

11 March 2003

MELBOURNE 2006 COMMONWEALTH GAMES

Division Marketing & Corporate Affairs

Presenter Scott Chapman, Director Marketing & Corporate Affairs

Purpose

To seek Committee approval to proceed with further planning for the 2006 Commonwealth Games with the Victorian State Government and the Melbourne 2006 Commonwealth Games Pty Ltd (M2006) based on the proposed funding requirements outlined in this document.

Time Frame

Approval of Council funding in relation to the delivery of the Commonwealth Games is sought by the State Government through the Office of Commonwealth Games (OCGC) and M2006 as soon as possible in order to carry out further budget and operational planning. This time frame is critical for future planning.

Finance

Over the past 12 months the City of Melbourne, in conjunction with M2006, has undergone a process of identifying cost items essential for Council to deliver as part of the 2006 Commonwealth Games. The individual cost items identified, based on preliminary estimates, total a funding requirement of \$23,197,000. A complete list of the costings are contained in Attachment 1.

Council's support for the Games commenced in the 2002/03 financial year with \$1,300,000 of Games related capital works undertaken. It is envisaged that future funding be sought in the following financial year budgets:

2003/04:	\$3,999,000
2004/05:	\$6,790,000
2005/06:	\$11,108,000

At this point in time, Council has made no formal commitment to the delivery of the 2006 Commonwealth Games, however, in September 2002, an 'in principle' agreement was made between the Chief Executive Officer and the OCGC based on the costings identified above and in detail in Attachment 1. This agreement is captured in a letter from Meredith Sussex, Executive Director of OCGC (Attachment 2).

Legal

The matters detailed in this report are within the objectives, functions and powers of the Council.

Sustainability

The 2006 Commonwealth Games will be the largest sporting event to have been staged in Melbourne since the 1956 Olympics. It is recognised that an important aspect to staging the Commonwealth Games is to ensure that the benefits provided to the local community extend beyond the two-week period of the actual event. This consideration is being fed into the planning of every aspect and used as one of the measures by which projects/proposals are considered.

The City of Melbourne has a clear position on issues relating to sustainability and the environment. As a community leader in matters related to sustainability, the City of Melbourne will ensure that all aspects of its involvement in the Games will be socially and environmentally responsible. At this early stage a number of Council representatives have been consulted in the policy development process for the Games to ensure this occurs.

Connected and Accessible City

There will be some reduction to the mobility of Melbourne's residents, visitors and workers due to the significant increase in city visitation during the Games period. However, due to upgrades to transport networks and services, it is estimated that city public transport options will be improved as a legacy of the event.

The State Government has overall responsibility for the planning and delivery of high quality games transport outcomes, including public transport services, traffic and road network management, travel demand management, parking strategies, transport coordination and related infrastructure. The Department of Infrastructure, in cooperation with M2006, has already prepared broad strategic transport plans. The City of Melbourne will be heavily involved in the planning and implementation of the overall traffic plan. Within the City of Melbourne's proposed budget (Attachment 1), Council will devise and implement local plans for traffic and public transport management plan, car park management and road closures and diversions. Council will endeavour to ensure that the impact of traffic and transport changes is minimised.

Council currently annually funds capital works associated with the upgrading and maintenance of the city's road network infrastructure. It is considered that funding be boosted by 20% to cover Games specific road, footpath and drainage improvement requirements. Improvement will be made to road surrounding the Botanic Gardens and general road and footpath upgrades in the vicinity of the Games Village.

Inclusive and Engaging City

The State Government has drafted a 'Social Inclusion Strategy' to ensure that the Games are accessible and equitable to all of the community. The City of Melbourne has been involved in the development of the Strategy and will also be consulted during the implementation phase.

Significant to the success of Melbourne's bid to host the Games, was the proposed cultural program that will run in parallel to the sporting program. The program will be representative of Melbourne's multicultural background and of the diversity of the larger Commonwealth Games family. The City of Melbourne will be critical in the successful delivery of the cultural program, with many aspects taking place in the Public Domain and an expanded 2006 Melbourne Moomba Waterfest program expected to play a vital role.

A number of major facilities will be developed/upgraded for the 2006 Games. It is envisaged that these will be made accessible for community use following the Games. Major projects include; MCG, Northbank and Bourke Street Mall (Commonwealth Gateway) redevelopments, Queens Bridge Square development and upgrades to street furniture, lighting, litter bins, road pavements, improved pedestrian access and signage.

The 2006 Commonwealth Games will also have a number of associated city activities allowing all visitors, stakeholders and residents of Melbourne to engage in the Games experience, deriving positive social outcomes. It is envisaged that in addition to paid ticketed events, the Commonwealth Games will have a number of 'free' events to ensure that all members of the community can take part in the Games experience.

