



## Alternate Motion – Ordinary Council Meeting, 30 June 2020

### Item 13.4 – Major Events 2020/21

**Received From:** Chair Commissioner Hammond

**Date Received:** Friday, 26 June 2020

That Council:

1. PROCEED with the planning and delivery of the 2021 Australia Day Skyworks Event subject to the following:
  - a. The procurement of goods and services to be cognisant of the possibility of event cancellation therefore favouring suppliers that are willing to enter into contractual arrangements that will reasonably share the financial risks of event cancellation between City and supplier.
  - b. A public education campaign being undertaken communicating key messages on COVID related hygiene, wellness and physical distancing awareness.
  - c. Public transport logistics to and from the event being examined in detail in conjunction with Transperth and other transport providers to limit overcrowding wherever possible
  - d. Regular liaison with the Chief Health Officer and Commissioner for Police continuing until either the delivery or cancellation of the event and being reported to the Commissioners or Council by monthly Information bulletin.
  - e. The 2021 Australia Day Skyworks Event being added to Table 1 of discretionary operating projects and \$xxxx being reallocated in the next quarterly financial review from the projected annual operating surplus
  
2. PROCEED with the planning and delivery of a series of Christmas Concerts in Forrest Place in lieu of the Christmas Nativity Event in the Supreme Court Gardens in the prime pre-Christmas retail activity period subject to:
  - a. Liaison with the Activation and Marketing Advisory Committee to ascertain the most advantageous period and time in which to deliver the events.
  - b. Liaison with businesses situated in the core retail area.
  - c. Invitations to schools based in the City of Perth inviting them to be involved in the concerts
  - d. Local musicians and entertainers being utilised
  - e. A public education campaign being undertaken communicating key messages on COVID related hygiene, wellness and physical distancing awareness.
  - f. The Forrest Place Christmas Concerts being added to Table 1 of discretionary operating projects and \$xxxx being reallocated in the next quarterly financial review from the projected annual operating surplus



3. PROCEED with the planning and delivery of the New Year's Eve Celebration Event in Northbridge and surrounds subject to the following:
  - a. In liaison with WA Police and local businesses close roads to maximise pedestrian space and physical distancing
  - b. The delivery of an eclectic mix of mobile entertainment offerings throughout the precinct in lieu of entertainment being delivered in static stage / performance areas
  - c. Liaison with businesses situated in the Northbridge Entertainment Precinct to assist in establishing a cogent marketing and programming strategy for the event
  - d. Public transport logistics to and from the event being examined in detail in conjunction with Transperth and other transport providers to limit overcrowding wherever possible
  - e. A public education campaign being undertaken communicating key messages on COVID related hygiene, wellness and physical distancing awareness.
  - f. The New Year's Eve Celebration Event being added to Table 1 of discretionary operating projects and \$xxxx being reallocated in the next quarterly financial review from the projected annual operating surplus

### **Administration Response - Implications to Consider**

#### **Strategic implications**

The alternate motion continues to align with the strategic objective as outlined in the Major Events 2020/21 report.

#### **Legal and statutory implications**

The alternate motion presents an implication in relation to procurement and the management of contracts to minimise financial risk to the City and contractors, effectively seeking to share the risk.

All contracts will require contractors to agree to contract terms that specify that payments will only be made for costs incurred up to the date of cancellation. In this way contractors will be funded for all out of pocket expenses, while the City will be protected from any costs associated with the full delivery of a cancelled event.



## Risk implications

Impact of decision	
Organisation	Medium
Community	Medium

These are the risks associated with proceeding with all three events as proposed in the Alternate Motion.

### Christmas Concerts

Risk domain	Consequence	Likelihood	Risk rating
People	Minor	Unlikely	Low
Reputation and External Stakeholders	Minor	Likely	Medium
Service Delivery/ Strategic Objectives	Insignificant	Possible	Low
Financial	Minor	Unlikely	Low

### New Year's Eve

Risk domain	Consequence	Likelihood	Risk rating
People	Minor	Unlikely	Low
Reputation and External Stakeholders	Minor	Unlikely	Low
Service Delivery/ Strategic Objectives	Minor	Unlikely	Low
Financial	Minor	Possible	Medium

### Skyworks

Risk domain	Consequence	Likelihood	Risk rating
People	Major	Unlikely	Medium
Reputation and External Stakeholders	Major	Possible	High
Service Delivery/ Strategic Objectives	Moderate	Possible	Medium
Financial	Moderate	Possible	Medium



## **Risk Summary Narrative:**

**People:** From 18 July 2020, Phase Five will enable all events and mass gatherings to proceed in WA. Should there be a second wave it is expected restrictions will be re-imposed thereby raising the possibility of event cancellation. However, if outbreaks occur in specific locations as has happened in Victoria, it is expected the State Government will assertively contain and manage these outbreaks, thereby lessening the need to cancel events.

Overall, based on current projections and the implementation of proposed public health education campaigns for all events, the expected risk to public health in the proposed formats is determined to be medium for Skyworks, and low for New Year's Eve and Christmas Concerts.

