

**29 August 2006****FEDERATION BELLS MANAGEMENT AGREEMENT****Committee**    Community Services**Presenter**    Cr Wilson**Purpose**

1.    To seek Council approval to enter into a Management Agreement with the Department of Premier and Cabinet for the management of Federation Bells situated in Birrarung Marr.

**Recommendation**

2.    That Council:
  - 2.1.    enter into a Management Agreement with the Department of Premier and Cabinet for the management of Federation Bells in Birrarung Marr:
    - 2.1.1.    for the period 1 October 2006 to 30 September 2010; and
    - 2.1.2.    for an annual management fee of \$60,000 (plus GST); and
    - 2.1.3.    such other terms and conditions as may be required by the Manager Legal Services; and
    - 2.1.4.    do anything incidental or ancillary to the above; and
  - 2.2.    by instrument of delegation sealed by the Council pursuant to Section 98(1) of the *Local Government Act 1989* (“the Act”) delegate to the Chief Executive Officer, or the person from time to time acting in that position, the authority to enter into the Management Agreement and to do all things incidental and ancillary to the same; and
  - 2.3.    under section 98(3) of the Act, authorise the instrument of delegation to the Chief Executive Officer, or the person from time to time acting in that position, to empower him or her to delegate any power, duty or function delegated to him or her under the paragraph above, to a member of Council staff; and
  - 2.4.    resolve that the instrument of delegation referred to in paragraph 2.2 of this report will cease and be of no further effect upon the completion of all necessary steps and the execution of all necessary documents to enter into the Agreement with the Department of Premier and Cabinet, for the management of the Federation Bells.

**Council Report Attachment:**

1.    Community Services Committee, Agenda Item 5.2, 8 August 2006

8 August 2006

## FEDERATION BELLS MANAGEMENT AGREEMENT

**Division** Design & Culture

**Presenter** Morris Bellamy, Manager Arts & Culture

### Purpose

1. To seek Council approval to enter into a Management Agreement with the Department of Premier and Cabinet for the management of Federation Bells situated in Birrarung Marr.

### Recommendation from Management

2. That the Community Services Committee recommend Council:
  - 2.1. enter into a Management Agreement with the Department of Premier and Cabinet for the management of Federation Bells in Birrarung Marr:
    - 2.1.1. for the period 1 October 2006 to 30 September 2010; and
    - 2.1.2. for an annual management fee of \$60,000 (plus GST); and
    - 2.1.3. such other terms and conditions as may be required by the Manager Legal Services; and
    - 2.1.4. do anything incidental or ancillary to the above; and
  - 2.2. by instrument of delegation sealed by the Council pursuant to Section 98(1) of the *Local Government Act 1989* (“the Act”) delegate to the Chief Executive Officer, or the person from time to time acting in that position, the authority to enter into the Management Agreement and to do all things incidental and ancillary to the same; and
  - 2.3. under section 98(3) of the Act, authorise the instrument of delegation to the Chief Executive Officer, or the person from time to time acting in that position, to empower him or her to delegate any power, duty or function delegated to him or her under the paragraph above, to a member of Council staff; and
  - 2.4. resolve that the instrument of delegation referred to in paragraph 2.2 of this report will cease and be of no further effect upon the completion of all necessary steps and the execution of all necessary documents to enter into the Agreement with the Department of Premier and Cabinet, for the management of the Federation Bells.

### Key Issues

3. Federation Bells was completed and launched in 2001 as part of the Centenary of Federation program and has since then been managed by Arts Victoria.

4. Arts Victoria approached the City of Melbourne to propose a transfer of management of the Federation Bells to the City of Melbourne given the City's capacity to professionally manage outdoor cultural assets. The City of Melbourne manages over 150 outdoor cultural items as part of its Art and Heritage Collection program.
5. The City of Melbourne's Arts & Culture and Legal Services Branches have worked with the Department of Premier and Cabinet, through Arts Victoria, to develop a Management Agreement for Federation Bells.
6. The Management Agreement recommends the following key services to be provided by the City of Melbourne's Arts & Culture Branch:

***General***

- 6.1. the monitoring of the condition and operation of the Federation Bells over the four-year term of the Agreement;
- 6.2. the handling of all public enquiries related to the Federation Bells;
- 6.3. scheduling of the Federation Bells; including requests to alter the bell playing times;