Another key feature of the Games will be the inclusion of athletes with a disability in the sport program. The 2002 Manchester Commonwealth Games were the first to include athletes with a disability. The media promotion of the athletes was a positive outcome for inclusion in Manchester.

Innovative and Vital Business City

A key objective of the State Government and Council is to maximise economic impact of the Games. Due to the scope of the Games program and associated activities not yet finalised, the economic impact to Melbourne is yet to be determined.

As was the case in Manchester, there will be a number of business opportunities created as a result of the Games. In addition to Games specific opportunities (ie infrastructure development, service provision etc) there will also be a flow on of business opportunities through the profiling of Melbourne to interstate and international markets.

As was the case in Manchester (6,000 new jobs generated) it is envisaged that the 2006 Games will create a number of short and long term jobs in Melbourne. Due to the scope of the Games program and associated activities not yet finalised, levels of employment generation are yet to be determined.

Environmentally Responsible City

It is understood that there will be environmental impacts as a result of the Games. Due to the scope of the Games and associated activities not yet finalised, environmental impacts are yet to be determined. The State Government, through the OCGC has drafted an 'Environmental Framework' which serves as a higher level overarching document for environment management. Council has been involved in the creation of this document. All Games related works/projects will need to comply with the Framework.

The Environmental Advisory Committee has drafted an as-yet unreleased report that makes recommendations to Government on environmental objectives for the Games. Council resolved, at its December 2002 meeting, to write to the Minister for Commonwealth Games seeking the public release of the report. At the time of writing this report no further advice has been received.

Recommendation

That the Finance, Corporate Services and Governance Committee recommend Council:

- note the 'in principle' agreement made with the State Government for funding of the 2006 Commonwealth Games;
- endorse the funding program of \$23,197,000 outlined in the table in paragraph 36 of this report and further detailed in Attachment 1 to this report;
- note that the proposed funding program does not include any allowances for the Commonwealth Games Village and/or Wetlands; and
- advise the Minister for Commonwealth Games of this resolution.

Attachments:

1. Commonwealth Games Costings – Based on 02/03 Projected Budget Figures
2. Letter form OCGC confirming 'in principle' agreement between State Government and the City of Melbourne

11 March 2003

MELBOURNE 2006 COMMONWEALTH GAMES

Division Marketing & Corporate Affairs

Presenter Scott Chapman, Director Marketing & Corporate Affairs

Purpose

1. To seek Committee approval to proceed with further planning for the 2006 Commonwealth Games with the Victorian State Government and the Melbourne 2006 Commonwealth Games Pty Ltd (M2006) based on the proposed funding requirements outlined in this document.

Background

2. In 1998, the City of Melbourne made a commitment to the Australian Commonwealth Games Association (AGCA) State Government and Melbourne 2006 Commonwealth Games Bid Pty Ltd to fully support Melbourne's bid to host the Commonwealth Games in 2006. This commitment has been reinforced publicly on many occasions.
3. The bid process was supported by a letter in February 1999 from the then Lord Mayor of Melbourne, Ivan Deveson AO, to the Commonwealth Games Federation outlining the City of Melbourne's support of the bid.
4. The commitment to Melbourne's bid to host the 2006 Commonwealth Games was outlined in a preliminary budget document prepared by the City of Melbourne. The primary objective of which stated:

"To utilise the resources of the City of Melbourne and surrounding Councils to provide the necessary service and level of presentation to showcase Melbourne and the Municipalities to the international audience associated with the Games."

5. On 4 March 2002, at the Environment, Community and Cultural Development Committee the following motion was put and carried unanimously:

"That the Environment, Community and Cultural Development Committee:

- *recommend that the following paragraphs (numbered 49.1, 49.2, 49.4 and 49.5 in the management report) be referred to the Finance, Corporate Services and Governance Committee:*
 - *note the 'in principle' agreement made with the State Government for funding of the 2006 Commonwealth Games;*
 - *endorse the funding program contained in the table in paragraph 36 of this report and further detailed in Attachment 1 to this report;*
 - *note that the proposed funding program detailed in paragraph 36 does not include any allowances for the Commonwealth Games Village and/or Wetlands;*
 - *advise the Minister for Commonwealth Games of this resolution; and*
- *endorse that, over the course of Commonwealth Games planning there may be changes to the program, and directs that program changes will be referred back to Council for approval;*

- *note Council's understanding that the Royal Park Wetlands Project (which includes Council's freehold land) will be implemented in accordance with the Royal Park Master Plan, remain under the control of the City of Melbourne and will attract a grant from State Government of \$5million plus;*
- *note the opportunity to enhance the social inclusion and reconciliation objectives of Council and work together with the State Government on advancing these;*
- *require progress reports on both Council's involvement and the various working parties to the relevant Committee meetings on a regular basis;*
- *renew Council's request to the State Government for the release of the report on the environmental aspects of the Commonwealth Games; and*
- *note that this decision is being made by the Committee under delegation from the Council and is subject to the referral notice process."*

Melbourne 2006 Commonwealth Games Pty Ltd (M2006)

6. With the announcement of Melbourne as the successful bid, M2006 was formed in October 1999 and contracted with the responsibility of overall delivery of the Games program.
7. M2006 will establish the 'vision' for the Games, develop operational policies and deliver all logistics associated with the sporting event. M2006 has developed a framework in which to plan and manage the delivery of the Games. This has involved coordination with State and Local Government to fully investigate and scope all aspects of the event.

