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Award Hyde Park Music Festival 2022-2027

The Royal Parks (TRP Trading Company Ltd)

F15: Voluntary ex ante transparency notice Notice identifier: 2024/S 000-034018 Procurement identifier (OCID): ocds-h6vhtk-04afd2 Published 21 October 2024, 5:08pm

Section I: Contracting authority/entity

I.1) Name and addresses

The Royal Parks (TRP Trading Company Ltd)

The Old Police House, Hyde Park

London

W2 2UH

Email

procurement@royalparks.org.uk

Country

United Kingdom

Region code

UKI - London

Companies House

10555909

Internet address(es)

Main address

https://www.royalparks.org.uk/

Buyer's address

https://www.royalparks.org.uk/commercial-licences/procurement

I.4) Type of the contracting authority

Body governed by public law

I.5) Main activity

Recreation, culture and religion

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Hyde Park Music Festival 2022-2027

II.1.2) Main CPV code

• 79952000 - Event services

II.1.3) Type of contract

Services

II.1.4) Short description

The purpose of this Voluntary Ex-ante Transparency Notice is to inform the market of the additional services to be performed by AEG Presents Ltd ("Event Organiser") in respect of contract for the operation and management of the Hyde Park Music Festival ("HPMF"), originally procured for a period of 6 years starting on 30 June 2020 and ending on 30 June 2025 (the "Contract").

The Contract has previously been amended on account of legal proceedings challenging the Contract award decision and the outbreak of the COVID-19 pandemic (the "Pandemic"): the combined effect of these events was that the HPMF first took place in 2022. Subsequently, there was a further amendment to allow the Event Organiser to hold two additional days' worth of annual events (the "Two Slots") in 2022, 2023 and 2024 such that nine instead of seven concerts were held each year.

This Voluntary Ex-ante Transparency Notice gives notice that the Authority proposes to vary the terms of the Contract to allow the Event Organiser to host an additional Two Slots in 2025, 2026 and 2027 and an additional one year extension for 2028. In 2028 the Authority is mandated to host three fan-zones for the UEFA Euro 2028 (the "Fan Zones") which will take place as the same time as the HPMF. The only viable location for the Fan Zones is in the same location as the HPMF in Hyde Park (the "Park").

Accordingly, the proposed variation to the Contract will allow the Event Organiser to hold nine (instead of seven) concerts in 2025, 2026 and 2027 as well as a one-year Contract extension to 2028 in which the Event Organiser will host three Fan Zones and six concerts.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £544,000,000

II.2) Description

II.2.3) Place of performance

NUTS codes

• UKI - London

II.2.4) Description of the procurement

The Authority invited tenders for an event contract for the operation and management of HPMF, originally procured for a six-year period starting on 30 June 2020 and ending on 30 June 2025. The Contract was awarded on 29 September 2020 to the Event Organiser. The Contract was subsequently amended on account of legal proceedings challenging the Contract award decision and the Pandemic as well as for an additional Two Slots to be held in 2022, 2023 and 2024 which had become necessary because a concession contract for an event in September had expired during the Pandemic. The proposed variation to the Contract will allow the Event Organiser to hold nine (instead of seven) concerts in 2025, 2026 and 2027 as well as a one-year Contract extension to 2028. In 2028 the Event Organiser will host six concerts and three Fan Zones.

The modified Contract will have a term expiring in 2028.

All of the events permissible each year under the contract (including the Two Slots and the Fan Zones) will be held within a three-week time period in June and July each year.

II.2.11) Information about options

Options: No

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed below

• The procurement falls outside the scope of application of the regulations

Explanation:

This is an Event Services contract (the main CPV code being 79952000). It is therefore classified as 'social and other specific services' listed in Schedule 3 of the Concession Contracts Regulations 2016, to which Regulation 43 of the CCR does not apply. The Authority has decided to publish this Voluntary Ex-ante Transparency Notice as a matter merely of transparency.

Notwithstanding the above, the Authority considers the variation and extension to the Contract is required on the following grounds:

- The cost of staging smaller standalone events (whether that be the Two Slots and/or the Fan Zones) would be prohibitively expensive and would cause significant disruption to the Park environment and its visitors. In particular, the necessity of staging the HPMF and Fan Zones within the same space and timeframe is operationally complex and requires a contractor who has sufficient technical experience of how best to utilise the relevant infrastructure to meet the demands of both types of event, one of which (as of 11 April 2023 TRP was advised by DCMS that it was required to stage the Fan Zones) has been mandated and imposed on the Authority (albeit at cost).

- It is therefore not practical for HPMF to be operated in 2028 by a different contractor from the Event Organiser. Delivering both the music concerts and Fan-Zones would be operationally difficult for a new provider without the Event Organiser's level of experience and may cause significant inconvenience and potentially a duplication of costs for the Authority.

- The proposed amendments are not substantial as that expression is defined in Regulation 43(9). The character and nature of the Contract remains the same as that of the initially concluded Contract. The economic balance remains unchanged because the amendment does not change the reward and risk mechanism in the Contract. Instead, it provides for the least disruptive means for the Authority to deliver HPMF and Fan-Zones which has both a public benefit and a financial benefit which ultimately accrues to the Authority, which is the

trading arm of a registered charity.

In so far as it is necessary for it to do so, the Authority will rely on Regulation 43(1)(e).

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: <u>2020/S 217-534160</u>

Section V. Award of contract/concession

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

29 September 2020

V.2.2) Information about tenders

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

AEG Presents Ltd

6th Floor, 240 Blackfriars Road

London

SE18NW

Country

United Kingdom

NUTS code

• UKI - London

Companies House

05452230

The contractor/concessionaire is an SME

No

V.2.4) Information on value of contract/lot/concession (excluding VAT)

Initial estimated total value of the contract/lot/concession: £359,410,000

Total value of the contract/lot/concession: £544,000,000

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

The Royal Parks (TRP Trading Company Ltd)

The Old Police House, Hyde Park

London

W2 2UH

Email

procurement@royalparks.org.uk

Country

United Kingdom