

Cabinet 31 January 2024	 TOWER HAMLETS
Report of: Simon Baxter, Corporate Director, Communities	Classification: Part exempt
Victoria Park Licence to Occupy	

Lead Member	Councillor Iqbal Hossain, Cabinet member for Culture & Recreation
Originating Officer(s)	Catherine Boyd, Head of Arts, Parks and Events
Wards affected	All wards
Key Decision?	Yes
Reason for Key Decision	Significant impact on wards
Forward Plan Notice Published	15/12/2023
Exempt information	<p>This report and/or its appendices include information that has been exempted from publication as the Monitoring Officer:</p> <ul style="list-style-type: none"> • has deemed that the information meets the definition of a category of exempt information as set out in the Council’s Access to Information Rules; and • has deemed that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. <p>The exempt information is contained in Appendix 1</p> <p>The exempt information falls into this category:</p> <p>Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority handling the information).</p>
Strategic Plan Priority / Outcome	4. Boosting culture, business, jobs, and leisure

Executive Summary

The Arts, Parks and Events team manages a range of community, commercial and corporate events across the Council’s parks and open spaces. This includes the Victoria Park Major Events programme. This report sets out the recommended

commercial approach for licensing major events in Victoria Park in 2024, 2025 and 2026, in line with the Council's Major Event Policy for Victoria Park. The report outlines the management arrangements and how these support the Council's Medium Term Financial Strategy.

It is proposed that the Council grants a licence to AEG Presents Limited to occupy areas of Victoria Park, at times to be specifically agreed, between April and September over a three-year calendar period (2024, 2025 and 2026). This approach will enable the Council to continue to maintain its parks and open spaces as central government grants reduce further over the coming years and provide increased opportunities for residents and visitors to engage with a wide range of events including free to access community event days.

Recommendations:

The Mayor in Cabinet is requested to consider the following recommendations:

1. Approve the option to enter into a three-year Licence to Occupy with AEG Presents Limited as required.
2. Authorise the Corporate Director of Communities to instruct the Director of Legal Services and Monitoring Officer, to execute and enter into all necessary agreements to give effect to the implementation of recommendation 1;
3. To note the Equalities specific considerations as set out in Paragraph 4.

1 REASONS FOR THE DECISIONS

- 1.1 AEG Presents Limited has approached the Council, requesting a licence to occupy parts of Victoria Park at times to be agreed during April to September for a term of three years (2024, 2025 and 2026) for a proposed 11 days of major events (or such other days that comply with the Council's Major Events Policy for Victoria Park) and up to eight days of community events plus additional days to be agreed for assembling and dismantling of any required facilities.
- 1.2 The decision to enter into a three-year Licence to Occupy with AEG Presents Limited for use of Victoria Park will enable the Council to receive a guaranteed rental fee (subject to a Premises Licence being granted).
- 1.3 The granting of the licence to occupy is a key decision as it may have a significant impact on the communities of two or more wards.
- 1.4 A three-year licence to occupy would enable the Council to test (with an experienced operator with a good track record) an increased number of large and major event days per year in Victoria Park, in line with the Council's Major Events Policy for Victoria Park.