***Repair and Maintenance***

- 6.4. undertaking of all necessary maintenance and repair work required to maintain the Federation Bells in excellent working condition; including regular monthly servicing, bi-monthly performance review and annual calibration;

***Programming and Compositions***

- 6.5. the co-ordination of program development initiatives and the commissioning of new compositions; and
  - 6.6. the exploration and encouragement of partnerships with cultural agencies, festivals, events companies, and performing arts companies for event-based uses of the Federation Bells.
7. The management of Federation Bells by the City of Melbourne will further support the City's Arts Strategy commitment to '*creating an environment in which arts activities can flourish, prosper and reach all aspects of city life*'. The City's programming and maintenance of the Federation Bells will increase the profile of the parkland and Council's arts program to a wide public audience.
  8. The management fee attached to the Management Agreement provides sufficient funds to care for and promote the Federation Bells as part of Council's overall Arts and Heritage Collection program.

**Time Frame**

9. The Management Agreement is scheduled to commence on 1 October 2006 and conclude on 30 September 2010.

**Relation to Council Policy**

10. City Plan 2010, Connected and Accessible, Inclusive and Engaging City of Melbourne.
11. Arts Strategy 2004-2007, Themes: Make visible and vibrant arts in the public realm and, engage the past in a contemporary world.

### **Government Relations**

12. The Management Agreement will further reinforce relations between the City of Melbourne and State Government.

### **Finance**

13. The Management Agreement provides for a fixed management fee of \$240,000 (plus GST) to be paid to the City of Melbourne. This equates to \$60,000 annually (plus GST). The estimated cost breakdown includes:
  - 13.1. annual repairs and maintenance \$35,000;
  - 13.2. royalties and licence fees \$5,000; and
  - 13.3. management fee and programming allocation \$20,000.
14. The management fee excludes capital works, major upgrades and any maintenance or repair item costing more than \$5,000, and remains the responsibility of Arts Victoria.
15. For an initial period of 12 months the City of Melbourne will engage the contractors currently delivering services for the Federation Bells under Arts Victoria's management.

### **Legal**

16. Legal advice has been provided in drafting and settling the terms of the Management Agreement. The recommendations are within Council's functions and powers as set out in the *Local Government Act 1989*.

### **Sustainability**

17. The renewed attention given to the Federation Bells, both in programming and maintenance will increase the appeal of Birrarung Marr as a park for residents, workers and visitors.
  18. Social capital will be increased through increasing the number of public events and number of new compositions involving the Federation Bells. These will be measured annually.
  19. Through the City's management of the Federation Bells, strategic relationships will be formed with individual composers, and arts and community organisations. These will be measured annually.
  20. The City will enter into the Management Agreement with the State Government, Arts Victoria. This formal arrangement is a necessary and positive approach, building on the City-State relationship.
  21. The Arts & Culture Branch will manage the Agreement to the highest integrity and consistent with the approach to existing activities. An annual report will be prepared for Arts Victoria as part of the Management Agreement. Additional reports will be provided in the first year of the Agreement.
  22. The City has a reputation of delivering an arts program of national and international standard. The Federation Bells will be managed to the same level of excellence.
  23. The City's management of Federation Bells will contribute to free and public cultural programming in the city and Melbourne's subsequent reputation as a culturally vibrant city.
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**FINANCE ATTACHMENT**

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**FEDERATION BELLS MANAGEMENT AGREEMENT**

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No allowance has been made in the 2006/07 budget for the anticipated revenue and expenditure arising from the Federation Bells Management agreement.

Revenue and expenditure in future years would be subject to the normal budget processes.

**Joe Groher**  
Manager Financial Services

**LEGAL ATTACHMENT**

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**FEDERATION BELLS MANAGEMENT AGREEMENT**

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Legal advice has been provided in drafting and settling the terms of the Federation Bells Management Agreement.

Section 3D(2)(c) provides that the role of a Council includes:

*“maintaining the viability of the Council by ensuring that resources are managed in a responsible and accountable manner”.*

Section 3E(1) provides that the functions of Council include:

*“(a) advocating and promoting proposals which are in the best interests of the local community; and*

*(b) planning for and providing services and facilities for the local community”.*

The recommendations of this report are therefore made in accordance with the Council’s functions and powers as set out in the *Local Government Act 1989*.

**Kim Wood**  
Manager Legal Services