



Report to General Manager

Attachments:
1. NYE Engagement Strategy

SUBJECT: NYE Ticketing & Community Engagement Strategy

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ENDORSED BY: Sandra Moore, A/Director Corporate Services

EXECUTIVE SUMMARY:

At its meeting of 28 May 2018, Council considered a report on ticketing Blues Point Reserve on New Year's Eve. Council resolved that a further report be provided outlining options for cost recovery and revenue generating opportunities, together with a community engagement strategy.

This report examines a range of options for cost recovery and revenue generating opportunities, including hiring a specialist sponsorship consultant to revisit venue sponsorship, licensing sections of Council land to external organisations and selling advertising space on the cyclone fencing used to manage crowds across the LGA.

The report also includes a detailed community engagement strategy designed to gather feedback on the principle of ticketing foreshore sites on NYE.

FINANCIAL IMPLICATIONS:

Community engagement costs will be absorbed into the NYE budget for 2018/19 financial year.

RECOMMENDATION:

1. THAT Council endorse the NYE Ticketing Community Engagement Strategy.

LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

Direction: 4. Our Social Vitality

Outcome: 4.1 North Sydney is connected, inclusive, healthy and safe

Direction: 5. Our Civic Leadership

Outcome: 5.3 Community is informed and consulted

BACKGROUND

At its meeting of 28 May 2018 Council considered a report recommending that foreshore sites across the LGA be progressively ticketed for NYE. The report proposed ticketing as way to provide income to pay for additional infrastructure, security and a dedicated NYE officer. It also recommended ticketing as a way to improve crowd safety because it would allow Council to promote a message of don't come to the area without a ticket. This would reduce the number of people gathering on streets outside the reserves. Overall, ticketing would reduce risk, improve crowd safety and improve resident amenity.

Council resolved:

- 1. THAT Council endorse ticketing at Blues Point Reserve for 2018 at a cost set to recover the actual costs of conducting the event on the site.*
- 2. THAT Council support the closure of Balls Head Reserve on NYE for 2018.*
- 3. THAT a further report be provided to Council outlining options for cost recovery and revenue generating opportunities, together with a community engagement strategy.*

This report outlines some options for cost recovery and revenue generating opportunities. It also includes a community engagement strategy for consulting the community about ticketing.

CONSULTATION REQUIREMENTS

Community engagement will be undertaken in accordance with Council's Community Engagement Protocol.

SUSTAINABILITY STATEMENT

The sustainability implications were considered and reported on during the initiation phase of this project.

DETAIL

1. Community Engagement Strategy

As resolved by Council, a Community Engagement Strategy is attached outlining how community feedback will be gathered on the principle of ticketing foreshore sites on NYE. It should be noted that as a result of the 28 May report on ticketing, two Precincts discussed and resolved support for ticketing which was forwarded to Council.

2. Cost Recovery (Revenue Generating) Opportunities

Council's budget for NYE has increased from \$224,000 in 2012 to \$371,000 in 2017. Income for 2017 was \$45,000. This comprised of income from food stallholders and the temporary leasing of land by Optus for a communications tower at Bradfield Park.

The increased costs have come from changes made to manage crowd safety including an earlier start to Managed Access areas, additional infrastructure and the introduction of a dedicated accessible area. To manage all sites across the foreshore and meet all the requirements set by State and Federal agencies, additional funding of up to \$500,000 per annum would be needed in the coming years.

The City of Sydney organises the fireworks and has a number of sponsors. In 2017, its lead partners were the ABC and KIIS 1065, its Support Partner was The Electric Canvas and its Connect Partners were the Amora and Grace Hotels, Coca-Cola, Peter Lehmann, Hann and Five Seeds Cider.

In 2016, Council staff contacted a range of organisations offering an opportunity to sponsor our Managed Access venues at Blues Point Reserve and Bradfield Park. The sponsorship options were broad and included:

- Experiential activations
- Sampling (i.e. free giveaways)
- Sales (profit-share) if approved products were sold
- Placement of signage on-site including banners and fencing covers

In addition, Council offered promotion on its website and social media pages and in the brochure distributed to residents. No-one expressed interest in venue sponsorship.