State Government – Office of Commonwealth Games Coordination (OCGC)

8. At State Government level, the newly formed Department for Victorian Communities (formerly the Department of Sport, Tourism and Commonwealth Games DSTCG) is responsible for coordinating all Government involvement in the Games. The Office of Commonwealth Games Coordination (OCGC) has been specifically established within this Department to manage the State Government's role in the overall delivery of the Games.
9. OCGC will be responsible for the provision of all Games related infrastructure including the Athletes Village. OCGC will also coordinate Government policy development in relation to environment, communication, business and industry, sport and recreation and legacy.

City of Melbourne

10. The City of Melbourne has been working closely with M2006 and the State Government across a number of departments and at several levels to clearly identify and establish its role within the overall delivery structure of the 2006 Commonwealth Games.
11. At present, there is a range of external working groups that have been established by OCGC and M2006 to commence preparation and planning. City of Melbourne staff are currently involved in all of these groups providing preliminary operational and regulatory advice. Representation includes:
 - 11.1. ***Event Operations Group:*** Chief Executive Officer;
 - 11.2. ***Public Domain Planning Group:*** Director Marketing & Corporate Affairs;
 - 11.3. ***Traffic & Transport Working Group:*** Group Manager Engineering Services;
 - 11.4. ***Operations & Services Working Group:*** Group Manager Parks and Recreation;
 - 11.5. ***Urban Infrastructure Working Group:*** Manager Project Delivery; and

11.6. **Public Communications Working Group** (yet to commence): Manager Corporate Communications.

12. The City of Melbourne has also established the Commonwealth Games Working Group. This is an internal committee chaired by the Director Marketing & Corporate Affairs with staff representation from all relevant areas of Council. The objective of the working group is to coordinate Council's involvement in the early planning process. This working group currently meets on an 'as needs' basis to ensure timely involvement in all issues affecting the City of Melbourne.

Issues

Public Domain

13. Critical to the successful delivery of the 2006 Commonwealth Games is the management of what has been called the 'Public Domain'. As defined recently by OCGC, the Public Domain refers to "All areas containing people engaged in the Games experience requiring some level of Games service outside Games venues." In general terms this definition relates to all areas of public open space including parks, gardens and streets, public transport (including interchanges) where people may have some involvement or interaction with the Commonwealth Games.
14. This definition has significant implications for the City of Melbourne as many areas within the City's boundaries have been identified as critical features of the Public Domain. These areas include Yarra Park, Royal Park, Birrarung Marr, Alexandra Gardens, Melbourne and Olympic Park, Federation Square, Southbank, the Yarra River corridor and the southern end of the CBD grid – in particular the City Square, Swanston Street and the Bourke Street Mall.
15. Many of these sites will be used to hold Games related cultural and general entertainment events. This will require significant input from City of Melbourne from planning and programming to eventual management.
16. In addition, many of these locations will be critical public gathering and movement areas and as such will have to be managed appropriately to ensure that high standards of public safety and efficient movement are maintained. The City of Melbourne's experience in managing events such as New Year's Eve and Moomba will mean that the organisation's role in the effective planning and management of these areas is critical. As seen in the Sydney Olympics, the management of the public open spaces is critical to the overall Games experience and therefore an important measure of success.
17. The City of Melbourne currently owns and/or manages most of the nominated parks, gardens, spaces and streets within the Public Domain on a day to day basis. Further, the City of Melbourne has developed extensive expertise in the overall delivery of major events. The knowledge and understanding gained from this experience is critical for the successful overlay of the 2006 Commonwealth Games framework.
18. On Friday, 15 February 2002, the City of Melbourne hosted and facilitated a Public Domain workshop involving most of the key stakeholders who will be responsible for the delivery of the 2006 Commonwealth Games. Opened by Minister Madden, the workshop aimed to provide all parties with a clear indication of what the full scope of the 2006 Commonwealth Games might include, particularly in relation to the Public Domain. A consultant then conducted follow up sessions with all parties in an attempt to better define the scale and scope of the Public Domain. The consultant's findings report on the Public Domain has been distributed to all relevant stakeholders.

