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From: Fitzgibbon, Danica on behalf of Government Procurement Board
To: Usherwood, Mark; Comacchio, Teresa
Cc: Government Procurement Board
Subject: Government Procurement Board Advice - Meeting 25 June 2024 - Variation: Place Management Services
Date: Tuesday, 2 July 2024 4:37:48 PM

OFFICIAL

Good afternoon,

Thank you for your presentation and papers provided to the Government Procurement Board (the Board) on 25 June 2024. Please note the below from the Board:

Variation: Place Management Services

Attendees:

- Mark Usherwood, Director Project Operations, Place Experience and Marketing, City Renewal Authority (CRA)
- Teresa Comacchio, a/g Executive Branch Manager, Place Experience and Communication, CRA

The Board thanked the attendees for the papers provided.

The Board reviewed this procurement proposal and provides the following advice for proponents' consideration:

- **Consider** if the KPIs in the current contract are sufficient, noting that the programming budget has been expended in the first two years of the three year contract.
    - The CRA clarified that the number and value of the events increased due to CRA's direction.
- **Recommend** including compliance with ACT Government procurement rules and regulations within the text of the variation documentation, noting that procurement legislation and regulations still apply to procurements undertaken by a supplier on behalf of the Territory.
    - The CRA advised that the current contract specifies that the supplier must align with ACT Government procurement rules, and has sought advice from Procurement ACT to ensure compliance with current legislation.
- **Recommend** that the CRA be particularly diligent in the documentation to support reasoning for not going back out to market, noting the significant variation to value and scope proposed.
    - The CRA advised that its variation briefs include detailed reasoning, and will ensure that decisions and reasoning are detailed within the advisory brief to their delegate.
    - The CRA further advised that this contract and other similar procurements had been subject to internal and external audits, and that the CRA are satisfied with the decisions that have been made regarding this contract.

During discussion with the proponents the board also **noted**:

- The low response rate to this contract and its predecessor went out for public

tender.

- CRA noted that they had received interest from the market, particularly from national suppliers, but that national suppliers are not established in the Canberra region, and the local market for these services is under-developed.
- The CRA further noted that the public tender had a strong weighted criteria for local engagement, and that while the services could be provided by an interstate supplier, Canberra region networks are essential to the services.

- The budget of the current contract is split between two categories: the service fee, which covers the staffing and skillset to deliver the services; and the program budget, which is spread across the programs and activities delivered under the contract.
- The increase of the service fee, both in value and in proportion to the programming aspect of the contract.
    - The CRA advised that while the service fee for the full five years (contract term and extension options) was included in the initial tender response, the service fee increase had been negotiated based on the increase in supplier costs. The CRA advised that it was satisfied that the service fee increase was reasonable.

During discussion after the proponents had left the meeting, the board further noted:

- The original contract, being $5.3m over three years, is being varied into a $13.7m contract over 5 years without going back out to market.
- The exercising of the option available under the original contract is adding $5.6m to the total contract value.
- Noted that suppliers who chose not to bid on the initial contract may have submitted a response for a higher value contract.
- the apparent high value of the service fee in comparison with the number of FTE equivalent hours provided under the contract and whether the service fee is buying labour or skills and expertise.

The Board **recommend** that proponents document their consideration for the Board's advice and any action taken, for their own internal documentation. This will assist proponents to respond to any enquiries made about the procurement in future, for example audit enquires.

If you wish to speak with a Board member about this feedback, please contact Ms Coretta Bessi (Chair of the Board).

NOTE: It is the responsibility of the Project Officer to:

- Ensure that you are familiar with the Part 3 Notifiable Contracts requirements of the *Government Procurement Act 2001* including Section 26 Meaning of notifiable amendment, Division 3.3 Availability of notifiable contracts, and Division 3.4 on Confidential Text, and have planned to include the required information on the Contracts Register within 21 days after the contract is made. Refer to Procurement Circular PC16 Notifiable and Reportable Contracts at http://www.procurement.act.gov.au/About/procurement_circulars and the Contracts Register at http://www.procurement.act.gov.au/contracts
- Seek clarification immediately from the sender on the meaning of this message, if not absolutely clear;
- Advise all appropriate staff associated with the project of the Board's decision and any additional actions resultant from this advice;

- Should the process outlined above not commence within 3 months of this notice, provide a revised timetable; and
- Complete all actions associated with this decision.

Kind regards,

Government Procurement Board Secretariat
Phone 02 6205 1387| Email: governmentprocurementboard@act.gov.au
Procurement ACT | Chief Minister, Treasury and Economic Development Directorate |ACT Government
GPO Box 158, Canberra City | act.gov.au
Please consider the environment before printing this email.
I acknowledge the Ngunnawal people as traditional custodians of the ACT and recognise any other people or families with connection to the lands of the ACT and region. I acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

#	Recommendation	Authority comment	Action
1	**Consider** if the KPIs in the current contract are sufficient, noting that the programming budget has been expended in the first two years of the three year contract. • The CRA clarified that the number and value of the events increased due to CRA's direction.	Whilst assessing the feasibility to vary the existing contract the Authority reviewed the contract KPI's. Noting that the KPI's all relate to the suppliers performance, that audits of the KPI's/suppliers performance have resulted in no negative findings and that the program delivered by the supplier has continually achieved defined outcomes the KPI's were deemed sufficient.	No action proposed.
2	**Recommend** including compliance with ACT Government procurement rules and regulations within the text of the variation documentation, noting that procurement legislation and regulations still apply to procurements undertaken by a supplier on behalf of the Territory. • The CRA advised that the current contract specifies that the supplier must align with ACT Government procurement rules, and has sought advice from Procurement ACT to ensure compliance with current legislation.	The suite of documents provided during the initial approach to market and subsequent contractual terms requires the supplier to align with ACT Government Procurement policy. The practical application of this requirement is that the supplier aligns with the broad intent of the Procurement Act and Regulation when expending funds provided by the Authority e.g. ensuring value for money, basic alignment with quotation and tender thresholds etc. Should the supplier be required to meet the same obligations as a Territory entity e.g. the requirement to notify contract and invoices above a certain threshold, adherence to ATSIPP, LIPP, etc it is likely this would constitute a significant change in scope, come at increased cost and require further consideration by the Board.	Further action TBC dependent on advice from PACT. Any further variation necessary that is deemed significant would be provided to the Board for consideration.

3	**Recommend** that the CRA be particularly diligent in the documentation to support reasoning for not going back out to market, noting the significant variation to value and scope proposed. • The CRA advised that its variation briefs include detailed reasoning, and will ensure that decisions and reasoning are detailed within the advisory brief to their delegate. • The CRA further advised that this contract and other similar procurements had been subject to internal and external audits, and that the CRA are satisfied with the decisions that have been made regarding this contract.	The decision to not go back to market is informed by several factors including: - The development of the original approach to market and subsequent contract were informed by a need to allow provision for the supplier to scale delivery on an as needs basis. The increase in proposed contract value is driven by an increase to the programming budget as a direct result of increased need. - The scope of the services has not changed from the terms outlined in the original approach to market. - The local market is extremely constrained. The two previous approaches to market for the services provided by the Agreement yielded very low response rates (one and two responses respectively). It is not anticipated that an increase to the proposed contract value would impact the markets appetite to respond. - The supplier receives no financial benefit from the program budget regardless of scale. If a larger program budget/contract value had been put to market originally it is quite likely the management of this would have increased overall costs (service fee).	All comments included in recommendations brief provided to delegate.

		- The Authority "benchmarks" proposed budgets for activities funded by the programming budget against industry standards. Annual and quarterly plans as well as individual smaller projects are thoroughly reviewed and only recommended for approval should the value for money proposition be evident. The program is evaluated annually including financial outcomes such as economic impact to local economy. Through the initial term of the contract costs associated with activity the supplier has delivered have consistently been lower than if the activity was procured through a standalone process.	