- 1.5 AEG Presents Limited currently hold ten event days per year, of which six are paid entry commercial event days and four are free to access community event days. If the licence to occupy is granted for three years, AEG Presents Limited propose to hold 11 paid entry commercial event days per annum (five days in May/June and six in August) plus a further eight free to access community event days per annum (four in May/June and four in August).
- 1.6 AEG Presents Limited, subject to licensing, intend to operate one additional event weekend in May/June 2024 and increase this to two event weekends in May/June 2025 and 2026 by mutual agreement. The proposed new event dates would be in addition to the current All Points East and In the Neighbourhood event series, which is typically held in August. These additional event days will provide more opportunities for residents to benefit from cultural events, increase expenditure through the local economy and generate more income to support Council services including the upkeep of parks and open spaces.
- 1.7 Through the proposed three-year licence to occupy arrangement, the Council will be able to demonstrate that Victoria Park is a viable venue for an increased number of music focussed major events. Currently AEG Presents Limited operate six of their ten event days as major music event days and four as free to access community days. Their proposal is to increase this number to 11 music focussed event days and eight free to access community days over the three-year licence period, giving a total of 19 major and large event days per year.
- 1.8 Through the licence to occupy arrangement, AEG Presents Limited will be required to obtain a Premises Licence for the increased number of major music event days. AEG Presents Limited have a good track record of delivering events in Victoria Park in compliance with their Premises Licence conditions. By demonstrating that Victoria Park can successfully hold more event days per annum, in line with the Major Events Policy for Victoria Park, it is anticipated that the Council will receive more commercially advantageous offers for future licence to occupy/contract opportunities. Future opportunities would be made available to the market in late 2025 for a licence to occupy/contract commencing from 2027, by which point AEG Presents Limited will have (subject to obtaining a Premises Licence) delivered 11 paid entry commercial music focussed major event days and eight free to access community event days per annum in Victoria Park.

2 ALTERNATIVE OPTIONS

Not enter into a three-year licence to occupy with AEG Presents Limited:

- 2.1 If the Council does not enter into a three-year licence to occupy, then there would be a financial loss to the Council. Details of the loss of potential income to the Council is provided in exempt Appendix 1.
- 2.2 AEG Presents Limited have proposed a new event (starting with one weekend in 2024 and the potential to increase to two weekends in 2025 and 2026) on the basis that the Council enters into a three-year licence to occupy. This is due to the financial risk and resources required to extend their current programme from 10 event days to up to 19 event days per annum.
- 2.3 A three-year licence to occupy will enable the Council to test the viability (commercially and practically in relation to Premises Licence requirements) of increasing the number of large and major events held in Victoria Park before committing to a longer term (up to six years) commercial arrangement with other potential operators. Due to event planning lead in times and commercial considerations, it would not be possible to consider another event operator for summer 2024. Furthermore, under the current licence to occupy arrangement with AEG Presents Limited, no other competing music focussed events could be considered for summer 2024.

Ad-hoc Large-Scale Events

- 2.4 Prior to 2014, large-scale commercial event operators applied via the Council's Arts, Parks and Events team to hold ad-hoc events. This yielded less income and is a higher risk approach.
- 2.5 One-off event organisers are less invested in minimising impact on residents. This would risk causing greater disruption to local residents.
- 2.6 An ad-hoc approach would mean no guarantee of income and would therefore be deemed a high-risk approach. This approach would impact financial planning for the Arts, Parks and Events service delivery and the Council's Medium Term Finance Strategy planning.

3 DETAILS OF THE REPORT

- 3.1 In 2013 the first multi-year tender was awarded to Lovebox Festival Limited for three plus one year. In 2017, the Council went out to tender for a new contract from 2018 onwards for four plus one year, which was awarded to AEG Presents Limited. Due to the pandemic, and in line with procurement regulations, AEG Presents Limited was granted an extension of one year with 2023 being the last year of this contract arrangement.
- 3.2 In June 2023, officer authority was given to enter into a one-year licence to occupy arrangement with AEG Presents Limited to deliver 10 major event days in Victoria Park in the summer of 2024, whilst the Council undertook a review of the Victoria Park Major Events policy.
- 3.3 The review of the Major Events Policy for Victoria Park has been subject to the Council's governance process in line with the constitution. In the interim, AEG Presents Limited have submitted a proposal to extend their Licence to Occupy for 2024 from one year to three years. This arrangement would lead to a minimum increase of 28.8% and up to a 63.7% increase against the current income for the summer events at Victoria Park over the three-year period. Details of the income that the Council would receive from the licence to occupy is provided in exempt Appendix 1.
- 3.4 The proposal would see an increase in the number of major and large event days hosted in Victoria Park in line with the major events policy. For 2024 this would equate to a total of up to 14 days of large and major event days using the new events policy. Of the proposed 14 event days, nine would be paid entry commercial event days and five would be free to access community event days. For 2025 and 2026, the proposal, by mutual agreement, would be for 19 large and major event days. Of the 19 days, 11 would be paid event days and eight would be free to enter community event days.
- 3.5 AEG Presents Limited would be committed to delivering at least one extra event weekend in May/June (subject to them obtaining a viable Premises Licence) in addition to their 10 event days typically held in August. By mutual agreement, the licence to occupy would enable the programme to extend to two event weekends in May/June in 2025 and 2026.
- 3.6 It should be noted that due to the available planning time, there is a risk that the May/June 2024 event may not go ahead, if a viable Premises Licence is not obtained or there are delays to the agreement being entered into that prevent AEG Presents Limited from finalising the arrangements for the additional 2024 event days.
- 3.7 The proposed three-year licence to occupy would allow the Council to gauge the market for whether an increase in major event days would be commercially and practically advantageous (including obtaining a viable Premises Licence). If the additional new event in May/June 2024 is successful, then AEG Presents Limited (subject to licence) could extend this to two event weekends in May/June 2025 by mutual agreement with the Council. Through this staggered increase in major event