Commonwealth Games Village

19. The State Government undertook an intensive assessment process to review the tender submissions for the Commonwealth Games Village development. Submissions for a Jolimont site, Docklands site and two for the Royal Park Psychiatric Hospital site in Parkville were considered.
20. In February 2002, the Environment, Community and Cultural Development Committee and the Planning, Development and Services Committee jointly resolved to formally oppose the location of the Commonwealth Games Village on the Royal Park Psychiatric site, Parkville.
21. In early November 2002 the State Government announced that it had selected Australand Pty Ltd's submission for development of the Commonwealth Games Village on the Parkville site.
22. Whilst the City of Melbourne has resolved to support the Games, Council maintains that it has concerns with the selection of the proposed Parkville site. As such, no financial support for the Village is recognised in the attached budget.
23. The City of Melbourne will however seek to ensure that Council is consulted in all facets of planning including sustainability, traffic and transport management and Wetlands development.

Cultural

24. Significant to the success of Melbourne's bid to host the Games, was the proposed cultural program that will run in parallel to the sporting program. The program will be representative of Melbourne's multicultural background and of the diversity of the larger Commonwealth Games family. The City of Melbourne will be critical in the successful delivery of the cultural program, with many aspects taking place in the Public Domain and an expanded 2006 Melbourne Moomba Waterfest program expected to play a vital role.

Games Legacies

25. It has been established that an important aspect to holding the Commonwealth Games is to ensure that the benefits provided by hosting the Games extend beyond the two-week period of the actual event. This consideration is being fed into the planning of every aspect and used as one of the measures by which options/proposals are considered.
26. The 2006 Commonwealth Games provides impetus to develop physical infrastructure, operational networks and social programs which will benefit the City of Melbourne. All Games related projects that require a financial commitment by the City of Melbourne have, and will, amongst other measures, be considered in relation to the legacy they will provide to the City and stakeholders beyond the Games.
27. While hosting the Commonwealth Games will mean considerable expenditure at both State and Local Government level, it is intended that all opportunities be maximised to offset some of these costs. Key legacies for the State and City will include:
 - 27.1. City Infrastructure:
 - 27.1.1. MCG Redevelopment;
 - 27.1.2. Northbank Redevelopment;
 - 27.1.3. Queens Bridge Square Development; and
 - 27.1.4. Bourke Street Mall (Commonwealth Gateway) Redevelopment; and

- 27.2. Inner City Improvement: upgrades to street furniture, lighting, litter bins, road pavements, improved pedestrian access and signage;
 - 27.3. Increase in Major Event Coordination Expertise;
 - 27.4. Local, National and International Marketing and Tourism Benefits;
 - 27.5. Economic Benefits;
 - 27.6. Social Benefits; and
 - 27.7. Environmental Benefits.
28. These opportunities will be investigated further as planning proceeds.

Financial

- 29. It is clearly understood that the Victorian State Government will be providing the vast majority of the budget required to deliver the 2006 Commonwealth Games. It is also understood that there will be a requirement of Local Government, in particular the City of Melbourne, to provide financial support in operational assistance and in the delivery of associated capital works.
- 30. At this point in time, Council has made no formal commitment to the delivery of the 2006 Commonwealth Games, however, in September 2002, an 'in principle' agreement was made between the Chief Executive Officer and the OCGC based on the costings identified in Attachment 1. This agreement is captured in a letter from Meredith Sussex, Executive Director of OCGC (Attachment 2).
- 31. When the original bid documents were finalised in 1998, the City of Melbourne prepared an indicative budget estimate for its part in delivering the Commonwealth Games. The estimate attempted to anticipate and allow for all capital, maintenance and operational costs that may be incurred by the City of Melbourne. The total figure estimated by the City of Melbourne at the time of the bid for the Commonwealth Games was \$32,180,000.
- 32. This figure included many projects/items that did not have a high importance or relevance to the delivery of the Commonwealth Games. These projects/items have since been removed from proposed estimates.
- 33. The estimate prepared by the City of Melbourne was reviewed by M2006 in an attempt to generate a complete budget picture, identifying any gaps and/or duplications that may have occurred across all agencies involved. Following this process, a figure of approximately \$22m was 'assigned' to the City of Melbourne for capital, maintenance and operational requirements.
- 34. Over the past 12 months, the City of Melbourne has again revisited the costs. The main objective of this most recent review was to identify a list of 'minimum requirements' - that is, projects/items that are critical for the successful delivery of the 2006 Commonwealth Games.
- 35. All projects/items identified by the City of Melbourne have now been further scrutinised and it is envisaged that a total contribution of \$23,197,000 be committed to the Games. The costs assigned to each of the projects/items are based on estimates that have been provided by various departments within the City of Melbourne.
- 36. Individual cost items have been categorised as "Existing Budget" items, or items requiring a new "Additional Funding Bid". Projects listed under 'Existing Budget' are considered to be items that the City of Melbourne may deliver as part of normal expenditure between now and 2006. "Additional Funding Bid" items are projects that are considered to require funding that is above and beyond Council's normal expenditure.