Options for Cost Recovery (Revenue Generation)

Council has several options for cost recovery/revenue generation on NYE:

1. selling access to a view of the fireworks to individuals (i.e. individual ticketing)
2. selling access to a view of the fireworks to organisations (temporary land licensing)
3. selling access to crowds at our venues (e.g. signage, experiences)
4. selling products/services to crowds at our venues (e.g. food, alcohol)

The following discussions looks at some of the possibilities and issues for each of these options.

Option 1. Access to views for individuals

Advantages: As discussed in the report to Council on 28 May, ticketing Council's venues would have several advantages. The message that tickets were required would reduce the number of people travelling to the North Sydney LGA in the hope of securing a view of the fireworks and the subsequent overflow crowd impacts when the Police close select sites. It would also help cover costs associated with NYE, effectively mitigating the cost burden from ratepayers.

Ticketing would provide a guaranteed and more comfortable space for the people who attend the event. It would significantly limit the number of people who congregate in North Sydney on the local streets, improve crowd safety and reduce the impact on residents and their properties. In the long term, NYE ticketing could potentially contribute income to help support other events.

Disadvantages: Ticketing alienates those who cannot afford to purchase a ticket. It would also require increased staff resources to manage multiple sites, although the cost of this could be recovered in the ticket price.

Option 2: Temporary land licensing to corporate organisations

Advantages: This option is suitable for some sites and transfers organisational responsibility to third parties. Under this option, some Council venues would be managed as third party sites following the same principles as other existing third party events such as Spring Cycle and the Sydney Running Festival.

Disadvantages: Council would receive less income than it would from individual ticketing and would have less control over the style and price of event offered. While some organisations may want to lease land to provide a special experience for their customers or staff, it is likely that most would want to run a high-cost ticketed event to cover the cost of land hire and event operations. Council staff would be need to coordinate any NYE third party event as they do for existing third-party events on Council land and the land area outside the venue.

Option 3: Managed Access venue sponsorship

Advantages: Venue sponsorship would provide some additional income to offset the costs of managing the venue. This could include: selling electronic signage or signage affixed to temporary infrastructure or allowing the erection of temporary entrance archways and banners across the LGA. This is potentially attractive to advertisers as the signage can be installed and in situ for several days before the event.

Disadvantages: Because Council does not control the fireworks event or the messaging attached to it, the value of venue sponsorship will only ever be a small proportion of the total cost of NYE in North Sydney. Selling signage may not prove to be lucrative as multiple staff would be needed to install within a restrictive timeframe and remove the advertising immediately after the fireworks before the fencing is dismantled and collected by the supplier. While sponsorship would appear from the City of Sydney's 2017 sponsors to be attractive to alcohol companies, alcohol sponsorship is currently prohibited under North Sydney Council's current sponsorship policy.

Finding sponsors is a very time-intensive undertaking, one that will also require a specialised skillset and is not currently resourced at Council.

Option 4: Sale of products to attendees

Advantages: There are options to sell a range of products at Council venues, including food, alcohol, sunscreen, hats etc.

Disadvantages: The margins on product sales would be small except for alcohol. Council has previously made good income from selling alcohol at Managed Access areas, however, this was discontinued due to issues with crowd behaviour and the increased risks associated with managing inebriated people. If Council were to sell products at its venues, it may reduce the economic benefits of the event to local businesses. Product sales could also result in additional waste which would need to be collected by Council and would add to the current waste cost.

Discussion

Ticketing is the preferred option because it effectively provides proactive crowd management by attempting to limit attendance to available space. It also provides an opportunity for cost recovery consistent with the “user pays” principle and mitigate the cost and impacts on local residents. Ticketing has already been considered by Council and is being trialled on a cost-recovery basis at Blues Point Reserve this year.

Community attitudes to ticketing will be explored through the proposed community engagement.

Sale of merchandise is not recommended due to the low margins and the increased waste generated by these products. While alcohol at ticketed sites would be an effective way to recover costs, this has previously resulted in different crowd safety concerns. Any proposal to reintroduce alcohol sales would require extensive consultation with the community and other stakeholders.

After ticketing, sponsorship is the most suitable way to recover costs. However, as Council has only venue sponsorship to offer, income from this would not cover the costs of any venue. Gaining sponsorship is a specialised and time-intensive activity and the Communications and Events Team does not have time to pursue sponsorship for NYE in 2018.

