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# Beechworth

## International Centre for Excellence in Music and the Arts

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### OPPORTUNITIES STUDY AND STRATEGIC PLAN

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SEPTEMBER 2004  
prepared for



MELBOURNE SYMPHONY ORCHESTRA

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LA TROBE UNIVERSITY BEECHWORTH

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VICTORIAN DEPARTMENT OF INNOVATION,  
INDUSTRY AND REGIONAL DEVELOPMENT  
REGIONAL DEVELOPMENT VICTORIA

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INDIGO SHIRE COUNCIL

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INDIGO SHIRE COUNCIL

by

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Cost estimates for new buildings and refurbishment  
of existing buildings were undertaken by  
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- Indigo Shire Council

It was overseen by a Steering Committee comprising representatives of The Melbourne Symphony Orchestra, La Trobe University, Regional Development Victoria, Arts Victoria, Indigo Shire Council and the Australian Youth Orchestra.

**Project Management:**

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# Findings and Conclusions

## 1. Support and Enthusiasm

There is considerable support and enthusiasm for the Centre amongst the music and educational sectors and the local and regional community.

☛ See Chapter 7 for more detail.

## 2. Initial Vision Generally Valid

The initial vision for the Centre as documented in Chapter 3 is generally valid although the Centre's roles should be more focussed and less broad initially and the range of program offerings limited consistent with available resources; and the inclusion of visual and dramatic arts should be encouraged but led by other organisations.

☛ See Chapters 7 & 11 for more.

## 3. Most Ingredients of Successful Overseas Centre's Can be Met

The Centre can or would be able to satisfy most of the key success factors that characterise successful centres of excellence in other parts of the world. The areas of weakness are its location away from a major population catchment and a large and affluent audience and the lack of a major performance venue.

☛ See Chapter 4 for more detail.

## 4. Recommended Roles and Program Offerings

The most appropriate roles the Centre could serve and programs it could offer are:

- Short-term specialist training programs including bridging, professional development, master classes and niche training;
- Music camps of two main types: (a) specialist national "top level" camps and (b) Secondary school music camps;
- A place of retreat and renewal;
- Concerts and special musical events;
- Festivals or groupings of events over periods of two to six weeks duration;

- Mentoring and career management support;

- A music resource Centre for the region's schools.

☛ See Chapter 11 for more detail.

## 5. Additional Offerings

Additional offerings as time and resources permit could include an audio training/sound studio, Koori music program, music library, musical instrument manufacture & maintenance, music museum and exhibition, competitions; and possibly in the long term a base for the AYO and Symphony Australia.

☛ See Chapters 7 & 11 for more.

## 6. Synergies with Regional Music Organisations

Potentially strong synergies exist with a range of music organisations in the north-east region and these should be capitalised on.

☛ See Chapter 7 for more detail.

## 7. Visual and Dramatic Arts Will Complement the Centre

The strong presence of visual and dramatic arts in Beechworth and the surrounding region is also a powerful synergy and should be encouraged as a complementary attraction for the Centre but arranged by other parties.

☛ See Chapter 7 for more detail.

## 8. Potential for Overseas Students

There appears to be good potential for attracting students to the Centre from Asia and the Pacific Rim. Success in this segment of the market will depend on the Centre offering the highest quality programs, drawing on La Trobe University's educational reputation, and possibly offering scholarships to attract initial interest.

☛ See Chapter 7 & 6 for more.

## 9. Key Ingredients of Success for the Centre

The key ingredients for the Centre's success are:

☛ See Chapters 7, 8 & 10 for more.

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CONCLUSIONS**

**(a) Maximising Synergies**  
Maximising the synergies created by the combination of the physical location, La Trobe University, the Melbourne Symphony Orchestra and other key stakeholders such as the Australian Youth Orchestra, the Indigo Shire Council, the management structure and the proposed Friends group.

**(b) Clustering of Events for Critical Mass**  
The clustering of events and programs into festivals to create critical market and tourism mass, enhance the creative environment and spread costs.