37. The table on the following page contains a summary of the costs that have been identified by the City of Melbourne. "Additional Funding Bid" items have been further separated into expenditure type (ie Capital, Maintenance, Operational).

Commonwealth Games Costings Summary

Work Areas	Existing Budget	Additional Funding Bid	Additional Bid Type			Total Commitment
			Capital	Maintenance	Operational	
Engineering Services	\$280,000	\$4,459,000	\$100,000	\$3,570,000	\$789,000	\$4,739,000
Parks & Recreation	\$785,000	\$718,000	\$0	\$100,000	\$618,000	\$1,503,000
City Strategy & Development	\$110,000	\$90,000	\$0	\$0	\$90,000	\$200,000
City Projects	\$1,200,000	\$12,000,000	\$12,000,000	\$0	\$0	\$13,200,000
Community Services	\$40,000	\$50,000	\$50,000	\$0	\$0	\$90,000
Marketing & Corporate	\$2,450,000	\$1,015,000	\$0	\$0	\$1,015,000	\$3,465,000
TOTAL	\$4,865,000	\$18,332,000	\$12,150,000	\$3,670,000	\$2,512,000	\$23,197,000

38. Attachment 1 provides a more detailed listing of the proposed budgets/projects that make up the totals listed above.

39. The identified cost items have been further divided into intended financial years of delivery:

Financial Year	Expenditure Type			TOTALS
	Capital	Maintenance	Operational	
2002/03	\$1,300,000	\$0	\$0	\$1,300,000
2003/04	\$3,905,000	\$0	\$94,000	\$3,999,000
2004/05	\$5,605,000	\$1,085,000	\$100,000	\$6,790,000
2005/06	\$2,990,000	\$2,585,000	\$5,533,000	\$11,108,000
TOTALS	\$13,800,000	\$3,670,000	\$5,727,000	\$23,197,000

40. Attachment 1 provides a more detailed listing of the proposed budgets/projects that make up the totals listed above.

41. Additional costs, identified by the City of Melbourne to capitalise on hosting the 2006 Commonwealth Games, will need to be considered on their benefit to the City.

Five Year Financial Plan

42. The 5 year financial plan includes \$12.900M of itemised funding comprising of Council Works of \$10.900M and a once off increase of \$2.000M in operating costs. The funds have been allocated in each financial year as per the table on the following page:

5 year Financial Plan Funding					
\$Million	02/03	03/04	04/05	05/06	Total
<u>CAPITAL</u>					
Queensbridge Square	1.300				1.300
Northbank Development		1.000	1.000	2.000	4.000
Bourke Street Mall		2.000	3.600		5.600
<i>Sub Total</i>					10.900
Operating Cost					
				2.000	2.000
Total Identified Expenditure	1.300	3.000	4.600	4.000	12.900
Discretionary Capital Works		0.905	1.005	0.990	2.900
Existing Works & Operating Programs		0.094	1.185	6.118	7.397
Total Identified Expenditure	1.300	3.999	6790	11.108	23.197

43. The difference of \$10.297M between the total identified expenditure in the 5 year financial plan (\$12.900M) and the Commonwealth Games commitment identified in this report (\$23.197M) will be funded from discretionary capital works (\$2.900M) and other existing Council works and operating programs (\$7.397M).

Revenue

44. In addition to the considerable legacies discussed earlier in this document, there will be a number of direct revenue opportunities created by the Games.

Relation to Council Policy

45. As indicated in the above section, Melbourne hosting the 2006 Commonwealth Games provides the City with an unique opportunity to achieve many of the goals and critical success factors as listed in City Plan.
46. At a more detailed level, the outcomes achieved by hosting the Commonwealth Games will relate to numerous Council policies. In particular, the importance of the successful delivery of the Commonwealth Games is highlighted in both the Melbourne Marketing Strategy 2003/04 and the Towards 2006 Sports Policy.

Consultation

47. The City of Melbourne has undertaken extensive consultation with key internal and external stakeholders who are currently involved or will be involved in the delivery of the Commonwealth Games in 2006.
48. The internal Commonwealth Games Working Group has been meeting to scope out and discuss issues pertinent to the City of Melbourne's potential involvement in the delivery of the 2006 Commonwealth Games.

Government Relations

49. The full commitment of the City of Melbourne, Victorian State Government, M2006, and relevant Local Government agencies is critical to ensure the successful planning and delivery of the 2006 Commonwealth Games in Melbourne.