Items noted by the Board after Authority representatives had left the meeting

	Item	**Authority comment**	**Action**
A	The original contract, being $5.3m over three years, is being varied into a $13.7m contract over 5 years without going back out to market.	The proposed variation is driven by an increase to the number and scale of activities delivered. This increase is informed by the needs of the Authority and continually assessed in terms of outcome and value for money (see Authority comments on recommendation #3).	No further action proposed.
B	The exercising of the option available under the original contract is adding $5.6m to the total contract value.	This increase in total contract value is in line with the original approach to market and the subsequent increases to annual programming	No further action proposed.

		budget (see Authority comments on recommendation #3).	
C	Noted that suppliers who chose not to bid on the initial contract may have submitted a response for a higher value contract.	See Authority comments on recommendation #3.	No further action proposed.
D	The apparent high value of the service fee in comparison with the number of FTE equivalent hours provided under the contract and whether the service fee is buying labour or skills and expertise.	The total service fee vs number of FTE provided was assessed in terms of value for money during the procurement evaluation process. In broad terms the current supplier provided a less expensive (compared to other responses) proposal that delivered a significantly more skilled and experienced team of resources. This value for money assessment included benchmarking against the costs of other similar contracted services. The service fee provides a defined number of hours however capacity is split across multiple individuals with varied skill sets and expertise including critical technical skills. This capacity also includes the requirement for the supplier to manage the recruitment, training and personal development of all staff as well as capacity to scale up delivery on an as needs basis.	No further action proposed.

The email outlining the Boards advice can be found at https://objective.act.gov.au/id:A47235388/document/versions/latest

Attachment F – Approach to market and Agreement excerpts

Document	Section	Excerpt
GS2544750 – Procurement Approval https://objective.act.gov.au/#/documents/A32615493	Executive summary – Background	The key objectives of this procurement are: • to appoint a contractor capable of delivering a defined scope with the option to increase scope to meet the evolving needs of the Authority;
GS2544750 – Procurement Approval https://objective.act.gov.au/#/documents/A32615493	Executive summary – ESTIMATED CONTRACT VALUE	The estimated total contract value, including all extension options is $9.3 million (inc GST). Values estimated are for anticipated increase in FTE provisions and operational budget.
GS2544750 – Procurement Approval https://objective.act.gov.au/#/documents/A32615493	Procurement Considerations – APPROACH TO MARKET METHODOLOGY and ADVANCE TENDER NOTICE	The proposed procurement methodology will be an Open market Request for Proposal. A public tender for the procurement of Place Management Service, will achieve the Authority's objectives of; • appointing a single contractor to deliver place management services across the City Renewal Precinct; • appointing a contractor capable of delivering a defined scope with the option to increase scope to meet the evolving needs of the Authority; • delivering a range of high-quality events and activations on behalf of the Authority; • delivering a program of cleaning and maintenance across the City Renewal Precinct; and • provide dedicated Place Managers for defined areas within the City Renewal Precinct as a point of contact for key stakeholders. This procurement option allows the Territory to first gauge the market in terms of industry interest, capability, and/or availability to provide place management services. Delivering the services via contract, with an agreed schedule of rates, will also provide the flexibility to scale up delivery in times of peak activity.

Attachment F – Approach to market and Agreement excerpts

		In assessing this option, consideration will need to be given to the capability and capacity of the supplier to meet the operational needs of the Authority. An Advance Tender Notice (ATN), was released on Tenders ACT in August 2021.
GS2544750 – Procurement Approval https://objective.act.gov.au/#/documents/A32615493	Financial Considerations - Pricing Model	Respondents will be required to complete a price schedule requesting prices for each of the following elements of the Service requirements: • Cost to provide the Place Management Team • Any cost associated with the management of the operational budget over and above the service provided through the provision of the Services • Costs associated with provisional of additional scope not covered within the Services. Refer to **Attachment C - Pricing Schedule, Attachment 2 - RFT Suite** In comparing Respondents prices, a whole of life cycle cost approach will be taken.
GS2544750 - Statement of Requirements https://objective.act.gov.au/#/documents/A32386342	1.1	**Place Management Services -** Defined as curating, activating and maintaining high-quality places to foster public life, visitation, business activities and events, leading to increased wellbeing and economic outcomes. Also referred to as the Services. Section 3.1.
GS2544750 - Statement of Requirements https://objective.act.gov.au/#/documents/A32386342	1.1	**Place Manager -** A defined person within the Place Management Team that will act as a representative of the Authority to deliver Place Management Services in a defined Place.
GS2544750 - Statement of Requirements https://objective.act.gov.au/#/documents/A32386342	3.1.1	Place Management Services are defined as curating, activating and maintaining high-quality places to foster public life, visitation, business activities and events, leading to increased wellbeing and economic outcomes. These services include but are not limited to: (a) Provision of a multidisciplinary team whose skillsets and competencies include: i. Event curation and management;

		ii. Stakeholder engagement; iii. Workplace health and safety including the ability to develop and implement task specific plans and policies; iv. Project management; and v. Placemaking.
GS2544750 - Statement of Requirements https://objective.act.gov.au/#/documents/A32386342	3.1.2	The Authority requires a Place Management Team that possesses all the defined skill sets and competencies. The team can be comprised of a number of individuals within the Supplier's organisation as well as defined third party subcontractors.
GS2544750 - Statement of Requirements https://objective.act.gov.au/#/documents/A32386342	3.1.7	The Supplier may be required to provide additional resources to act as a Place Manager for other Places within The Precinct. Any additional resources provided over and above the defined number of hours identified in the Agreement would be agreed to by the Authority and Supplier.
GS2544750 - Statement of Requirements https://objective.act.gov.au/#/documents/A32386342	8.1.5	The Authority reserves the right to negotiate the inclusion of additional Services or amendment of existing Goods for the term of the Agreement.

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CONFLICT OF INTEREST DISCLOSURE

CONFLICT OF INTEREST DISCLOSURE

GS2544750 – PLACE MANAGEMENT SERVICES

I, Mark Usherwood, of the City Renewal Authority am making this disclosure regarding agreement GS2544750.

I declare that

☐ there is no actual, potential, or perceived conflict of interest by virtue of my participation in the Procurement in the above role.

OR

☒ an actual, potential, or perceived conflict of interest arises by virtue of my participation in the Procurement in the above role for the following reason(s)

	Reason for conflict of interest	**Details – please provide an attachment if space is not sufficient.**
☐	Financial and economic interests, such as debts or assets	
☐	Family or private businesses	
☐	Secondary employment commitments	
☐	Affiliations with for-profit and non-profit organisations, sporting bodies, clubs, and/or associations	
☐	Affiliations with political, trade union or professional organisations, and/or other personal interests	
☐	Obligations to professional, community, ethnic, family, or religious groups in a personal or professional capacity, and/or relationships to people living in the same household	
☐	Enmity towards or competition with another individual or group	
☐	Significant family or other relationships with clients, contractors or other staff working in the same (or related) organisation	
☐	Highly specialised skills in an area where demand for the skills frequently exceeds supply	
☐	Specific future employment prospects or plans (i.e. post-separation employment)	
☒	Other	I am responsible for the management of a current contract to provide place management services. I can confirm that: • My relationship with Dionysus (including any current or former staff member) is limited to that of a standard "course of business relationship" only. • Neither myself or any member of my family have any interest in Dionysus, financial or otherwise. • I have not received any inducements.

Signature: Sch 2.2(a)(ii) Date: 3/7/2024.....

CONFLICT OF INTEREST DISCLOSURE

CONFLICT OF INTEREST DISCLOSURE

GS2544750 – PLACE MANAGEMENT SERVICES

I, Teresa Comacchio, of the City Renewal Authority am making this disclosure regarding agreement GS2544750.

I declare that

☒ there is no actual, potential, or perceived conflict of interest by virtue of my participation in the Procurement in the above role.

OR

☐ an actual, potential, or perceived conflict of interest arises by virtue of my participation in the Procurement in the above role for the following reason(s)

	Reason for conflict of interest	**Details – please provide an attachment if space is not sufficient.**
☐	Financial and economic interests, such as debts or assets	
☐	Family or private businesses	
☐	Secondary employment commitments	
☐	Affiliations with for-profit and non-profit organisations, sporting bodies, clubs, and/or associations	
☐	Affiliations with political, trade union or professional organisations, and/or other personal interests	
☐	Obligations to professional, community, ethnic, family, or religious groups in a personal or professional capacity, and/or relationships to people living in the same household	
☐	Enmity towards or competition with another individual or group	
☐	Significant family or other relationships with clients, contractors or other staff working in the same (or related) organisation	
☐	Highly specialised skills in an area where demand for the skills frequently exceeds supply	
☐	Specific future employment prospects or plans (i.e. post-separation employment)	
☐	Other	

Signature: Sch 2.2(a)(ii) Date: 3/7/2024.....