**(c) Improved Facilities**  
Investment in new and improved facilities including tuition rooms and the major performance venue;

**(d) Highest Standards of Excellence**  
Maintaining the highest standards in programs, tuition staff and student talent.

**(e) Unique Australian Identity**  
Creating a unique Australian identity for the Centre rather than cloning overseas examples.

**(f) Corporate and Philanthropic Support**  
Attracting corporate sponsorship and philanthropic financial support.

**(g) Involvement of Prestige Stakeholders**  
Active involvement of prestige music industry stakeholders such as the MSO and AYO to secure the Centre's reputation.

**(h) The Location**  
The excellent geographic and physical location.

**(i) Differentiation of Role**  
Differentiating the Centre's role and programs from other players in the music industry to avoid duplication and overlap.

**(j) Support of Peak Industry Bodies**  
Support by key peak music bodies including Symphony Australia, NATHMUS, ANAM, ACO and the round table for arts training excellence.

**(k) Independent Ownership Structure**  
An ownership and management structure that makes the Centre independent of other music industry stakeholders and not dominated by any one organisation.

**(l) Strong Community Relations**  
Building strong relationships with the local community and strong support from the Indigo Shire Council.

**(m) Student Welfare**  
Attending to student social support needs and student safety.

**(n) Access and Equity Principles**  
Formulating clear "access and equity" principles for student selection.

**10. Key Challenges for the Centre**  
The key challenges for the Centre are:

See Chapter 8 & 6 for more.

**(a) The Australian Context**  
The more difficult Australian environment for music and arts compared to Europe and USA in terms of funding, population base and entrenched music culture.

**(b) Distance from Melbourne**  
The distance of Beechworth from Melbourne, which is also an advantage and can mostly be overcome by clustering of events and building excellent facilities.

**(c) Performance Venue**  
The lack of a major performance venue

**(d) Education Trends**  
Trends in secondary music education.

**11. Wider Economic and Community Benefits**  
Establishment of the Centre will generate a number of economic and community benefits for Australia, Victoria, the north-east region and Beechworth. These include:

- the proven impact of culture on regional prosperity;
- a competitive strength for the north-east region in arts and culture;
- a direct injection to the local economy;

## FINDINGS AND CONCLUSIONS

- induced demand in tourism and goods and services;
- repositioning of Beechworth by broadening its reputation;
- educational benefits to the region's schools;
- the tourism benefits of concerts, festivals and events;
- improved utilisation of the university assets;
- the Centre's likely catalytic effect of triggering further related regional investment.

☛ See Chapter 9 for more detail.

### 12. Establish Centre In Five Stages Over a Number of Years

Establishment of the Centre should be staged over several years depending on capital funding, market growth, program development and take-up, awareness and reputation.

Five phases of development are proposed:

- **Phase 1:**  
*Establishment of Centre*  
August 2004 to March 2005  
(legal structure, board, staff, official launch, "friends group")
- **Phase 2:**  
*Commencement and Basic Program Offerings*  
Commencing March 2005 and running for up to 3 years depending on progress.
- **Phase 3:**  
*Consolidation, Program Expansion, First Stage of Facilities Development*
- **Phase 4:**  
*Further Program and Facility Development, Venture Into Overseas Market*
- **Phase 5:** Major  
*Performance Venue Enables Realisation of Centre's Full Potential*

Phases 3 to 5 commencing any time from 2006 and run for up to 10 years depending on progress.

☛ See Chapter 11 for more detail.

### 13. Facilities For Immediate Use

The Campus already has facilities well suited for immediate use for accommodation, catering, administration, rehearsals, seminars, conferences, small performances, recreation and artist studios.

☛ See Chapter 12 for more detail.

### 14. Additional Required Facilities

The main additional facilities required are music tuition rooms, tutors' offices, a major performance venue, sound recording studio and library facilities.