Recommendation

50. That the Finance, Corporate Services and Governance Committee recommend Council:
 - 50.1. note the 'in principle' agreement made with the State Government for funding of the 2006 Commonwealth Games;
 - 50.2. endorse the funding program of \$23,197,000 outlined in the table in paragraph 36 of this report and further detailed in Attachment 1 to this report;
 - 50.3. note that the proposed funding program does not include any allowances for the Commonwealth Games Village and/or Wetlands; and
 - 50.4. advise the Minister for Commonwealth Games of this resolution.

ENGINEERING SERVICES GROUP	IDENTIFIED WORKS - ESTIMATED COSTINGS (OCT 2002)																				
	Critical Items	Non-critical Items	EXISTING BUDGET	ADDITIONAL FUNDING BID	BID TYPE			TOTAL COMMITMENT	FINANCIAL YEAR												
					Capital	Maintenance	Operational		02/03	03/04	04/05	05/06									
Accessibility																					
1	Devise Local Traffic Management Plan	\$40,000			\$40,000			\$40,000	\$40,000				\$40,000								
2	Public Transport & Private Vehicle Access	\$3,000			\$3,000			\$3,000	\$3,000				\$3,000								
3	Establish Car Park Management Plan	\$11,000			\$11,000			\$11,000	\$11,000				\$11,000								
4	Traffic management plans for road closures and diversions	\$20,000			\$20,000			\$20,000	\$20,000										\$20,000		
	SUB TOTAL				74,000				74,000												
Infrastructure																					
5	Provision of Required Capital Upgrades	\$1,820,000			\$1,820,000		\$1,820,000		\$1,820,000										\$910,000		\$910,000
6	Provision of Street Furniture	\$150,000			\$150,000		\$150,000		\$150,000												\$150,000
7	Provision of Litter Bins	\$150,000			\$150,000		\$150,000		\$150,000										\$75,000		\$75,000
8	Provision of Adequate Street Lighting	\$250,000			\$250,000		\$250,000		\$250,000										\$100,000		\$150,000
9	Upgrade road around Botanic Gardens	\$1,200,000			\$1,200,000		\$1,200,000		\$1,200,000												\$1,200,000
10	Installation & Removal of Temp & Permanent Signs	\$100,000			\$100,000	\$100,000			\$100,000												\$100,000
	SUB TOTAL				\$0		\$3,670,000		\$3,670,000												
Waste Mangement																					
11	Maintenance of Street Furniture and Litter Bins	\$50,000			\$25,000	\$25,000			\$25,000	\$50,000											\$50,000
12	Temporary litter/recycling bins	\$100,000			\$50,000	\$50,000			\$50,000	\$100,000											\$100,000
13	Waste Removal	\$200,000			\$100,000	\$100,000			\$100,000	\$200,000											\$200,000
14	Cleansing	\$300,000			\$300,000	\$300,000			\$300,000	\$300,000											\$300,000
15	Barricades – Event Barricading	\$160,000			\$160,000	\$160,000			\$160,000	\$160,000											\$160,000
16	Barricades / Parades & Crowd Control	\$40,000	\$65,000		\$40,000	\$40,000			\$40,000	\$40,000									\$40,000		
17	Environmental Plan (Event Specific)		\$27,000																		
	SUB TOTAL				\$175,000	675,000			\$850,000												
Emergency Management																					
18	Develop event emergency management plans	\$105,000			\$105,000				\$105,000										\$40,000		\$65,000
19	Implementation of emergency management plan (contingency)		\$200,000																		
	SUB TOTAL				\$105,000				\$105,000												
Parking - Lost Revenue																					
20	Exhibition Street (possible)	\$40,000			\$40,000				\$40,000	\$40,000											\$40,000
	SUB TOTAL				\$0	\$40,000			\$40,000												
ENGINEERING SERVICES GROUP TOTAL		\$4,739,000	\$292,000		\$280,000	\$4,459,000		\$100,000	\$3,570,000	\$789,000	\$4,739,000	\$0	\$54,000	\$1,185,000	\$3,500,000						

IDENTIFIED WORKS - ESTIMATED COSTINGS (OCT 2002)

CITY PROJECTS	Critical Items	Non-critical Items	EXISTING BUDGET	ADDITIONAL FUNDING BID	BID TYPE			TOTAL COMMITMENT	FINANCIAL YEAR			
					Capital	Maintenance	Operational		02/03	03/04	04/05	05/06
City Upgrading and Improvements												
46 Bourke Street Mall Upgrade (inc. Commonwealth Gateway)	\$5,700,000			\$5,700,000	\$5,700,000			\$5,700,000		\$2,000,000	\$3,700,000	
47 CBD Feature Lighting projects												
48 Upgrade of visitor information services												
49 Installation of audio systems in key public areas - allowance only		\$1,300,000										
50 City Presentation (inc. Feature Lighting of buildings and trees)	\$2,200,000		\$1,200,000	\$1,000,000	\$1,000,000			\$2,200,000		\$750,000	\$750,000	\$700,000
Council Works associated with State Govt Projects												
51 North Bank Redevelopment	\$4,000,000			\$4,000,000	\$4,000,000			\$4,000,000		\$1,000,000	\$1,000,000	\$2,000,000
52 Queens Bridge Square Redevelopment	\$1,300,000			\$1,300,000	\$1,300,000			\$1,300,000	\$1,300,000			
CITY PROJECTS TOTAL	\$13,100,000	\$1,300,000	\$1,200,000	\$12,000,000	\$12,000,000	\$0	\$0	\$13,200,000	\$1,300,000	\$3,750,000	\$5,450,000	\$2,700,000