COMMUNITY ENGAGEMENT STRATEGY



New Years Eve Ticketing

Prepared July 2018

For more than three decades the NYE fireworks has had a significant impact on the North Sydney community. Over that time, Council has introduced a number of changes to the way the event has been managed. Some of these have been proactive - with the changes being discussed with the Precinct Committees prior to taking place; other changes have been made in response to issues that have arisen during the event or community feedback after the event. Each year Council distributes more than 13,000 flyers to foreshore residents which are affected by NYE operations advising them of the arrangements for their area.

Ticketing has been raised by many Precinct Committees over the years, in particular by Lavender Bay Precinct Committee which has been one of the areas most affected by the NYE crowds. Council is now seeking feedback on the concept of ticketing some or all foreshore sites on NYE. The purpose of this Community Engagement Strategy is to outline the ways stakeholders can be involved in the decision making process. Community engagement opportunities will be provided across a range of engagement levels.

1. Introduction

This Community Engagement Strategy outlines the steps Council will take to engage the community in the proposal to ticket foreshore sites on NYE. The aim of ticketing is to ensure NYE can be appropriately and safely managed within Council's limited budget. The purpose of the consultation is to gauge community attitudes towards charging for tickets.

1.1 Council's Community Engagement Protocol

This strategy has been prepared in accordance with Council's *Community Engagement Protocol*. The Protocol is used to determine the level of impact applicable to this proposal. This proposal has been determined as:

LEVEL OF IMPACT	LEVEL OF ENGAGEMENT
High - LGA Wide	Inform, Consult

Community Engagement is undertaken with reference to the Australian Government's publication *Protecting Crowded Places from Terrorism 2017* which outlines landholders' responsibility for security at events which attract crowds to their land.

Council used the framework shown below in Table 1.1 to select the most appropriate levels of engagement for this proposal.

LEVEL	DESCRIPTION
Inform	Providing balanced and objective information to help the community understand problems, alternatives, opportunities and/or solutions
Consult	Obtain public feedback on alternatives and/or decisions
Involve	Work directly with the community throughout the process to ensure that public concerns and aspirations are consistently understood and considered

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LEVEL	DESCRIPTION
Collaborate	Partner with the public in each aspect of the decision including the development of alternatives and identification of the preferred solution

Table 1.1 Derived from the IAP2 Public Participation Spectrum

2. Background

In recent years, there have been significant changes to how NYE is managed across Sydney. Many sites are increasingly being ticketed and this is having a flow-on effect to North Sydney, with more people coming to our LGA where access to viewing sites has been free. It is estimated there were 80,000 people in Council's parks and reserves last year (2017) and thousands more on the streets in foreshore areas. The Managed Access areas were declared full more than an hour earlier than in previous years.

At present, Council does not actively manage some of the foreshore areas on NYE and there is a growing problem with the behaviour of the crowds in the unmanaged areas. There is also an increasing number of requests from NSW Police and other agencies for Council to provide additional resources for crowd management and safety measures.

Council's budget for NYE has increased from \$224,000 in 2012 to \$371,000 in 2017. Income for 2017 was \$45,000. The increased costs have come from changes made to manage crowd safety including an earlier start to Managed Access areas, additional infrastructure and the introduction of a dedicated accessible area. To manage all sites across the foreshore and meet all the requirements set by State and Federal agencies, additional funding of up to \$500,000 per annum would be needed in the coming years.

A number of options have been considered by Council's Events Team including sponsorship of foreshore venues, closing public access to some areas of the foreshore, ticketing some parks and reserves, and tendering the management of one or more parks and reserves to an external event company.

The Events Team has sought venue sponsorship, but this proved difficult as the City of Sydney already has sponsors for the event as a whole. The costs for managing NYE continue to escalate and are a growing burden for ratepayers. There is an expectation that Council is responsible for security of gatherings of people on Council land, including counter terrorism measures if these are considered appropriate, regardless of whether we initiate the event. By ticketing NYE, Council is in a position to offset the cost of managing its foreshore parks and reserves and increase the level of security that can be provided.