DEED OF VARIATION 5

Dated	27 May 2025
Parties	**AUSTRALIAN CAPITAL TERRITORY** **AND** **THE DIONYSUS MOVEMENT PTY LTD** **ABN 30 140 868 631**
Prepared by	City Renewal Authority 3 Constitution Avenue GPO Box 158 Canberra City ACT 2601 Email: cityrenewal@act.gov.au
Version	1.0

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PARTIES: **AUSTRALIAN CAPITAL TERRITORY**, the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cwlth) **(Territory)** represented by the **CITY RENEWAL AUTHORITY**.

THE DIONYSUS MOVEMENT PTY LTD ABN 30 140 868 631 of 35/25 Fawkner Street, Braddon ACT 2612 **(Supplier)**.

BACKGROUND

A. The Territory and the Supplier executed an agreement (Agreement) on 25 May 2022 in relation to the provision of place management services. The Agreement can be found at **Appendix A**.

B. Section 18.7 of the Agreement outlines that the agreement may be varied by the written agreement of both parties.

C. The parties have agreed to vary the Agreement in accordance with the terms of this Deed.

IT IS AGREED by the parties as follows.

1. Interpretation and Governing Law

(1) Unless the context requires or it is otherwise specified in this Deed, any words used in this Deed that are defined in the Agreement have the same meaning for the purpose of this Deed.

(2) This Deed is governed by and construed in accordance with the law for the time being in force in the Territory and the parties submit to the non-exclusive jurisdiction of the courts of the Territory.

2. Effective Date

The variations to the Agreement described in this Deed take effect on 27 May 2025.

3. Variation

(1) **Schedule 1, Item 2** is deleted and replaced with the following.
Item 2 Term. From execution of the agreement until 30 June 2027.

(2) **Schedule 1, Item 3 (1)** is deleted and replaced with the following.
Item 3(1) Contract Price. $14,038,046.90 (GST inclusive)

SIGNED AS A DEED ON 27 May 2025

SIGNED for and on behalf of the)
AUSTRALIAN CAPITAL TERRITORY)
in the presence of:)

Sch 2.2(a)(ii)

Signature of witness

Sch 2.2(a)(ii)

Signature of Territory delegate

Craig Gillman

Print name

…Debbie Butt

Print name

SIGNED by or for and on behalf of)
THE DIONYSUS MOVEMENT PTY LTD ABN)
30 140 868 631 in the presence of:)

Sch 2.2(a)(ii)

Signature of director/ ~~secretary/ witness~~*
*DELETE whichever is not applicable (see note below)

David Caffery

Print name

Sch 2.2(a)(ii)

Signature of director/ authorised officer/ individual*
*DELETE whichever is not applicable (see note below)

Kristi Clark

Print name

Signature of second authorised officer*
*only use if Incorporated Association (see note below)

Print name

Affix common seal if required under constitution

Note:

Date:	Must be dated on the date the last party signs the Deed or, if signed counterparts of the Deed are exchanged, the date of exchange. Also date the cover page.
Company:	Must be signed in accordance with section 127 of the *Corporations Act 2001* (Cth), for example, by 2 directors or a director and a secretary. Common seal may be affixed if required under the Contractor's constitution.
Individual:	Must be signed by the individual Contractor and witnessed.
Incorporated Association:	Must be signed in accordance with the Contractor's constitution, which may or may not require the common seal to be affixed. As a minimum, 2 authorised officers must sign.

ACT Government | CITY RENEWAL AUTHORITY

Brief

Variation 5 - GS2544750 Place Management Services (Dionysus)

To:	Craig Gillman Chief Executive Officer	Objective # A52158150
From:	Mark Usherwood Director Project Operations	
Date:	15 May 2025	

Purpose and critical date

1. This minute seeks your approval to execute the option to extend Agreement GS2544750 – Place Management Services for two years as outlined in Scheule 1, Item 2 of the Agreement, **Attachment A.**
2. This option would be formalised via Deed of Variation 5, **Attachment B**.
3. A decision is requested by **23 May 2025** to allow time to execute the option to extend the Agreement for two years, years 4 and 5 (2025/26 and 2026/27).
4. The proposed variation would also provide:
    a. an increased budget for delivery of the Winter 2025 program; and
    b. additional budget to develop and implement a program of business support activities on behalf of iCBR to help mitigate the impacts of LRS2A construction.

Background

5. City Renewal and the Supplier (Dionysus) executed an agreement (Agreement) on 25 May 2022 for the provision of place management services.
6. The Term of the Agreement is three years with an option to extend for an additional two years. This option is outlined in Schedule 1, Item 2.

    Despite clause 18.7, the parties agree that the Territory may extend the Term in its absolute discretion for a further 2 years in the aggregate on the terms and conditions then in effect, by giving written notice to the Contractor prior to expiration of the then current Term.

7. The total agreement value is managed across two categories. The first covers the costs associated with staff provided by Dionysus (service fee). The second provides Dionysus a budget to deliver activity on behalf of City Renewal (program budget).
    a. The scope of the service fee was defined in the tender documents and is a fixed amount.
    b. The program budget is developed annually based on City Renewal's approval of

the Supplier's annual plan and subsequent detailed quarterly plans.

8. The approach to market and ultimate Agreement were developed with the intent to, and include capacity for the Supplier to scale up delivery on an as needs basis, at City Renewal's request.
9. The Agreement outlines that the terms of the Agreement may be varied by written agreement of both parties.

Issues and interdependencies

10. In June 2024, advice was sought from the Government Procurement Board (GPB) regarding the option to extend the term of the agreement and the anticipated value of this extension.
    a. The estimated value of the extension advised to the GPB was $5,603,181.52 (incl. GST).
    b. A copy of the brief provided to the Board can be found at **Attachment C**. A summary of the Board's feedback and associated actions can be found at **Attachment D**. GPB advice and feedback has been incorporated into the development of the proposed variation.
11. The total value of the proposed variation is now $5,828,151.52 (incl. GST). This is a 4% increase on the estimated amount advised in June 2024. Please note this increase is solely driven by the additional budget to develop and implement a program of business support activities on behalf of iCBR to help mitigate the impacts of LRS2A construction.
12. The decision to recommend executing the option to extend the term of the current Agreement, rather than reapproaching the market, is informed by several factors including:
    a. The original approach to market and ultimate Agreement were developed with the intent to, and include capacity for the Supplier to scale up delivery on an as needs basis.
        i. This provision was clearly articulated to both Procurement ACT and the GPB during all stages of the procurement process. A summary of the relevant excerpts from these documents can be found at **Attachment E**.
    b. The scope of the services has not changed from the terms outlined in the original approach to market.
    c. The local market is extremely constrained. The two previous approaches to market for the services provided by the Agreement yielded very low response rates (one and two responses respectively). Since the last approach to market no suitable new suppliers have been identified, and it is not anticipated an increase to the proposed Agreement value would impact the market's appetite to respond.

Risk / Sensitivities

13. The proposed variation is not deemed to increase or alter the risks associated with

management of the Agreement.

14. City Renewal ensures the annual programming budget developed by Dionysus provides "value for money" and manages other risks associated with the Agreement through several mechanisms including:
    a. City Renewal "benchmarks" proposed budgets for activities funded by the programming budget against industry standards. Annual and quarterly plans, as well as individual smaller projects are thoroughly reviewed and only recommended for approval should the value for money proposition be evident. Through the initial term of the Agreement costs associated with activity Dionysus has delivered have consistently been lower than if the activity was procured through a standalone process.
    b. City Renewal conducts audits of Dionysus's expenditure of the program budget. To date no issues or exceptions have been noted.
    c. The terms of the Agreement require Dionysus to manage all City Renewal funded activities in accordance with a WHS Framework, A copy of the Framework can be found at **Attachment F**. Audits on the implementation of this Framework have been conducted with no significant issues or exceptions noted to date.
    d. The terms of the Agreement require Dionysus to align expenditure of the programming budget with ACT Government procurement processes (eg. number of quotes required is based on the value of the procurement).
        i. GPB advice relating to the July 2024 amendments to the Government Procurement Act required no amendments to the terms of the Agreement or the manner in which the Agreement is managed.
15. Conflict of interest declarations from myself and Jan Horley can be found at **Attachments G** and **H**.