- Music tuition rooms, tutor's offices, administration space and additional rehearsal spaces could be provided by renovating either Building 31 for an estimated \$3.19 million or Building 17 for an estimated \$3.82 million.
- Improvements to the Bijou Theatre and provision of sound /recording studios in Building 33 has been costed at \$1.92 million.

☛ See Chapter 12 for more detail.

### 15. The Major Performance Venue

☛ See Chapter 12 for more detail.

#### (a) Necessary to Achieve Full Potential

The major performance venue is the most significant facility not currently provided. The Centre can operate at a lower level without a purpose built venue but could not achieve its full vision and would have difficulty attracting key anchor events to provide critical mass.

#### (b) Must Be Multi-Purpose

The venue would have to be multi-functional – catering for both musical performances and corporate conferences – in order to be operationally viable.

#### (c) Alternatives

Alternative venues do exist but are either too small or geographically distant.

#### (d) Capital Cost Estimate

The cost of a purpose built performance venue is estimated \$21 million including 1200 seat capacity, openable sides to expand to 200 capacity, 120 person capacity stage and all associated backstage and audience amenities.

FINDINGS AND  
CONCLUSIONS

**(e) Venue Operating Costs**

Operating costs for a venue could be around \$83 per square metre per annum but a lot depends on the extent of use and other factors.

**(f) Temporary Alternative**

A temporary demountable structure could be erected as an alternative in the interim, at a much lower cost of around \$600,000 to \$9,000.

**(g) Recommended Location**

Three alternative sites on campus were evaluated for the performance venue. Option 2 on rural land to the south-west of the international hotel school is the preferred location having regard to heritage, traffic access, land size, proximity to other buildings and residential amenity.

**16. Separate Legal Entity**

The Centre should be established as a separate legal entity in order to give it independence and neutrality, cost-revenue control, tax deductibility of donations, government grant eligibility and marketing identity.

See Chapter 13 for more detail.

**17. Legal Structure**

Of the four types of legal structure examined, a company limited by guarantee is the recommended structure.

See Chapter 13 for more detail.

**18. Board of Management**

The Centre should be governed by a board of management comprised of person selected for skills, experience and background having regard to the projects needs. The music, education, arts, business, community and local government sectors should all be represented in some way.

See Chapter 13 for more detail.

**19. Services Agreement with La Trobe University**

The Centre should enter into an appropriate agreement for La Trobe University to provide accommodation, catering, venue hire, facilities maintenance and other such services. As the Centre develops, the Centre could enter into one or more long term leases for specific campus buildings.

See Chapter 13 for more detail.

**20. Friends Group**

A "Friends of the Beechworth Centre" group should be established to harness community support, provide a source of volunteers, build strong community relations and raise public awareness.

See Chapter 13 for more detail.

**21. Staffing**

The Board of Management should initially appoint an Executive officer or CEO, a Business Development manager and admin support staff.

See Chapter 13 for more detail.

**22. Establishment Expenses**

Pre-opening expenses of approximately \$450,000 will need to be funded by government grants or stakeholder contributions for the period August 2004 to June 2005 to cover legal costs, staff appointments, launch expenses, promotional materials and related start-up costs.

See Chapter 14 for more detail.

**23. Operating Costs for First Three Years**

Operational cost estimates prepared for the first three operational years of the Centre (ie July 2005 to June 2008) based on a modest program of activities and certain assumptions outlined in Chapter 14 show that the Centre will need the following annual income supplements from government grants or stakeholder contributions to cover the shortfall between income and operating costs:

- July 2005 – June 2006: \$345,000
- July 2006 – June 2007: \$362,000
- July 2007 – June 2008: \$400,000

See Chapter 14 for more detail.

**24. Accessing Government Grants, Donations and Other Funds**

The Centre will need to access a number of Commonwealth and State Government grants, corporate and philanthropic donations and direct contributions from its stakeholder organisations.

At least 24 potential government grant programs have been identified.