**Reputation and External Stakeholders:** Past experience has shown that any proposed changes to the delivery of these three events has resulted in significant public outcry and negative state level media coverage. However, in the case of Skyworks, when the event does run as planned, there is also some level of outcry due to cultural and environmental concerns associated with the history of 26 January and large-scale fireworks during bush fire season respectively. In summary, whatever decision is made in relation to these events will likely result in some level of negative media coverage and public sentiment, particularly from residents and ratepayers.

Survey results have shown to be divided on the issue of whether Skyworks should go ahead in its current form (46% against and 45% for). According to the ABC poll, the broader public is more clearly against Skyworks proceeding (70% against 30% for). Not proceeding with the traditional Christmas Nativity Concert is expected to also attract concerns however this should be mitigated with the proposed new Christmas Concerts formats which provides more options for families.

The City's commitment to helping the City rebound after COVID-19 is expected to mitigate some negativity about proceeding with these major events now the State is moving into Phase 5 at least six months before the events are scheduled.

**Service Delivery/Strategic Objectives:** The main impacts on service delivery are in relation to procurement, however, there are also impacts on delivery of services across activation, cultural experience, economic development, marketing and communications, community amenity, health, activity approvals, safety, transport, waste, cleansing and parking management. These services are under additional strain to meet demand imposed by responding to COVID-19 and would also be key services involved in delivering these three events (particularly Skyworks). It is likely that at least some of these services would see service disruptions or customer complaints during a compressed planning and delivery timeframe for these events.



In terms of procurement, on average a normal tender takes up to nine weeks. The volume of tenders required for these events (8) and the urgency could pose a capacity issue, particularly at a time when the City is embarking on an ambitious capital works program for 2020/21. Staff will consider tender exemptions and other avenues available to enable these processes to remain in-house and eliminate the need to outsource the procurement.

**Financial:** The largest financial risk is associated with cancellation (sunk costs) and contractual commitments to suppliers should an event need to be cancelled. This will be somewhat mitigated through contract management with the quantum determined by the timing of any event cancellation. There is some risk that costs will be higher due to shortened timeframes and reduced competition between contractors, and the possibility that some contractors will not survive the economic impacts of the COVID-19 pandemic.

## Approval implications

Should Council adopt the alternate position proposed by Commissioner Hammond, the City will commence planning for three additional operational activities and projects to be delivered in 2020/21.

The Activation and Cultural Experience Team will be delivering a significant proportion of the projects being considered and will also need to resource the delivery of the End-to-End Events Review, the development of the Events and Activation Strategy and the implementation of the Neighbourhood Engagement project. As a result, some timeframes for the delivery of strategic projects may need to be reviewed.

## Financial implications

The financial implications of the alternate motion is a requirement for an additional \$2,115,000 funding to support the City's COVID-19 Economic Rebound Strategy.

This will bring the total requirement to cover the operating projects associated with that strategy to \$20,115,000. The City's Long Term Financial Plan 2020/21 - 2029/30 and Draft 2020/21 Annual Budget currently provide for \$18,000,000 for this purpose.

A recent re-assessment of the anticipated 2019/20 closing position, which becomes the opening position for the 2020/21 Budget, indicates a positive improvement of approximately \$2 million in that opening position relative to the previous (31 May 2020) forecast.

This indicates that the revised COVID Economic Rebound Strategy amount of \$20,115,000 will be able to be accommodated within the draft 2020/21 Budget to be considered by Council on 4 August 2020.



## Officer Comment to the Alternate Motion

The following comments relate to other aspects of the alternate motion:

- The administration has amended table 1 to include the three projects contained within the alternate motion. This has been embedded into the staff recommendation below.
- The three events in their proposed format can be delivered with existing resources and recommended budget, noting the expected reduced public health risk and other strategies needed to address impacts.
- A public education campaign to communicate key messages on COVID related hygiene, wellness and physical distancing awareness will be supported in all events by the Marketing and Communications Unit.
- Event Officers will continue to work closely with the Public Transport Authority on public transport logistics of these events and consider additional COVID-19 implications in planning.
- The Chief Executive Officer and General Manager Community Development will liaise regularly with the Chief Health Officer and Commissioner for Police and keep Commissioners informed. Part 1) d. of the motion refers to a 'weekly bulletin' however this should be replaced with "monthly Information Bulletin" as required in the City's draft Governance Framework Policy.
- Event Officers will continue to plan the closure of several streets in Northbridge on New Year's Eve which will maximise pedestrian space and physical distancing opportunity as well as provide a safe pedestrian zone from vehicles.
- Part 2) a. of the motion states:

*Liaison with the Activation and Marketing Advisory Committee to ascertain the most advantageous period and time in which to deliver the events.*

The relevant Advisory Committee is titled Events, Arts and Culture Advisory Committee.

- While the proposed additional major events are supported as part of the City's Economic Rebound, contested community sentiment about the value of the events and their effectiveness in activating the City, returning value for money for the City's stakeholders and delivering social benefits should be signalled as an important strategic discussion for the future.