Financial implications

16. Should the proposed variation be approved, the amended total contract value would be $Sch 2.2(a)(xi) (incl. GST).
    a. The current contract value is $$Sch 2.2(a)(xi) (incl. GST).
    b. The total value of the proposed variation is $Sch 2.2(a)(xi) (incl. GST).
17. The variation amount is comprised of:

Funding component	Amount (incl. GST)	Funding source
Service fee for years 4 and 5 (2025/26 and 2026/27)	$Sch 2.2(a)(xi)	Existing PEM budget
Programming budget for years 4 and 5 (2025/26 and 2026/27)	$Sch 2.2(a)(xi)	Existing PEM budget
An increase to the current programming budget (2024/25) to allow for an expanded winter 2025 program of activity	Sch 2.2(a)(xi)	Existing PEM budget

To provide a program of business support activities to iCBR to help mitigate the impacts of LRS2A construction	$495,000.00	iCBR (CRA would recoup costs from iCBR)

Consultation (Internal and External)

18. The anticipated value of the proposed variation was discussed with the GPB in June 2024.
19. The proposed amendments have been discussed with the Dionysus.
20. The portion of the proposed variation that relates to development and implementation of a program of business support activities on behalf of iCBR to help mitigate the impacts of LRS2A construction has been discussed with iCBR.

Media implications

21. If approved, Variation 5 would be notified on the ACT Government Contracts Register. The Pricing Schedule would remain confidential, as per the notified Agreement.
22. No media interest related the execution of the proposed variation is anticipated.

Recommendation(s)

23. That you:

    a. note the information contained in this brief;

    AGREED / ~~NOT AGREED / PLEASE DISCUSS~~

    a. approve Variation 5, **Attachment A**.

    AGREED / ~~NOT AGREED / PLEASE DISCUSS~~

Sch 2.2(a)(ii)

Craig Gillman
Chief Executive Officer
16 May 2025

Executive clearance: Jan Horley, A/g EBM Place Experience and Communications
Action Officer: Mark Usherwood, Director Project Operations

Attachments

Attachment A –Agreement GS2544750 – Place Management Services

Attachment B – Deed of Variation 5

Attachment C – Government Procurement Board Briefing pack

Attachment D – Summary of Government Procurement Board feedback and actions

Attachment E – Approach to market and Agreement excerpts

Attachment F – Dionysus work Health & Safety Manual V5.2 – April 2025

Attachment G – GS2544750 Conflict of Interest Disclosure - Mark Usherwood

Attachment H – GS2544750 Conflict of Interest Disclosure – Jan Horley

From: 'Sch 2.2(a)(xi)
Sent: 25/05/2025 11:51 AM
To: 'Sch 2.2(a)(xi)
Cc: "Campese, Sarah" <Sarah.Campese@act.gov.au>; 'Sch 2.2(a)(ii)
; "Horley, Jan" <Jan.Horley@act.gov.au>; "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

Caution: This email originated from outside of the ACT Government. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Dear Sarah
I also support the out of session resolution in relation to place management services.

Regards

Sch 2.2 (a)(ii); Sch 2.2 (a)(xi)

If I'm sending this message to you out of working hours, I don't for a moment expect you to read or respond to it out of hours, unless that happens to suit the way you work.

In the unlikely event that you have received this email in error please notify me by return email. Please also delete the message from your inbox and make sure you don't forward the email or any components of it to anyone else.

On Sat, 24 May 2025 at 3:24 pm, Sch 2.2(a)(xi) wrote:

> Dear Sarah
> I confirm that I approve the resolution as set out in the paper.
> Kind regards
>
> Sent from my iPhone
>
> On 21 May 2025, at 8:48 pm, Campese, Sarah <Sarah.Campese@act.gov.au> wrote:
>
> OFFICIAL
>
> Good afternoon, Board members
>
> There has been an out of session pack uploaded to Diligent for your consideration an out of session decision paper seeking your agreement to the following resolution:

The Board resolved to endorse the Chief Executive Officer's execution of Variation 5 to Agreement GS2544750 – Place management services, for a total of $5,828,151.52 (incl GST).

At $5.83 million, the variation exceeds the CEO's $5 million contract variation delegation and requires Board approval.

The Variation Deed encompasses three variations:

1. To execute the option to extend the Agreement to cover the delivery of the place management and activation program in 2025-26 and 2026-27.
2. Delivery of a program of support activities for businesses impacted by the construction of the next stage of light rail. These costs will be covered by Infrastructure Canberra.
3. Additional funding for delivery of an expanded Winter 2025 program.

Agreement is being sought at this time as funding for the expanded Winter program needs to be progressed to the Supplier by the end of May 2025.

If you could respond by COB Monday 26 May 2025 that would be appreciated.

Sarah Campese

Administration Support

Governance Assurance and Capability

Sch 2.2(a)(ii)

E: sarah.campese@act.gov.au

City Renewal Authority
ACT Government

Nara Centre, 3 Constitution Avenue, Canberra City

GPO Box 158 Canberra City ACT 2601

ABN 40 746 096 162
cityrenewalCBR.com.au

Follow us @cityrenewalCBR



We acknowledge the Ngunnawal people as Traditional Custodians of the ACT and recognise any other people or families with connection to the lands of the ACT and region. We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

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From: 'Sch 2.2(a)(ii)
Sent: 23/05/2025 10:35 AM
To: "Campese, Sarah" <Sarah.Campese@act.gov.au>
Cc: 'Sch 2.2(a)(ii)
; "Horley, Jan" <Jan.Horley@act.gov.au>; "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

Caution: This email originated from outside of the ACT Government. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Thanks for this Sarah.

I am supportive but a couple of minor questions for clarification:
1. Does the additional funding of $0.5m for iCBR come out of our budget or is it paid directly by iCBR?
2. Are the additional project costs of $0.3m within our approved budget or are they an overspend?
3. Is there no obligation from a probity perspective to test the market for pricing. I agree with the position in the paper that we have a 2 year option and it makes sense to exercise for all the reasons that have been outlined. I just want to ensure we are very comfortable from a probity perspective.

Thanks,

Sch 2.2(a)(ii)

On 22 May 2025, at 1:48 PM, Campese, Sarah <Sarah.Campese@act.gov.au> wrote:

OFFICIAL

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If you could respond by COB Monday 26 May 2025 that would be appreciated.

Sarah Campese
Administration Support
Governance Assurance and Capability

T: Sch 2.2(a)(ii)
E: sarah.campese@act.gov.au

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<image001.png>

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From: "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>
Sent: 23/05/2025 11:31 AM
To: Sch 2.2(a)(ii)
Cc: Sch 2.2(a)(ii) Sch 2.2(a)(xi) ; Sch 2.2(a)(ii) "Horley, Jan" <Jan.Horley@act.gov.au>; "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Campese, Sarah" <Sarah.Campese@act.gov.au>; "Gillman, Craig" <Craig.Gillman@act.gov.au>
Subject: RE: Out of Session Paper on Diligent -Action Required

OFFICIAL

Hi Sch 2.2(a)(ii)

Here are the responses to your questions.

1. Does the additional funding of $0.5m for iCBR come out of our budget or is it paid directly by iCBR?
   - **ANSWER:** This will be paid from the iCBR budget.

2. Are the additional project costs of $0.3m within our approved budget or are they an overspend?
   - **ANSWER**: The total cost is within the current approved budget.