COMMUNITY SERVICES		- ESTIMATED COSTINGS (OCT 2002)											
		Critical Items	Non-critical Items	EXISTING BUDGET	ADDITIONAL FUNDING BID	BID TYPE			TOTAL COMMITMENT	FINANCIAL YEAR			
						Capital	Maintenance	Operational		02/03	03/04	04/05	05/06
Community Facilities													
53	Application of Social Planning Framework												
Disability Access													
54	Promotion	\$5,000		\$5,000				\$5,000					\$5,000
55	Coordination	\$20,000		\$20,000				\$20,000					\$20,000
56	Information	\$15,000		\$15,000				\$15,000					\$15,000
Safe City Camera Program													
57	Budget Allowance - detailed costing required		\$1,000,000										
58	Cameras - operational support		\$4,000										
Safe Pedestrian Routes													
59	Lighting/Security Presence/Signage/Promotion	\$50,000			\$50,000	\$50,000			\$50,000				\$50,000
COMMUNITY SERVICES TOTAL		\$90,000	\$1,004,000	\$40,000	\$50,000	\$50,000	\$0	\$0	\$90,000	\$0	\$0	\$0	\$90,000

IDENTIFIED WORKS - ESTIMATED COSTINGS (OCT 2002)

MARKETING & CORPORATE AFFAIRS		Critical Items	Non-critical Items	EXISTING BUDGET	ADDITIONAL FUNDING BID	BID TYPE			TOTAL COMMITMENT	FINANCIAL YEAR			
						Capital	Maintenance	Operational		02/03	03/04	04/05	05/06
Banners/Signage													
60	Banner Poles	\$225,000		\$225,000				\$225,000		\$80,000	\$80,000	\$65,000	
61	Visitor Signage	\$225,000		\$225,000				\$225,000		\$75,000	\$75,000	\$75,000	
SUB TOTAL				\$450,000									
Visitor/Tourist Information													
62	Visitor Information/Collateral	\$100,000			\$100,000			\$100,000					\$100,000
63	Volunteer Management/Ambassadors	\$150,000	\$85,000	\$100,000	\$50,000			\$50,000	\$150,000				\$150,000
SUB TOTAL				\$100,000	\$150,000								
Local Communications													
64	Communication budget - residents, businesses, stakeholders	\$400,000		\$250,000	\$150,000			\$150,000	\$400,000				\$400,000
65	Tourism Marketing- Campaigns												
SUB TOTAL				\$250,000	\$150,000								
Melbourne Moomba Waterfest													
66	Extend and develop Moomba Waterfest Program for the Games	\$1,600,000		\$1,600,000				\$1,600,000					\$1,600,000
SUB TOTAL				\$1,600,000									
City Marketing Plan													
67	City Live Site	\$200,000			\$200,000			\$200,000	\$200,000				\$200,000
68	Welcome reception for international Games officials and delegates	\$80,000			\$80,000			\$80,000	\$80,000				\$80,000
69	Official reception for competing nation's representatives		\$100,000										
70	Queen's Baton Relay	\$40,000			\$40,000			\$40,000	\$40,000				\$40,000
71	Communication budget		\$120,000										
72	Street DecorationsBanners	\$195,000			\$195,000			\$195,000	\$195,000				\$195,000
73	Themed tram along Swanston Street		\$150,000										
74	Precinct Entertainment Program	\$100,000			\$100,000			\$100,000	\$100,000				\$100,000
75	Roving entertainment/busking												
76	Contribution to overall delivery of cultural component	\$150,000	\$150,000	\$50,000	\$100,000			\$100,000	\$150,000				\$150,000
77	Light work/projection in CBD - dec. light shows		\$2,000,000										
78	Athletes Parade		\$120,000										
SUB TOTAL				\$50,000	\$715,000								
MARKETING AND CULTURAL AFFAIRS TOTAL		\$3,465,000	\$2,725,000	\$2,450,000	\$1,015,000	\$0	\$0	\$1,015,000	\$3,465,000	\$0	\$155,000	\$155,000	\$3,155,000