days over 2024 and 2025, the Council will be able to demonstrate to future operators the commercial viability of Victoria Park, resulting in more commercially advantageous bids/licences. Future opportunities would be promoted in autumn 2025. This would leave sufficient time for potential operators to be appointed and to plan for their events programme from 2027 onwards and also enable the Council to demonstrate two summers of increased events in Victoria Park.

- 3.8 AEG Presents Limited has delivered a successful event programme throughout their contract with the Council, exceeding contractual obligations and improving their performance year-on-year. AEG Presents Limited's event planning and delivery will be monitored through a multi-agency planning process through which they will need to demonstrate to the police, licensing, health and safety (including environmental health) and other agencies that they are delivering their event plans.
- 3.9 All events delivered as part of the licence to occupy will be in line with the Council's Major Events Policy for Victoria Park and subject to licensing conditions (Licensing Act 2003).
- 3.10 Should the Council enter into a three-year agreement with AEG Presents Limited for three years, then the licence to occupy would preclude other competing music focussed events from being held in April to September each year. However, the Council could continue to programme other types of events including winter fairs, food festivals, comedy, corporate and private hire events.
- 3.11 A licence to occupy arrangement is a land use arrangement, which allows for the licence to use areas of Victoria Park for a set number of days per annum in return for a rental fee payable to the Council. Whilst the Council cannot stipulate any other benefits (i.e., community benefits), AEG Presents Limited, can decide to provide community benefits including free tickets and opportunities for local engagement. As part of their proposal, AEG Presents Limited have committed to provide free to access community event days, for which the Council will receive a hire fee.
- 3.12 Other benefits of the recommended three-year licence approach are:
 - Guaranteed income over the licence to occupy period providing funding to maintain the quality of the Council's parks that would otherwise not be available under current budgeting arrangements and to provide a more solid basis for medium term financial planning.
 - Allows for testing of the market for an increase in the number of major event days before the Council commits to a potential six-year arrangement from 2027 onwards.
 - Improved local impact management and resident feedback arrangements to inform detailed planning for subsequent years events through one event organiser (rather than a roster of changing event organisers).

4 EQUALITIES IMPLICATIONS

- 4.1 Events income contributes significantly to the maintenance and provision of parks and open spaces across the borough, and the delivery of free to access

community cultural events. Parks, open spaces and events are open to all residents from all backgrounds and protected characteristics.

- 4.2 Income generated from a well-managed events programme in Victoria Park enables the Council to continue investing in parks and open spaces and free community events at a time of reducing budgets, thereby benefitting all residents.
- 4.3 Events have localised, time limited impacts. These are not considered to affect any particular protected characteristic disproportionately. Localised impacts are minimised through contractual requirements to continuously improve event management arrangements.

5 OTHER STATUTORY IMPLICATIONS

5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications,
- Consultations,
- Environmental (including air quality),
- Risk Management,
- Crime Reduction,
- Safeguarding.
- Data Protection / Privacy Impact Assessment.