3. Is there no obligation from a probity perspective to test the market for pricing. I agree with the position in the paper that we have a 2 year option and it makes sense to exercise for all the reasons that have been outlined. I just want to ensure we are very comfortable from a probity perspective.
   - **ANSWER:** As part of the original procurement, the Government Procurement Board (GPB) was made aware that there is intent for the agreement to be extended and no probity concerns were raised – and we have this advice filed. GPB recommend that CRA clearly outline the rationale for extension to delegate and this has been actioned. For awareness, the rationale is that the original term was 3 + 2 years (this variation is to execute the 2 years), the approach-to-market documents included provision to scale up on as needs basis, the scope-of-works has not changed from the original procurement, and the market is constrained due to limited suppliers.

Thanks,
Jen

From: Sch 2.2(a)(ii)
Sent: Friday, 23 May 2025 10:35 AM
To: Campese, Sarah <Sarah.Campese@act.gov.au>
Cc: Sch 2.2(a)(ii) Sch 2.2(a)(xi) ; Sch 2.2(a)(ii) Horley, Jan <Jan.Horley@act.gov.au>; Codd, Fiona <Fiona.Codd@act.gov.au>; Ramsay, Jennifer <Jennifer.Ramsay@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

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Thanks for this

Sarah.

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Sch 2.2(a)(ii)

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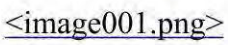
If you could respond by COB Monday 26 May 2025 that would be appreciated.

Sarah Campese
Administration Support
Governance Assurance and Capability

T: Sch 2.2(a)(ii)
E: sarah.campese@act.gov.au

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From: Sch 2.2(a)(xi)
Sent: 24/05/2025 3:54 PM
To: "Campese, Sarah" <Sarah.Campese@act.gov.au>
Cc: Sch 2.2(a)(ii) 'Sch 2.2(a)(xi) ;Sch 2.2(a)(ii) "Horley, Jan" <Jan.Horley@act.gov.au>; "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

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Kind regards

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T: Sch 2.2(a)(ii)
E: sarah.campese@act.gov.au

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From: "Horley, Jan" <Jan.Horley@act.gov.au>
Sent: 21/05/2025 7:36 PM
To: "Campese, Sarah" <Sarah.Campese@act.gov.au>; "CRA Board" <CRA_Board@act.gov.au>
Cc: "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>; "Usherwood, Mark" <Mark.Usherwood@act.gov.au>
Subject: FW: OOS Board paper - Place management services contract variation
Attachments: OOS Board paper - Place management services contract variation.docx, Attachment A - GS2544750 - Place Management Services contract copy.obr, Attachment B - GS2544750 - Deed of Variation 5.obr

Hi Sarah

Could you please seek the Board's out of session consideration of the attached paper. Craig's approval is in the chain below.

This matter is time critical, so the Board's earliest response would be appreciated. I understand the minimum timeframe is 3 working days. If so, could we please send out on Thursday for response by COB Monday?

I've drafted some suggested content for the Board's email below. Please let me know if you need any further information.

Thanks
Jan

Good morning Board members

Please find attached for your consideration an out of session decision paper seeking your agreement to the following resolution:

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Papers attached:

i. Cover paper
ii. Attachment A - Agreement GS2544750 – Place Management Services
iii. Attachment B – Deed of Variation 5

From: Gillman, Craig <Craig.Gillman@act.gov.au>
Sent: Wednesday, 21 May 2025 4:38 PM
To: Horley, Jan <Jan.Horley@act.gov.au>
Cc: Usherwood, Mark <Mark.Usherwood@act.gov.au>; Ramsay, Jennifer <Jennifer.Ramsay@act.gov.au>
Subject: RE: OOS Board paper - Place management services contract variation

Approved

From: Horley, Jan <Jan.Horley@act.gov.au>
Sent: Wednesday, 21 May 2025 4:33 PM
To: Gillman, Craig <Craig.Gillman@act.gov.au>
Cc: Usherwood, Mark <Mark.Usherwood@act.gov.au>; Ramsay, Jennifer <Jennifer.Ramsay@act.gov.au>
Subject: OOS Board paper - Place management services contract variation

Craig

Please see attached out of session Board paper for your review/endorsement.

Jan

ACT Government | CITY RENEWAL AUTHORITY

Place management services contract variation

Key Details

Item number	OOS	**Considered at:**	**Consideration date:**	**Agenda item**
Paper Type	DECISION			
Meeting Date	May 2025			
Time Estimate	-			
Prepared by	Mark Usherwood			
Approved by	Craig Gillman			
Draft Resolution	The Board resolved to endorse the Chief Executive Officer's execution of Variation 5 to Agreement GS2544750 – Place management Services, for a total of $5,828,151.52 (incl GST).			

1. Purpose

This paper seeks the Board's approval for the Chief Executive Officer (CEO) to execute Variation 5 to Agreement GS2544750 – Place Management Services.

2. Background

City Renewal and the Supplier, Dionysus, executed an Agreement (**Attachment A**) for the provision of place management services on 25 May 2022. Under the terms of the Agreement, the Supplier delivers an annual program of activity on behalf of City Renewal including stakeholder engagement, place management and the development and delivery of events, such as Winter in the City and La Fiesta.

The Agreement is managed across two categories of funding:

I. Service fee - a fixed cost associated with the provision of staff (3.62 FTE) by the Supplier.

II. Program budget - provides the Supplier with an annual budget to deliver an approved program of activity. This is a straight pass-through cost, any costs associated with management of the program budget are covered within the service fee.

The Term of the Agreement is three years with an option to extend for an additional two years. The current initial Term of the Agreement is set to expire on 30 June 2025.

The decision to execute the Agreement's option for years 4 (2025-26) and 5 (2026-27), rather than reapproach the market, is informed by several factors including:

- The original approach to market outlined City Renewal's intent to enter into a long term, strategic partnership with a supplier for the delivery of place management services. Documentation clearly indicated the term of the Agreement would be three years, with an option for City Renewal to extend the term for a further two years at its discretion.
- The approach to market and ultimate Agreement were developed with the intent to, and include capacity for the Supplier to scale up delivery on an as needs basis.
- The scope of the services has not changed from the terms outlined in the approach to market.
- The local market is extremely constrained. The two previous approaches to market for the services provided by the Agreement yielded very low response rates (one and two responses respectively). Since the last approach to market no suitable new suppliers have been identified.

The procurement documentation prepared for the extension option has been reviewed by the Government Procurement Board, and its feedback incorporated.

Variation 5 to Agreement GS2544750 – Place Management Services (**Attachment B**) covers three variations:

1. The option to extend the Agreement for years 4 and 5 ($5.0 million).
2. Funding ($0.5 million) for a program of support activities for businesses impacted by the construction of light rail stage 2A (LRS2A), delivered on behalf of Infrastructure Canberra (iCBR).
    - At the time of the last Board meeting iCBR had not committed the funding for the LRS2A business support initiatives. The addition of this scope takes the total variation amount over the CEO's $5.0 million contract variation delegation.
3. An expanded program of activity during the 2025 Winter school holidays ($0.3 million).

Consistent with the Territory's procurement frameworks and good governance the three variations are being progressed as a single package rather than as separate variations.

Out of session Board approval is being sought prior to the upcoming June 2025 Board meeting as the funding for the expanded Winter program needs to be progressed to the Supplier by the end of May 2025.

4. Previous Board Consideration

The Board last reviewed the financial delegations matrix in October 2024 and resolved to

> *'approve the increase in delegation A for the CEO to procure, process, enter into commitments to incur expenditure and execute contracts, from $5 million to $10 million.'*

While discussed, no increases were made in relation to contract variations (delegation C), which is currently set at $5 million.

5. Recommendation

The recommendation approach to execute the option for years 4 and 5 of the Agreement represents best value for money for the Territory, which is a necessary condition under the Territory's procurement frameworks.

6. Issues

Strategic Implications

The program of activities delivered via the Agreement are of key strategic importance as it is the main mechanism for:

- delivery of the Place Experience and Marketing (PEM) Action Plan. The 2025-26 PEM Action Plan will be presented to the Board at its next meeting
- expenditure of the City Centre Marketing and Improvements Levy (CCMIL). Our Statement of Intent KPI targets 90% annual expenditure of the levy.

The activities delivered by the Supplier have attracted hundreds of thousands of people to the Precinct and provided significant economic benefit to local businesses.

Financial Implications

The current contract value is $8.21 million (incl GST).

