding, crowd management, event management planning and contingency planning, including in-depth liaison with local authorities, agencies, business and residents and other stakeholders involved or impacted in delivering this event.
- 1.26. The contract with the event producer will be managed and monitored by the GLA Events team throughout its duration, with regular and frequent review meetings to ensure the core message and priorities of the project are being achieved. The GLA will retain ultimate decision making for any and all significant creative, messaging and delivery options for the event, and officers of the Events Team will play an active role in formal stakeholder liaison meetings.
- 1.27. The contract monitoring process will include challenge of sub-contractor procurement to ensure value for money is being achieved, benchmarking costs where possible.

## 2. Objectives and expected outcomes

2.1. The key objectives for the New Year's Eve 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 its recovery; and
- 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.

2.2. Attainment of the above objectives will be monitored and measured through pre- and post-event market research, as well as through levels and analysis of local, national and international media coverage.

## 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; and
- advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.

3.2. The creative and production elements of London's New Year's Eve will include the aim to celebrate London's diversity and helping to foster good relations between communities.

3.3. The contract will seek to ensure diversity and representation are embedded throughout the project delivery, and within the creative options for the show.

3.4. An access assessment will be carried out and will seek the input of independent disability access specialists. As the event will be designed solely for broadcast it is anticipated that the access requirements will be predominantly focused on communications and show presentation.

## 4. Other considerations

### *Risks and mitigation*

Year	Risk	Mitigation
21/22	Planning without specific guidance from the Government/PHE.	In the current situation, public health regulations and government guidelines are changing. It is therefore not practical to plan a major event with a mass audience.
21/22	Proposed event is not deliverable despite planning due to further wave of pandemic.	There is a risk that society and essential services may continue to be impacted by COVID-19 and have such an impact that strict control measures are reintroduced, making the NYE event undeliverable. For example, we had international suppliers for elements of the 2020-21 broadcasts. Where practical we will look to use UK suppliers.
21/22	Capacity of essential services to support.	Continuous review of event feasibility through consultation with partner agencies, authorities and other stakeholders, will highlight challenges



		of capacity and identify appropriate mitigating actions.
21/22 22/23 23/24	Negative reputation, resulting from lack of public event.	Development of marketing and messaging campaign to carry key messages including narrative of why the event is different to before. This will need to develop as the time goes on, to better reflect the mood depending on the status of social distancing etc. Should the restrictions not be as severe and more free movement and socialising be possible then messaging will change accordingly.
21/22	Budget of £1.5m insufficient to deliver similar event.	Last year event contractors put in more time than they would be able to with a full calendar of work and were willing to give greater level of resource than they would as standard for the fees paid. They were also able to respond more quickly than usual to changing requirements. All these elements will be a challenge to delivering the same level of broadcast activity and flexibility, but we will work closely with the appointed production contractor to ensure we get the best creative input possible within our constrained budget.
21/22 22/23 23/24	Drones can only be used in the correct weather conditions.	As we look to move away from fireworks, we need to make sure we can create a show fit for a broadcast and live audience in the future. This must include multiple display elements to 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.
21/22	Secrecy of locations: we are very unlikely to be able to keep the locations secret next year even without a ticketed audience. The operational/safety bodies will likely mandate crowd management if the locations were well known in advance. This could have a significant impact on the budget.	Make sure all partners and contractors sign non-disclosure agreements and 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.
22/23 23/24	A budget of £1.5m (with no additional income) is insufficient to enable us to put on a New Year's Eve event with live audience in attendance.	We will look to undertake a review of the commercial model, including ticket pricing, sponsorship and other income sources.

#### *Links to Mayoral strategies and priorities*

##### 4.1. The New Year's Eve broadcast / event will directly link to:

- *City for all Londoners*: making London a fairer and more tolerant city open and accessible to all, and one in which we can all live and prosper free from prejudice. Enabling all Londoners to benefit from the city's fantastic arts and culture;
- *Culture Strategy*: the Mayor will continue to fund festivals and events with an emphasis on more community involvement, increasing quality, raising profile and increasing volunteering;

- *Inclusive London* - the Mayor's equality, diversity and inclusion strategy: To celebrate London's rich diversity and bring communities together through a series of high profile accessible and inclusive events and campaigns; and
- *All of Us* - strategy for social integration: using sport, volunteering, arts and culture as powerful tools for social integration; establishing London's reputation as a welcoming city for newcomers from other parts of the UK and abroad, with opportunities to feel a strong connection and positive sense of belonging to the city in which they are living.