5.2 **Best Value Implications:** a multi-year licence to occupy would provide the Council with a minimum rental increase of 28.8% and up to 63.7% increase against the current income for the summer events at Victoria Park over the three year period.

A single event operator for major events in Victoria Park is considered the most effective use of resources, both in terms of staffing and asset use. The approach allows for more effective contract management arrangements, which could not be achieved with a multitude of contracts for smaller events.

5.3 **Consultations:** events with an attendance of more than 499 at any one time, which have regulated entertainment and or the provision of alcohol, require a Premises Licence. It is a statutory requirement for Premises Licence applicants to undertake a 28-day public consultation period. AEG Presents Limited will be obligated, through the Park Hire Application process and licence to occupy, to notify residents and premises within a set catchment area of Victoria Park in advance of the event. This notification will detail event dates and timings (including set up and take down), sound check timings, road closures and how to contact them to raise a query or make a complaint.

AEG Presents Limited have stated that they will hold community engagement meetings pre and post event to take into account any issues or suggestions by residents to inform their event planning and delivery arrangements.

Environmental (including air quality): as the events are held in public open spaces, consideration is given to reduce impact to residents and the park. Measures include effective site planning, ground protection and noise management procedures agreed with Environmental Protection. AEG Presents Limited, through the Park Hire Application process and licence to occupy, will be required to provide detailed site plans, demarcating ground protection measures, plus details of site services (including effective waste management and recycling). AEG Presents Limited are committed to operating sustainable events and would continue to seek to improve their practices to reduce the environmental impact of their events programme. AEG Presents Limited will also be charged an environmental impact fee that will be used to improve the park's infrastructure.

- 5.4 **Risk Management:** the recommendations of this report seek to mitigate budgetary risks by securing guaranteed events income for three years. This approach will provide a more stable and predictable environment for year-on-year budgeting.

If the Council were to go to market with an opportunity for a multi-year contact in 2024 rather than enter into a three-year licence to occupy with AEG Presents Limited, the commercial offers received are likely to be lower given that event operators will base their proposals on the established success of the venue and potential for additional events based on current / previous Premises Licences. The current Premises Licence for events in Victoria Park allows for six days at 75dBA (required for music concerts/events) and four days at 65dBA (not suitable for music focussed events). The proposed three-year licence to occupy will enable the Council to go to the market in the autumn of 2025, once an expanded events programme has been successfully delivered at Victoria Park in relation to the necessary Premises Licence conditions.

There is the potential risk that AEG Presents Limited would not obtain a viable Premises Licence to deliver their events (particularly the new proposed event series). This is a particular risk for May/June 2024 as there is not sufficient time to appeal a licence decision (if required) but less of a risk for 2025 and 2026 as there would be sufficient time for AEG Presents Limited to appeal a licence decision as required. The licence to occupy will require AEG Presents Limited to use reasonable endeavours to obtain a Premises Licence and are in a strong position to meet the licensing conditions given their proven track record in delivery well managed and safe events that are compliant with their current Premises Licence.

The risk of residents being impacted by poorly managed events is reduced as AEG Presents Limited has delivered a successful event programme throughout their contract with the Council, exceeding contractual obligations and improving their performance year-on-year. The Council can be confident

that, based on previous performance, an increased number of event days would be responsibly managed by AEG Presents Limited.

All major events are subject to multi-agency planning, including the relevant emergency services. In addition to the contractual requirements, the premises licensing process provides for further mitigation through licensing conditions. Through the event planning process, the event organiser will need to demonstrate that they have the resources and experience to safely plan and deliver their event with minimum impact to the park and residents. This includes providing, relative to the size and risk of the event, Event Management Plans; Crowd Management Plan; Noise Management Plan, Risk Assessment (including fire); Safeguarding Policy; Sustainability Plan; and adequate insurance.

- 5.5 **Crime Reduction:** AEG Presents Limited have made continuous improvements to their current event management arrangements in order to minimise any potential negative impact from major events. This has resulted in a reduction of adverse impacts and the current events programme has been confirmed as a low-crime event by the Metropolitan Police service. AEG Presents Limited are committed to building on these arrangements so they can expand their event programme.