The value of the proposed variation is $5.83 million (incl GST), comprising

Sch 2.2(a)(xi)

Together, the total contract value over the five years is Sch 2.2(a)(xi) (incl. GST).

Risk Analysis

Risks relating to the activities delivered by the Supplier, as well as the management of the Agreement are managed at the project level with regular reporting to the Projects Advisory

Group. PEM program risks were last discussed by the Audit and Risk Committee in September 2024.

The top two risks are detailed below:

Identified Risk	Likelihood	Consequence	Initial Risk Rating (H,M,L)	Strategy to Manage	Residual Risk Rating (H, M, L)
WHS	**Medium**	**High**	**H**	The Supplier is required to develop and maintain a WHS Framework. This Framework is endorsed by City Renewal and regular audits on the implementation of this Framework are conducted. WHS documentation for activities delivered by the Supplier is reviewed by the areas of Government responsible for providing legislative and regulatory approvals.	**M**
Financial	**Low**	**Medium**	**M**	Costs associated with the Service fee are paid in arears on receipt of an hours report from the Supplier. Costs associated with the Program budget are paid in advance on approval of annual plans and detailed quarterly plans. City Renewal conducts audits on expenditure incurred by the Supplier.	**L**

Corporate Governance and Compliance

The Agreement, has and will continue to be, managed in accordance with City Renewal's Project Management Framework. The PEM Action Plan that includes the program of activity delivered by the Supplier is provided to the Board for approval annually, and updates on individual projects delivered by the Supplier are included in the Board CEO report. Annual programs and detailed quarterly plans are developed by the Supplier for City Renewal's consideration, any payment of Program Budget funding requires approval by an appropriate delegate. Status of individual projects delivered by the Supplier are reported to the Projects Advisory Group on a monthly basis.

The management of the Agreement has been the subject of several internal audits, the scope of which include both contract and financial management. To date no significant issues have been identified.

As required under legislation, the variation will be notified on the Territory's public notifiable contracts register.

Management Responsibility

The Agreement falls under the remit of the Executive Branch Manager Place Experience and Marketing, Teresa Comacchio. The Director of Project Operations Place Experience and Marketing, Mark Usherwood, is responsible for the day-to-day management of the Agreement.

7. Engagement and Consultation

Advice on executing the option to extend the term of the Agreement was sought from the Government Procurement Board (GPB) in June 2024. No significant issues or unidentified risks were raised by the GPB.

The intent to execute the option to extend the Agreement has been discussed with the Supplier.

Executed by:

Craig Gillman

Chief Executive Officer

21 May 2025

Attachments

A	**Agreement GS2544750 – Place Management Services**
B	**Deed of Variation 5**

From: Sch 2.2(a)(ii)
Sent: 26/05/2025 9:27 AM
To: Sch 2.2(a)(xi)
Cc: "Campese, Sarah" <Sarah.Campese@act.gov.au>; Sch 2.2(a)(ii) ; "Horley, Jan" <Jan.Horley@act.gov.au>; "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

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Sarah,

I am in support of the resolution as set out in the paper in relation to the delegation, and place management services.

Regards,

Sch 2.2(a)(ii)

Website | Facebook | Instagram | LinkedIn

M: Sch 2.2(a)(ii)

This email and its attachments are for the sole use of the addressee and may contain information which is confidential and/or legally privileged. This email and its attachments are subject to copyright and should not be partly or wholly reproduced without the consent of the copyright owner. Any unauthorised use of disclosure of this email or its attachments is prohibited. If you receive this email in error, please immediately delete it from your system and notify the sender by return email.

From: Sch 2.2(a)(xi)
Date: Sunday, 25 May 2025 at 11:51 am
To: Sch 2.2(a)(xi)
Cc: Sarah Campese <Sarah.Campese@act.gov.au>, Sch 2.2(a)(ii) , Jan Horley <Jan.Horley@act.gov.au>, Fiona Codd <Fiona.Codd@act.gov.au>, Jennifer Ramsay <Jennifer.Ramsay@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

Dear Sarah

I also support the out of session resolution in relation to place management services.

Regards

Sch 2.2 (a)(ii); Sch 2.2 (a)(xi)

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T: Sch 2.2(a)(ii)
E: sarah.campese@act.gov.au

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From: Sch 2.2(a)(ii)
Sent: 24/05/2025 2:51 PM
To: "Campese, Sarah" <Sarah.Campese@act.gov.au>; Sch 2.2(a)(xi) ; Sch 2.2(a)(ii)
Cc: "Horley, Jan" <Jan.Horley@act.gov.au>; "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>
Subject: RE: Out of Session Paper on Diligent -Action Required

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Hi Sarah, I support the resolution to :

Endorse the Chief Executive Officer's execution of Variation 5 to Agreement GS2544750 – Place management services, for a total of $5,828,151.52 (incl GST).

Regards
Sch 2.2(a)(ii)

From: Campese, Sarah <Sarah.Campese@act.gov.au>
Sent: Thursday, 22 May 2025 1:47 PM
To: Sch 2.2(a)(xi) ; Sch 2.2(a)(ii)
Cc: Horley, Jan <Jan.Horley@act.gov.au>; Codd, Fiona <Fiona.Codd@act.gov.au>; Ramsay, Jennifer <Jennifer.Ramsay@act.gov.au>
Subject: Out of Session Paper on Diligent -Action Required

OFFICIAL

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If you could respond by COB Monday 26 May 2025 that would be appreciated.

Sarah Campese
Administration Support
Governance Assurance and Capability

T: Sch 2.2(a)(ii)
E: sarah.campese@act.gov.au

City Renewal Authority
ACT Government
Nara Centre, 3 Constitution Avenue, Canberra City
GPO Box 158 Canberra City ACT 2601
ABN 40 746 096 162
cityrenewalCBR.com.au
Follow us @cityrenewalCBR

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From: Sch 2.2(a)(ii)
Sent: 23/05/2025 2:03 PM
To: "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>
Cc: Sch 2.2(a)(ii) ; Sch 2.2(a)(xi) ; Sch 2.2(a)(ii) ; "Horley, Jan" <Jan.Horley@act.gov.au>; "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Campese, Sarah" <Sarah.Campese@act.gov.au>; "Gillman, Craig" <Craig.Gillman@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

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On that basis, I am happy to support the resolution.
Best,
Sch 2.2(a)(ii)

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OFFICIAL

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From: Sch 2.2(a)(ii)
Sent: Friday, 23 May 2025 10:35 AM
To: Campese, Sarah <Sarah.Campese@act.gov.au>
Cc: Sch 2.2(a)(ii) Sch 2.2(a)(xi) ; Sch 2.2(a)(ii) ; Horley, Jan <Jan.Horley@act.gov.au>; Codd, Fiona <Fiona.Codd@act.gov.au>; Ramsay, Jennifer <Jennifer.Ramsay@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

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Sch 2.2(a)(ii)

On 22 May 2025, at 1:48 PM, Campese, Sarah <Sarah.Campese@act.gov.au> wrote:

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Administration Support

Governance Assurance and Capability

T: Sch 2.2(a)(ii)

E: sarah.campese@act.gov.au

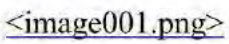
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--

Sch 2.2(a)(ii)

From: Sch 2.2(a)(ii)
Sent: 24/05/2025 1:02 AM
To: "Maria Sykes" <mariagsykes@gmail.com>
Cc: "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>; 'Sch 2.2(a)(ii) ; Sch 2.2(a)(ii) 'Sch 2.2(a)(xi) 'Sch 2.2(a)(ii) ; "Horley, Jan" <Jan.Horley@act.gov.au>; "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Campese, Sarah" <Sarah.Campese@act.gov.au>; "Gillman, Craig" <Craig.Gillman@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

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I too support the resolution.
Regards,
Sch 2.2(a)(ii)

On 23 May 2025, at 5:03 AM, Maria <mariagsykes@gmail.com> wrote:

Many thanks for that clarification , Jen
On that basis, I am happy to support the resolution.
Best,
Sch 2.2(a)(ii)

On Fri, May 23, 2025 at 11:31 AM Ramsay, Jennifer <Jennifer.Ramsay@act.gov.au> wrote:

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Cc: Sch 2.2(a)(ii) Sch 2.2(a)(xi) Sch 2.2(a)(ii) ; Horley, Jan <Jan.Horley@act.gov.au>; Codd, Fiona <Fiona.Codd@act.gov.au>; Ramsay, Jennifer <Jennifer.Ramsay@act.gov.au>
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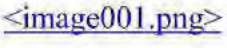
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To: "Ramsay, Jennifer" <Jennifer.Ramsay@act.gov.au>
Cc: Sch 2.2(a)(ii) 'Sch 2.2(a)(xi) ; 'Sch 2.2(a)(ii) "Horley, Jan" <Jan.Horley@act.gov.au>; "Codd, Fiona" <Fiona.Codd@act.gov.au>; "Campese, Sarah" <Sarah.Campese@act.gov.au>; "Gillman, Craig" <Craig.Gillman@act.gov.au>
Subject: Re: Out of Session Paper on Diligent -Action Required

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Thanks for the follow up Jen.
I am comfortable to approve the resolution that the Board **endorse the Chief Executive Officer's execution of Variation 5 to Agreement GS2544750 – Place management services, for a total of $5,828,151.52 (incl GST).**
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<image001.png>

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DEED OF VARIATION 5

Dated	_____
Parties	**AUSTRALIAN CAPITAL TERRITORY** **AND** **THE DIONYSUS MOVEMENT PTY LTD** **ABN 30 140 868 631**
Prepared by	City Renewal Authority 3 Constitution Avenue GPO Box 158 Canberra City ACT 2601 Email: cityrenewal@act.gov.au
Version	1.0

© Australian Capital Territory Government Solicitor 2019

PARTIES: **AUSTRALIAN CAPITAL TERRITORY**, the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cwlth) **(Territory)** represented by the **CITY RENEWAL AUTHORITY**.

THE DIONYSUS MOVEMENT PTY LTD ABN 30 140 868 631 of 35/25 Fawkner 5treet, Braddon ACT 2612 **(Supplier)**.

BACKGROUND

A. The Territory and the Supplier executed an agreement (Agreement) on 25 May 2022 in relation to the provision of place management services. The Agreement can be found at **Appendix A**.

B. Section 18.7 of the Agreement outlines that the agreement may be varied by the written agreement of both parties.

C. The parties have agreed to vary the Agreement in accordance with the terms of this Deed.

IT IS AGREED by the parties as follows.

1. Interpretation and Governing Law

(1) Unless the context requires or it is otherwise specified in this Deed, any words used in this Deed that are defined in the Agreement have the same meaning for the purpose of this Deed.

(2) This Deed is governed by and construed in accordance with the law for the time being in force in the Territory and the parties submit to the non-exclusive jurisdiction of the courts of the Territory.

2. Effective Date

The variations to the Agreement described in this Deed take effect on 16 May 2025.

3. Variation

(1) **Schedule 1, Item 2** is deleted and replaced with the following.

Item 2 Term. From execution of the agreement until 30 June 2027.

(2) **Schedule 1, Item 3 (1)** is deleted and replaced with the following.

Item 3(1) Contract Price. $14,038,046.90 (GST inclusive)

From: "Fitzgibbon, Danica" <danica.fitzgibbon@act.gov.au> on behalf of "Government Procurement Board" <GovernmentProcurementBoard@act.gov.au>
Sent: 02/07/2024 4:37 PM
To: "Usherwood, Mark" <Mark.Usherwood@act.gov.au>; "Comacchio, Teresa" <Teresa.Comacchio@act.gov.au>
Cc: "Government Procurement Board" <GovernmentProcurementBoard@act.gov.au>
Subject: Government Procurement Board Advice - Meeting 25 June 2024 - Variation: Place Management Services

OFFICIAL

Good afternoon,

Thank you for your presentation and papers provided to the Government Procurement Board (the Board) on 25 June 2024. Please note the below from the Board:

Variation: Place Management Services

Attendees:

- Mark Usherwood, Director Project Operations, Place Experience and Marketing, City Renewal Authority (CRA)
- Teresa Comacchio, a/g Executive Branch Manager, Place Experience and Communication, CRA

The Board thanked the attendees for the papers provided.

The Board reviewed this procurement proposal and provides the following advice for proponents' consideration:

- **Consider** if the KPIs in the current contract are sufficient, noting that the programming budget has been expended in the first two years of the three year contract.
    - The CRA clarified that the number and value of the events increased due to CRA's direction.
- **Recommend** including compliance with ACT Government procurement rules and regulations within the text of the variation documentation, noting that procurement legislation and regulations still apply to procurements undertaken by a supplier on behalf of the Territory.
    - The CRA advised that the current contract specifies that the supplier must align with ACT Government procurement rules, and has sought advice from Procurement ACT to ensure compliance with current legislation.
- **Recommend** that the CRA be particularly diligent in the documentation to support reasoning for not going back out to market, noting the significant variation to value and scope proposed.
    - The CRA advised that its variation briefs include detailed reasoning, and will ensure that decisions and reasoning are detailed within the advisory brief to their delegate.
    - The CRA further advised that this contract and other similar procurements had been subject to internal and external audits, and that the CRA are satisfied with the decisions that have been made regarding this contract.

During discussion with the proponents the board also **noted**:

- The low response rate to this contract and its predecessor went out for public tender.
    - CRA noted that they had received interest from the market, particularly from national suppliers, but that national suppliers are not established in the Canberra region, and the local market for these services is under-developed.
    - The CRA further noted that the public tender had a strong weighted criteria for local engagement, and that while the services could be provided by an interstate supplier, Canberra region networks are essential to the services.
- The budget of the current contract is split between two categories: the service fee, which covers the staffing and skillset to deliver the services; and the program budget, which is spread across the programs and activities delivered under the contract.

- The increase of the service fee, both in value and in proportion to the programming aspect of the contract.
    - The CRA advised that while the service fee for the full five years (contract term and extension options) was included in the initial tender response, the service fee increase had been negotiated based on the increase in supplier costs. The CRA advised that it was satisfied that the service fee increase was reasonable.

During discussion after the proponents had left the meeting, the board further noted:

- The original contract, being $5.3m over three years, is being varied into a $13.7m contract over 5 years without going back out to market.
- The exercising of the option available under the original contract is adding $5.6m to the total contract value.
- Noted that suppliers who chose not to bid on the initial contract may have submitted a response for a higher value contract.
- the apparent high value of the service fee in comparison with the number of FTE equivalent hours provided under the contract and whether the service fee is buying labour or skills and expertise.

The Board **recommend** that proponents document their consideration for the Board's advice and any action taken, for their own internal documentation. This will assist proponents to respond to any enquiries made about the procurement in future, for example audit enquires.

If you wish to speak with a Board member about this feedback, please contact Ms Coretta Bessi (Chair of the Board).

NOTE: It is the responsibility of the Project Officer to:

- Ensure that you are familiar with the Part 3 Notifiable Contracts requirements of the *Government Procurement Act 2001* including Section 26 Meaning of notifiable amendment, Division 3.3 Availability of notifiable contracts, and Division 3.4 on Confidential Text, and have planned to include the required information on the Contracts Register within 21 days after the contract is made. Refer to Procurement Circular PC16 Notifiable and Reportable Contracts at http://www.procurement.act.gov.au/About/procurement_circulars and the Contracts Register at http://www.procurement.act.gov.au/contracts
- Seek clarification immediately from the sender on the meaning of this message, if not absolutely clear;
- Advise all appropriate staff associated with the project of the Board's decision and any additional actions resultant from this advice;
- Should the process outlined above not commence within 3 months of this notice, provide a revised timetable; and
- Complete all actions associated with this decision.

Kind regards,

Government Procurement Board Secretariat
Phone 02 6205 1387| Email: governmentprocurementboard@act.gov.au
Procurement ACT | Chief Minister, Treasury and Economic Development Directorate |ACT Government
GPO Box 158, Canberra City | act.gov.au
Please consider the environment before printing this email.
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ACT Government | City Renewal Authority

BRIEF

To:	The Government Procurement Board	**Objective # A46720804**
From:	City Renewal Authority	
Date:	29 May 2024	
Subject:	Variation of Agreement GS2544750 – Place Management Services	

Purpose

1. This brief provides an overview of the management of Agreement *GS2544750 – Place Management Services* and outlines the Authority's intent to vary the Agreement to increase the value of the Agreement.