3. Community Engagement Strategy

3.1 Who are our community stakeholders?

The Community Engagement Strategy identifies the following groups to engage with in the local community:

- Residents/rate payers (including Precinct Committees)
- Businesses/rate payers (including Chambers of Commerce)

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- Community groups and organisations including peak bodies, interest groups and support groups
- Visitors/tourists
- Government agencies including NSW Police, City of Sydney, Department of Premier and Cabinet, NSW Ambulance, Fire NSW, Roads and Maritime Services, Sydney Trains, Sydney Buses, Sydney Ferries.

3.2 Key Communication Messages

- NYE currently costs North Sydney Council ratepayers \$371,000 a year. Despite this expenditure, many foreshore sites are not actively managed, creating safety risks for attendees. The sites that are actively managed do not provide adequate infrastructure, such as toilets for attendees. There is also a request from NSW Police for Council to provide additional security. Ticketing allows Council to meet the need for better management of foreshore sites.
- The Community will be invited to attend and provide feedback at two information sessions during August 2018. They will also be invited to have their say on a survey which will be available online and promoted to the community during August 2018 and the first part of September 2018.
- It is anticipated that feedback will be reported to Council in October 2018.
- The results of the survey will be published on Council's website and sent to the Precinct Committees and interested people. Council decisions about NYE will be communicated to the community via Council's community newsletter North Sydney News.

3.3 Timetable

Community and stakeholder engagement will occur at various times during this two-month period. The key project development phases are outlined in the following table:

<i>Phase</i>	<i>Timing</i>
1. Discussion Paper and Survey Development	Early August 2018
2. Consultation	Mid-August to late September 2018
3. Report to Council	29 October 2018

3.3.1 Phase 1 - Discussion Paper and Survey Development

This phase will involve development of a Discussion Paper and a Survey that will explore:

- community attitudes to ticketing generally; and
- support for different levels of ticketing e.g. free, a mix of free and fee-paying sites, fees set for cost recovery, fees set to allow profit from sites to subsidise other NYE sites or contribute to the maintenance/improvement of the park or reserve.

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3.3.2 Phase 2 - Consultation

Between mid-August and late September 2018, Council will offer various methods for the community to participate in Phase 2, including face-to-face and online, allowing the community to participate at times that best suit their needs and commitments. The opportunities and ways in which feedback can be provided are outlined in the following table. Not listed in any priority order:

Method	Target Stakeholders	Engagement Level	Purpose
Council Website (and Engagement HQ)	All	Inform	<ul style="list-style-type: none"> Communicate proposed project Provide opportunity to respond/Invite submissions
Media Release	Local Media	Inform	
e-newsletters	Residents/ratepayers/businesses	Inform	
Social media	All	Inform	
Advertisement in local papers	Residents/ratepayers/businesses	Inform	
North Sydney News	Residents/ratepayers/businesses	Inform	
Precinct Committees	Residents	Inform	
Community Noticeboards	Residents	Inform	
Letters	Chambers of Commerce and agencies involved in NYE	Inform	
Discussion Paper	All	Inform	
Information display (local markets)	Residents	Inform/Consult	
Information Session	All	Inform/Consult	
Survey	All	Consult	

Note: In accordance with Council's Community Engagement Framework described on page 1, the 'level of engagement' per engagement method is indicated.

At the end of Phase 2 a summary of consultations outcomes (raw data) will be produced and distributed to participants and key stakeholders as well as posted on Council's website.

3.3.2 Phase 3 - Report to Council

This Phase involves analysing the feedback and reporting back to Council with recommendations regarding ticketing in the future. The report to the Council meeting of Monday, 29 October 2018 will be available from Council's website from 5pm on Thursday, 25 October 2018.

4. Opportunity Cost/Rationale

Engaging the community in this proposal may entail financial costs to Council to achieve a high quality engagement process. If the process is robust, community ownership of the decisions made will ensure efficient outcomes. Insufficient or poor quality engagement can result in poor long-term decisions requiring further resources to rectify. The aim of a high

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quality community engagement process is to make sustainable decisions. The engagement process will help Council staff and/or Councillors to understand the related recommendations rationale.

5. Further Information

For further information contact Council's Manager Communications & Events, Corporate Services Division.

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