## Officer's Recommendation

The following motion, with tracked changes is suggested in order to include the full list of operating projects and address some minor operational issues.

### That Council:

- 1. APPROVES the list of Operational Activities and Projects for inclusion into the 2020/21 annual planning and budget process.**

<b>2020/21 Operational Activities and Projects</b>	
<b>Initiative</b>	<b>Cost allocation</b>
Cleaning and presentation of the city	\$1,000,000
Support and advocacy for people experiencing or at risk of homelessness; including the co-ordination of services and support networks	\$1,905,000
Programs and initiatives for young people and youth at risk	\$100,000
Security, surveillance and community safety programs for the city	\$1,200,000
Grants for small to medium businesses to help them survive and rebound after the pandemic	\$1,040,000
Marketing campaign to support retail sector	Incl. in Marketing budget
Marketing campaign to support small business sector	Incl. in Marketing budget
Programs and initiatives for families and children	\$980,000
Grants to support arts and cultural sector rebound and recovery	\$1,400,000
Marketing of Perth as a visitor destination	Incl. in Marketing budget
Marketing campaign to promote Perth as safe and open	\$2,800,000
Grants to support third-party activation and events post COVID19	\$1,250,000
Perth Home Grown Markets	\$50,000
Twilight Hawkers Markets	\$50,000



Grants for community groups and programs	\$65,000
School holiday events	Incl. in Programs for Families
Marketing of Perth as a business investment destination	Incl. in Marketing budget
Grants to neighbourhood groups to support grass roots initiatives	\$80,000
Capacity building initiatives for community organisations and groups	\$100,000
Grants to support lane-way activation and upgrades and locational precinct improvements	\$240,000
Grants for building improvement projects (e.g. Heritage Building, Adaptive Reuse, Underutilised space and Business Improvement Grants)	\$270,000
Christmas Lights Trail/similar significant post COVID19 activation trail	\$1,000,000
Business development and support workshops and sessions	\$150,000
City managed activations in key retail precincts	Incl. in Programs for Families
New Year's Eve	\$450,000
Forrest Place Concerts	\$300,000
Australia Day Celebrations	\$2,000,000
Christmas decorations, other recovery actions, East End Revitalisation etc	\$3,685,000
<b>Total Operating Project expenditure for 2020/2021</b>	<b>\$20,115,000</b>

2. **PROCEED** with the planning and delivery of the 2021 Australia Day Skyworks Event subject to the following:
- a. The procurement of goods and services to be cognisant of the possibility of event cancellation therefore favouring suppliers that are willing to enter into contractual arrangements that will reasonably share the financial risks of event cancellation between City and supplier.
  - b. A public education campaign being undertaken communicating key messages on COVID related hygiene, wellness and physical distancing awareness.
  - c. Public transport logistics to and from the event being examined in detail in conjunction with Transperth and other transport providers to limit overcrowding wherever possible



- d. Regular liaison with the Chief Health Officer and Commissioner for Police continuing until either the delivery or cancellation of the event and being reported to the Commissioners or Council by monthly Information Bulletin.
  - ~~e. The Australia Day project in Table 1 of Discretionary Operating Projects be replaced with the 2021 Australia Day Skyworks Event and \$2,000,000 being reallocated in the next quarterly financial review from the projected annual operating surplus~~
3. **PROCEED** with the planning and delivery of a series of Christmas Concerts in Forrest Place in lieu of the Christmas Nativity Event in the Supreme Court Gardens in the prime pre-Christmas retail activity period subject to:
- a. Liaison with the Events, Arts and Culture Advisory Committee to ascertain the most advantageous period and time in which to deliver the events.
  - b. Liaison with businesses situated in the core retail area.
  - c. Invitations to schools based in the City of Perth inviting them to be involved in the concerts
  - d. Local musicians and entertainers being utilised
  - e. A public education campaign being undertaken communicating key messages on COVID related hygiene, wellness and physical distancing awareness.
  - ~~f. The Christmas Nativity Project in Table 1 of discretionary operating projects be replaced with the Forrest Place Concerts and \$300,000 being reallocated in the next quarterly financial review from the projected annual operating surplus~~
4. **PROCEED** with the planning and delivery of the New Year's Eve Celebration Event in Northbridge and surrounds subject to the following:
- a. In liaison with WA Police and local businesses close roads to maximise pedestrian space and physical distancing
  - b. The delivery of an eclectic mix of mobile entertainment offerings throughout the precinct in lieu of entertainment being delivered in static stage / performance areas
  - c. Liaison with businesses situated in the Northbridge Entertainment Precinct to assist in establishing a cogent marketing and programming strategy for the event
  - d. Public transport logistics to and from the event being examined in detail in conjunction with Transperth and other transport providers to limit overcrowding wherever possible
  - e. A public education campaign being undertaken communicating key messages on COVID related hygiene, wellness and physical distancing awareness.
  - ~~f. The amount allocated for the New Year's Eve project in Table 1 of discretionary operating projects be replaced with an amount of \$450,000 being reallocated in the next quarterly financial review from the projected annual operating surplus~~