AEG Presents Limited will be required to provide a Crowd Management Plan, which will be subject to review by the multi-agency planning group, which includes representatives from the Metropolitan Police Service. Through this process, event organisers will need to adequately demonstrate how they will meet the Licensing objectives (Licensing Act 2003). Detailed plans must be provided to document on site (event footprint) and off site (park and key external walking routes) arrangements to and from Victoria Park.

- 5.6 **Safeguarding:** through the licensing and multi-agency planning process, event organisers must provide detailed and robust arrangements and measures to protect children and vulnerable adults from harm. These plans are subject to review by the multi-agency planning group. As part of the Premises Licence application and multi-agency planning process the Council's Safeguarding and Quality Assurance Service team reviews safeguarding measures.
- 5.7 **Data Protection / Privacy Impact Assessment:** event organisers do not manage sensitive data held by the Council. They are responsible for compliance with the Data Protection Act 2018 (DPA 2018) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) and this responsibility is covered via the Park Hire Contract.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The report is seeking approval to grant a licence to AEG Presents Limited to occupy areas of Victoria Park to host a number of major and community events in the park over the next three years. The proposal would increase the number of events in the park.

- 6.2 Income targets from the current major events contract are included in the budget provision for Arts, Parks and Events. Having a guarantee through a longer-term licence will provide a guaranteed income stream and facilitate better planning and budget management.
- 6.3 The target for budget for Arts, Parks and Events is to be self-financing with an income target of circa £3 million. For 2024/25 additional savings identified for the service are contingent on the provision of an additional May/June 2024 event. Details of the income that the Council would receive from the licence is provided in exempt Appendix 1 to the report.
- 6.4 Additional income generation from maximum utilisation of London Borough of Tower Hamlets' assets is a driver to support the Council to deliver against its' Medium Term Financial Strategy and the approval of this license would contribute towards its achievement.

7 COMMENTS OF LEGAL SERVICES

- 7.1 This report does not give rise to any particular legal implications in respect of planning, licensing, etc. Specific advice on event licensing, planning and other issues will be given to the relevant Committee or Sub-Committee, as required.
- 7.2 Section 145 of the Local Government Act 1972 gives local authorities a power to do or arrange for the doing of anything necessary or expedient for the provision of any entertainment. This power includes the power to set aside or enclose any part of a park or pleasure ground that they own or that is under their control. This includes the power to allow such a part of a park or pleasure ground to be used by some other person, on payment or such other terms as the authority thinks fit and allows that other person to make charges for admission.
- 7.3 The Council has the power to grant a licence for the use of the land by virtue of Section One of the Localism Act 2011. The terms of the licence agreement will be agreed with AEG Presents Limited and will cater for standard occupation terms in order to protect the land, the receipt by the Council of the licence fee and ensure it is returned to the Council in an appropriate condition after use amongst other things. The agreement will prohibit unacceptable uses of the land in the usual manner.
- 7.4 AEG Presents Limited's stated intention is to use the land to provide events to the public but should AEG Presents Limited proceed with this intention this will be subject to obtaining the appropriate statutory permissions. Nothing in the agreement will affect amplify or fetter the Council's statutory duties in this regard in any way.
- 7.5 The agreement will not require AEG Presents Limited to undertake any activities on behalf of the Council or at the Council's behest beyond those activities normally required to safeguard and protects the Council's land.

- 7.6 The proposal for the use of the land submitted to the Council shows information relating to AEG Presents Limited's financial and business affairs and therefore the information is exempt for the purposes of Schedule 12A of the Local Government Act 1972. The release by the Council into the public domain may be actionable by AEG Presents Limited, which could significantly affect public funds. Therefore, the public interest in knowing the information is outweighed by the public interest in maintaining the exemption. Therefore, the proposal is not restated here.
-

Linked Reports, Appendices and Background Documents

Linked Report

- N/A

Appendices

- Exempt Appendix 1.

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

Catherine Boyd, Head of Arts, Parks and Events –
Catherine.boyd@towerhamlets.gov.uk