Background

2. In November 2021 the Authority launched on open public tender process to appoint a supplier to deliver place management services.
3. Tender documentation underwent a two-stage strategic review by the Government Procurement Board. Feedback from the Board informed development of tender documentation. A summary of the Board's recommendations and associated actions can be found at **Attachment A**.
4. The conclusion of the tender process resulted in the Authority executing an agreement with The Dionysus Movement PTY LTD (Dionysus) on 25 May 2022. A copy of the agreement can be found at **Attachment B**.
5. The term of the agreement expires 30 June 2025 and encompasses the provision of defined services for a three-year period with an option to extend for a further two years.
6. The total value of the agreement over the initial three-year term was $5,300,000 inclusive of GST.
7. The total agreement value is managed across two categories. The first covers the costs associated with staff provided by Dionysus (service fee). The second provides Dionysus a budget to deliver activity on behalf of the Authority (program budget).
8. The scope of the service fee was defined in the tender documents and is a fixed amount.
9. The program budget is developed annually based on the Authority's approval of an annual plan and subsequent detailed quarterly plans.
10. Annual and quarterly plans are developed by Dionysus based on a brief provided by the Authority.
11. The scope of the tender outlined provision for the agreement to be varied to incorporate additional services, aligned with the scope of the tender, on an as needs basis.
12. The agreement has been varied three times.
    a. Variation 1, **Attachment C**, was executed to increase the scope of the Agreement to allow Dionysus to develop an activation plan for Acton Waterfront (not included in the scope of the original Agreement).

b. Variation 2, **Attachment D**, was executed to allow Dionysus to develop and deliver a Sustainable Travel Street Party (not included in the scope of the original Agreement).
c. Variation 3, **Attachment E**, was executed to provide a minor increase to the service fee. This increase was supported based on significant, unanticipated increases to the cost of conducting business over the term of the Agreement. A copy of the minute that recommended approval of Variation 3 can be found at **Attachment F**.

13. All variations to the Agreement were progressed via detailed briefs to the Authority's CEO.
14. The total value of the current Agreement including all variations is $5,434,676.41 inclusive of GST.

Issues and interdependencies

15. The estimated value of the program budget over the initial three-year period was based on previous annual programs delivered by the Authority. The estimated value over the initial three-year period of the Agreement was $2,878,061.95 inclusive of GST (or $959,353.98 per year).
16. Over the initial two years of the agreement the Authority has approved annual plans with a total programming budget of $3,873,706.74 inclusive of GST ($2,021,237.44 in 2022/23 and $1,852,469.30 in 2023/24).
17. A total of $1,459,597.32 inclusive of GST has been paid to Dionysus against the agreed service fee to date.
18. A complete record of all costs paid against the agreement can be found at **Attachment G**.
19. The increase in annual programming budget over the initial two years of the agreement was driven by several factors including:
    a. An increase to the number of activities delivered in annual programs.
    b. An increase to the scope of activities delivered in the annual programs.
    c. A large increase to the costs associated with delivery of activities included in the annual programs.
20. Under the terms of the agreement any costs associated with management of the programming budget are managed within the service fee. Dionysus do not receive any financial benefit from the programming budget regardless of the total value.

Risk

21. The Authority ensures the programming budget provided to Dionysus meets "value for money" outcomes and manages other risks associated with the Agreement through several mechanisms including:
    a. The terms of the tender require Dionysus to align expenditure of the programming budget with ACT Government procurement processes i.e. number of quotes required is based on value of procurement.
    b. The Authority "benchmarks" proposed budgets for activities funded by the programming budget against industry standards. Through the initial term of the Agreement costs associated with activity Dionysus have delivered have been found to consistently be lower than if the activity was procured through

a standalone process.

c. The Authority conduct audits of Dionysus's expenditure of the program budget. To date no issues or exceptions have been noted.
d. The terms of the Agreement require Dionysus to manage all Authority funded activities in accordance with a WHS Framework, a copy of the Framework can be found at **Attachment H**. Audits on the implementation of this Framework have been conducted with no significant issues or exceptions noted to date.

Planned variation and financial implications

22. Sch 2.2(a)(xi) [redacted].
23. Sch 2.2(a)(xi) [redacted]
24. Sch 2.2(a)(xi) [redacted]
25. Sch 2.2(a)(xi) [redacted]
26. Sch 2.2(a)(xi) [redacted].

Attachment A - GPB recommendations and associated actions

Attachment B - GS2544750 – Place Management Services contract

Attachment C - GS2544750 – Deed of Variation 1

Attachment D - GS2544750 – Deed of Variation 2

Attachment E - GS2544750 – Deed of Variation 3

Attachment F - Minute – Variation 3 GS2544750 Place Management Services (Dionysus)

Attachment G - Contract Management Workbook (CMW) - GS2544750 Place Management Services (Dionysus) - excerpt (invoice log)

Attachment H - Dionysus work Health and Safety Manual V3 – April 2023

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CONFLICT OF INTEREST DISCLOSURE

CONFLICT OF INTEREST DISCLOSURE

GS2544750 – PLACE MANAGEMENT SERVICES

I, Mark Usherwood, of the City Renewal Authority am making this disclosure regarding agreement GS2544750.

I declare that

☐ there is no actual, potential, or perceived conflict of interest by virtue of my participation in the Procurement in the above role.

OR

☒ an actual, potential, or perceived conflict of interest arises by virtue of my participation in the Procurement in the above role for the following reason(s)

	Reason for conflict of interest	**Details – please provide an attachment if space is not sufficient.**
☐	Financial and economic interests, such as debts or assets	
☐	Family or private businesses	
☐	Secondary employment commitments	
☐	Affiliations with for-profit and non-profit organisations, sporting bodies, clubs, and/or associations	
☐	Affiliations with political, trade union or professional organisations, and/or other personal interests	
☐	Obligations to professional, community, ethnic, family, or religious groups in a personal or professional capacity, and/or relationships to people living in the same household	
☐	Enmity towards or competition with another individual or group	
☐	Significant family or other relationships with clients, contractors or other staff working in the same (or related) organisation	
☐	Highly specialised skills in an area where demand for the skills frequently exceeds supply	
☐	Specific future employment prospects or plans (i.e. post-separation employment)	
☒	Other	I am responsible for the management of a current contract to provide place management services. I can confirm that: • My relationship with Dionysus (including any current or former staff member) is limited to that of a standard "course of business relationship" only. • Neither myself or any member of my family have any interest in Dionysus, financial or otherwise. • I have not received any inducements.

Sch 2.2(a)(ii)

Signature: ..... Date: 11/5/2025.....

CONFLICT OF INTEREST DISCLOSURE

CONFLICT OF INTEREST DISCLOSURE

GS2544750 – PLACE MANAGEMENT SERVICES

I, Jan Horley, of the City Renewal Authority am making this disclosure regarding agreement GS2544750.

I declare that

☒ there is no actual, potential, or perceived conflict of interest by virtue of my participation in the Procurement in the above role.

OR

☐ an actual, potential, or perceived conflict of interest arises by virtue of my participation in the Procurement in the above role for the following reason(s)

	Reason for conflict of interest	**Details – please provide an attachment if space is not sufficient.**
☐	Financial and economic interests, such as debts or assets	
☐	Family or private businesses	
☐	Secondary employment commitments	
☐	Affiliations with for-profit and non-profit organisations, sporting bodies, clubs, and/or associations	
☐	Affiliations with political, trade union or professional organisations, and/or other personal interests	
☐	Obligations to professional, community, ethnic, family, or religious groups in a personal or professional capacity, and/or relationships to people living in the same household	
☐	Enmity towards or competition with another individual or group	
☐	Significant family or other relationships with clients, contractors or other staff working in the same (or related) organisation	
☐	Highly specialised skills in an area where demand for the skills frequently exceeds supply	
☐	Specific future employment prospects or plans (i.e. post-separation employment)	
☐	Other	

Sch 2.2(a)(ii)

Signature: ... . Date: 12/5/2025