2006 COMMONWEALTH GAMES DRAFT COSTINGS - BASED ON 02/03 PROJECTED BUDGET FIGURES

Prepared by the City of Melbourne (October 2002)

DRAFT COSTINGS SUMMARY	IDENTIFIED WORKS - ESTIMATED COSTINGS (OCT 2002)											
	Critical	Non-Critical	EXISTING BUDGET	ADDITIONAL FUNDING BID	BID TYPE			TOTAL COMMITMENT	FINANCIAL YEAR			
	Items	Items			Capital	Maintenance	Operational		02/03	03/04	04/05	05/06
ENGINEERING SERVICES GROUP	\$4,739,000	\$292,000	\$280,000	\$4,459,000	100,000	3,570,000	\$789,000	\$4,739,000		\$54,000	\$1,185,000	\$3,500,000
PARKS AND RECREATION	\$1,503,000	\$590,000	\$785,000	\$718,000	0	100,000	\$618,000	\$1,503,000		\$0	\$0	\$1,503,000
CITY STRATEGY AND DEVELOPMENT	\$200,000	\$359,000	\$110,000	\$90,000	0	0	\$90,000	\$200,000		\$40,000	\$0	\$160,000
CITY PROJECTS	\$13,200,000	\$1,300,000	\$1,200,000	\$12,000,000	\$12,000,000	0	0	\$13,200,000	\$1,300,000	\$3,750,000	\$5,450,000	\$2,700,000
COMMUNITY SERVICES	\$90,000	\$1,004,000	\$40,000	\$50,000	\$50,000	0	0	\$90,000		\$0	\$0	\$90,000
MARKETING AND CORPORATE AFFIARS	\$3,465,000	\$2,725,000	\$2,450,000	\$1,015,000	0	0	\$1,015,000	\$3,465,000		\$155,000	\$155,000	\$3,155,000

CITY OF MELBOURNE TOTAL:	\$23,197,000	\$6,250,000	\$4,865,000	\$18,332,000	\$12,150,000	3,670,000	\$2,512,000	\$23,197,000	\$1,300,000	\$3,999,000	\$6,790,000	\$11,108,000
---------------------------------	---------------------	--------------------	--------------------	---------------------	---------------------	------------------	--------------------	---------------------	--------------------	--------------------	--------------------	---------------------

FINANCIAL YEAR SUMMARY	Capital	Maintenance	Operational	TOTAL
2002/03	\$1,300,000	\$0	\$0	\$1,300,000
2003/04	\$3,905,000	\$0	\$94,000	\$3,999,000
2004/05	\$5,605,000	\$1,085,000	\$100,000	\$6,790,000
2005/06	\$2,990,000	\$2,585,000	\$5,533,000	\$11,108,000
TOTAL	\$13,800,000	\$3,670,000	\$5,727,000	\$23,197,000

DEFINITIONS:

CRITICAL ITEMS - Essential for Council to deliver.

NON-CRITICAL ITEMS - Not essential for Council to deliver.

CAPITAL - Capital works budget bid items. Critical to delivery of the Games.

MAINTENANCE - Maintenance budget bid items. Critical to delivery of the Games

OPERATIONAL - Operational budget bid items. Critical to Delivery of the Games

EXISTING BUDGET. - An estimate of items that CoM may deliver as part of 'normal expenditure' between now and 2006.

ADDITIONAL FUNDING BID - Additional bid specifically for the Games - above and beyond normal expenditure.

TOTAL COMMITMENT - CoM's total commitment to the delivery of the Games (Existing Budget + Additional Funding Bid)

FINANCIAL YEAR - Intended year of delivery

FINANCE ATTACHMENT

MELBOURNE 2006 COMMONWEALTH GAMES

The financial implications are detailed in the report.

Funding requirements will be subject to Council's budget processes.

Joseph Groher
Manager Finance Services

LEGAL ATTACHMENT

MELBOURNE 2006 COMMONWEALTH GAMES

The *Commonwealth Games Arrangements Act 2001* provides the State Government with comprehensive powers to facilitate all development and other preparations for the Commonwealth Games 2006. The Minister for Commonwealth Games is the responsible Minister.

Schedule 1 of the *Local Government Act 1989* (“the Act”) provides that the functions of a Council include:

- "5. *Recreational and cultural services including –*
- (2) Sport, recreation, leisure and arts;*"

In addition, Section 7 of the *City of Melbourne Act 2001* provides that the Council’s additional objectives include:

- “(c) to co-ordinate with the State and Commonwealth Governments in the planning and delivery of services in the City of Melbourne in which those governments have an interest;*
- (d) to work in conjunction with the Government of the State on projects which that Government or the Council determines are significant to Melbourne.”*

Under Section 136 (a) of the Act the Council may pay monies from the municipal fund to enable it to perform its functions and exercise its powers.

Alison Lyon
Manager Governance Services