The Centre should be a prime candidate for consideration for funding because of its evident high level of industry and community support and the significant economic and regional benefits.

See Chapter 15 for more detail.

## Recommended Initial Actions

IF STAKEHOLDERS  
RESOLVE TO  
PROCEED WITH  
ESTABLISHMENT OF  
THE CENTRE, THE  
FOLLOWING  
RECOMMENDATIONS  
FOR INITIAL ACTION  
ARE PROPOSED:

- 1. Confirm Name**  
The Centre should adopt the interim title *Beechworth Centre: Excellence in Music and the Arts*.
- 2. Initial Stakeholder Financial Commitments**  
The key stakeholder organisations, namely the Melbourne Symphony Orchestra and La Trobe University, should commit an initial financial contribution to establish the Centre. This will demonstrate their intent and provide a catalyst, example and encouragement to other potential stakeholders and donors.
- 3. Seek Government Grants for Balance of Start-up Costs**  
Government grants should be sought for the balance of the \$450,000 needed for pre-opening start-up costs.
- 4. Legal Advice**  
Legal advice should be sought to confirm the appropriate model for the corporate entity, building on the conclusions of chapter 13.
- 5. Identify and Approach Interim Board Members**  
The project steering committee should meet to discuss and source a list of potential members for the inaugural board of management for the Centre. Approaches should be made and the interim board convened initially as a committee, then formalised when the legal structure is put in place.
- 6. Board Composition**  
A suggested interim board composition would be one rep each from the following:
  - Melbourne Symphony Orchestra
  - La Trobe University
  - Australian Youth Orchestra
  - Australian National Academy of Music
  - Symphony Australia
  - Indigo Shire Council
  - Possibly the Beechworth Arts Council or Murray Arts
- 7. Adopt Feasibility Study as Initial Roadmap**  
This feasibility study and strategic plan should be adopted by the interim board as an initial framework or “roadmap” for action and as an interim business plan.
- 8. Create Legal Structure**  
The legal structure – company limited by guarantee – should be officially created.
- 9. Recruit Staff**  
Position descriptions should be prepared for the executive officer and business development manager positions and an executive search conducted with a view to making appointments around November 2004.
- 10. Interim Office Space**  
Arrangements should be made to take up La Trobe University's offer of interim office space in the campus administration building.
- 11. Plan Launch**  
An official launch of the Centre should be planned for Autumn 2005. This would be a symbolic launch rather than a commencement of programs which would occur in the second half of 2005.
- 12. Prepare Detailed Year 1 Program**  
An early task of the newly appointed staff should be to prepare a more detailed program of activities for the first operational year and a more detailed operational budget.

# Executive Summary

## 1. THE PROJECT

☛ See Chapter 1 for more detail.

La Trobe University and the Melbourne Symphony Orchestra are exploring the possibility of establishing an *International Centre of Excellence in Music and the Arts* at La Trobe's Beechworth campus, modelled on and inspired by examples such as the USA's famous *Tanglewood* near Boston, Canada's *Banff Centre for the Arts* and others.

La Trobe's ownership of the substantial but under-utilised Beechworth campus with its many buildings and magnificent historic gardens combined with the MSO's vision for a Centre of excellence created a convergence of needs and ideas.

## 2. THE STUDY

☛ See Chapter 1 for more detail.

This feasibility study was commissioned by the MSO and La Trobe with funding support from the Victorian Government and Indigo Shire Council.

The brief was to test the validity of the concept and develop a model of how the Centre might work including its programs, facilities, markets, potential users, management structures, funding and what benefits it might generate; and provide recommendations for advancing the project.

The study draws on the experience of overseas examples, analysed the music sector and potential markets, identified potential stakeholders and users and identified issues, challenges and opportunities.

## 3. CONSULTATION

Extensive consultation occurred during the study, including the project sponsors, three state government agencies, 17 overseas and Australian "centres of excellence", nine Australian music conservatoriums, 13 national and State organisations in the music sector, nine local governments in

the region, 19 local and regional arts/music bodies, 14 local/regional economic development, business and tourism bodies, 25 local and regional secondary schools, 7 local/regional tertiary education institutes, two venue operators and other selected individuals and organisations.