- 4.2. Extensive consultation will need to take place with all operational agencies including but not limited to MPS, TfL, British Transport Police, London Ambulance Service, London Fire Brigade, Westminster City Council, City of London Corporation, The Royal Parks, London Borough of Lambeth and London Borough of Southwark and any other London boroughs affected.
- 4.3. Consultation will also be carried out by the event production company as part of their delivery role with any residents and business affected by the event, and the outcome of all such consultation will be factored into the delivery of the event as appropriate.
- 4.4. There are no conflicts of interest to note for any of the officers involved in the drafting or clearance of this decision form.

## 5. Financial comments

- 5.1. Mayoral approval is sought for GLA budget expenditure of £4.5 million for 2021-22, 2022-23 and 2023-24 (£1.5 million per year) to deliver a New Year's Eve broadcast moment which celebrates and promotes London nationally and internationally. Approval is also requested for seeking and receiving of 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.
- 5.2. Expenditure up to £1.5m is proposed to be spent on a New Year's Eve event each year for the next three years. The expenditure of £1.5m for 2021-22 is to be funded from the planned 2021-22 New Year's Eve budget held within the Major Events team in External Relations. Future years budget (2022-23 and 2023-24) will be subject to annual budget setting process.
- 5.3. The anticipated breakdown of this spend is outlined in the following table:

Expenditure	Amount (£)
Event production contract	1,250,000
Other operational costs	70,000
Marketing	80,000
Contingency	100,000
<b>TOTAL</b>	<b>1,500,000</b>

- 5.4. Any income received from other areas (including but not limited to sponsorship, concessions income and ticket income) will be accounted for in the year it is generated, and NYE budget will be adjusted for accordingly.

## 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 Authority to promote and/or to do anything which 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 Authority's related statutory duties to:
- (a) pay due regard to the principle that there should be equality of opportunity for all people;
  - (b) 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; and
  - (c) consult with appropriate bodies.
- 6.2. Furthermore, decisions 1, 2 and 3 also fall within the statutory powers of the Authority under section 378 of the Greater London Authority Act 1999 (the "Act"). Under that section, the Authority has the power to do anything for the purposes of encouraging people to visit Greater London and to encourage people from outside the United Kingdom to visit the United Kingdom via Greater London. As set out in decision 1 and paragraph 2.1 above the broadcasting of the New Year's Eve 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, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) 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 3 (above) of this report.

### *Procurement of services*

- 6.4. Officers must ensure that any external services required for the New Year's Eve event in 2021 and for the multi-year framework for the New Year's Eve events in 2022, 2023 and beyond be procured in accordance with the Authority's Contracts and Funding Code and with the assistance of Transport for London's commercial team. Furthermore, officers must ensure that appropriate contractual documentation be executed by both the Authority and the relevant service providers prior to the commencement of the required services.

### *Income from sponsorship, concessions and ticket sales*

- 6.5. Decision 2 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 Authority 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 Authority 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 Authority for the purposes of the NYE events.

### *The delegation*

- 6.6. Any function exercisable by the Mayor on behalf of the Authority may also be exercised by any member of staff of the Authority albeit subject to any conditions, which the Mayor sees fit to impose. To this end, the Mayor may make the requested delegation to the Executive Director of Strategy and



Communications and the Assistant Director of External Relations, acting jointly and separately, if he so chooses.

## **7. Planned delivery approach and next steps**

<b>Activity</b>	<b>Timeline</b>
Approval of this MD	March 2021
Launch procurement 2021 and 2022-25	April 2021
Appoint event production company and commence detailed planning for NYE 2021	July 2021
Public announcement	September/October 2021 tbc
Award of single-supplier framework	November 2021
Delivery end date	1 January 2022
NYE 2021 project closure	28 February 2022
Define specification for NYE 2022 & 2023	February 2022
Call-off contract award and commence detailed planning for NYE 2022	May 2022

- 7.1. Both phases of procurement must start by April 2021 to achieve the required outcomes of proper planning and delivery of the NYE events, as well as to ensure these processes are transparent and competitive. Contracts for both procurements however are to be signed in July and November respectively, after upcoming Mayoral elections.

### **Appendices and supporting papers:**

None.

**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: Commercial confidentiality ahead of significant procurement processes involved.

Until what date: 04 January 2022

**Part 2 - Sensitive information**

Only the facts or advice that would be exempt from disclosure under 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:**

James Fitzgerald 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:**

Leah Kreitzman 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 22 February 2021.

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**

**Date**

*D. Gane*

23 February 2021

**CHIEF OF STAFF:**

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

**Signature**

**Date**

*D. Bellamy*

22 February 2021