## 4. THE CENTRE'S NAME

☛ See Chapter 3 for more detail.

The Project Steering Committee agreed to give the Centre the title "Beechworth Centre: Excellence in music and the Arts". For the purposes of this report, we refer to it as "the Centre".

## 5. THE INITIAL VISION

☛ See Chapter 2 for more detail.

The initial vision for the Centre was refined with and agreed by the Steering Committee.

The objective is an internationally renowned Centre of excellence in music, influential on a world scale in intensive musical study and training, offering outstanding educational and life-changing experiences, growing world-class musicians, showcasing and training domestic and international talent; a place where the brightest young musicians come to study with the world's foremost instructors, offering a retreat atmosphere away from the demands of professional work and ideal for periods of focussed development.

The Centre would make a significant contribution to regional development, especially in the north-east region, through increased tourism, strengthening the presence of arts and culture, generating employment, contributing to community building and the broadening of Beechworth's attraction as a destination.

The Centre would be uniquely Australian in style, not duplicate programs or roles of other players in the music sector, provide equal access to talented musicians without regard to financial means, run a year-round

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program of activities, provide a nexus with the visual and dramatic arts, employ mostly sessional staff, have an emphasis on youth, build strong relationships with the local community and be well-connected through the Australian music industry.

## 6. LESSONS AND INSPIRATION FROM OVERSEAS & AUSTRALIA

☛ See Chapters 4 & 5 for more.

Research was undertaken into the history and operation of a number of "centres of excellence" in the USA, Canada, UK and Europe. A number of common key success factors were identified:

- Links to a major music or orchestral organisation
- Taken substantial time to establish and mature
- Located in mountainous areas or places of outstanding natural beauty
- Located in high income catchment areas where affluent audiences are easily drawn
- Enjoy extensive volunteer input
- Stakeholder organisations involved directly on the board of management and have direct financial ownership.
- Funding comes from several sources.
- Many opportunities for corporate sector to donate.
- Most operational funding covered by income.
- Tax deductibility of donations.
- Use made of local community facilities for some events, cementing bonds with local communities.
- Flexible and diverse facilities including cafes and gift shops.
- Input from high quality musicians.
- Links with regular or annual music festivals.
- Strong local community support, including initiatives such as friends groups.
- A fully developed program of events planned well in advance, with major events occurring at peak holiday periods.
- Activities have links to popular tourist activities.
- Scholarship programs.
- Promotional programs.

The proposed Beechworth Centre can or would be able to satisfy the majority of these key success factors. The areas where it has a clear weakness are:

- It is not close to a major city or population catchment area;
- It is not within a region containing a large and affluent audience, from a

socio-economic point of view;

- It lacks a major performance venue, but one could be built, at a cost.

## 7. INDUSTRY AND MARKET OVERVIEW

☛ See Chapter 6 for more detail.

The culture and arts industry is large but the music performance component is very small at around 1%, with few organisations involved.

The Beechworth Centre may have to take a wider national and international focus to achieve critical mass, particularly if it is to concentrate on the Music sector only in the short term.

It may be necessary over time to involve other areas of the Arts to ensure long-term critical mass and sustainability.

While the Arts participation market is large, the classical music concerts market is the smallest of 12 selected ABS survey areas. The participation in classical music concerts in Victoria is slightly below the national participation rate. Many of these people are older but highly educated, and possibly mainly living in Melbourne. Just over 40 per cent of these people only go to only one concert a year.

The tertiary music study market is relatively small, but growing. Of the 5,528 tertiary students enrolled in music courses nationally, we estimate that around 1,000 of these would be based in Victoria. This is a significant niche market.

A far larger market is students involved in private musical instrument tuition, which is around 473,000 nationally and around 115,000 in Victoria – there may be significant potential here.

The Formal VCE musical instrument study market is small – around 1,000 students only – but again it may be an important niche.

There is a far greater number of VCE students studying other Art subjects which may be able to be capitalised on.

There are already significant flows of cultural tourists in and to Victoria. The north-east region has significant visitor flows. The numbers involved in cultural/arts activities in low – around 1-2 per cent, but this may be due to lack of opportunities to participate.

## 8. DEFINING THE CENTRE'S ROLES AND ACTIVITIES

☛ See Chapter 7 for more detail.

Consultation and research with a wide range of stakeholders in the music industry confirmed that there are a number of roles the proposed Centre could serve and programs that could be run. These can be categorised as follows for simplicity:

Some activities occur successfully on the campus now and can continue. Others could commence almost immediately using existing facilities. Some require capital expenditure on new or improved facilities and will need to be staged over several years. A small number will be either difficult to implement or of low priority.

### (a) Training Programs

Opportunities include:

- Bridging programs to assist young musicians make the transition from tertiary courses into music careers.
- Becoming the national base for Symphony Australia's *Artist Development Programs*.
- AYO mid-year training classes.
- Niche music industry training such as orchestral management, music administration, music marketing or specialist instrument tuition.
- An expansion of Musica Viva's professional development programs for music teachers.
- A satellite venue for programs offered by the Melbourne-based Australian National Academy of Music including the ANAM Summer School and proposed *Residential Youth Program*.
- Wangaratta Jazz Festival *jazz master classes* for secondary school students throughout the year.

Conservatoriums and University-based music schools from around Australia would be one key market for Beechworth Centre training.

### (b) Retreat and Renewal

The Centre would make an ideal place for professional musicians to go for renewal, refreshment, creative solitude or "time out" to think about career directions. The physical setting of Beechworth is a particular strength in this regard.

### (c) Mentoring and Music Career Management

The Centre could serve a mentoring role

by providing opportunities for emerging young musicians to work alongside experienced musicians; and in offering music career management advice to professional musicians.

### (d) Music Camps (Including Secondary School Camps)

The AYO Summer Camp, the Border Music Camp and secondary school music camps are the three key opportunities.

AYO would hold its annual Summer Music Camp at Beechworth, initially every second year but conditional on improved facilities, including a major performance venue, music tuition rooms and pianos.

The mid-year *Border Music Camp* would contemplate holding the camp at the Beechworth Centre if all facilities can be provided on one site, including the performance venue of 1000+ capacity.

Potentially the secondary schools market appears strong for the Centre. Responses from schools were positive and the site is an ideal venue for school music camps (there is a dearth of suitable venues Australia-wide) but conditional on improved facilities namely performance space and acoustically treated practice rooms. The Centre could either hire out the facilities only or also provide the teaching programs.

There may be potential for the Australian Chamber Music Summer School held annually in Mount Buffalo to move to Beechworth, but this was not investigated.

Securing the AYO camp is a key to the Centre's success in achieving its vision: it is the pre-eminent national youth music camp, it would provide critical mass around which to assemble a summer festival of events; and would help give the Centre the recognition and reputation it needs if it is to be internationally recognised. It would be counter-productive to establish a separate music camp at Beechworth in competition with the AYO event.

### (e) Concerts and Events

These could include:

- Australian Music Events' *Opera in the Alps*, already held successfully at Beechworth and attracting 2000+ audiences in a temporary outdoor stage.
- An annual concert series by the MSO.
- Concerts by Albury-based Murray Conservatorium.

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 SUMMARY**

- Australian Music Events' Choral Workshops.
- Wangaratta Jazz Festival's *Jazz Music Awards* preliminary mid-year judging session.
- Occasional events from organisations such as Musica Viva, Australian Chamber Orchestra, ensembles and others. These organisations would prefer to be part of a larger series of events or a festival and often prefer venues with capacity of 500-1000 seats.

The key issue with concert events is having a suitable performance venue.

**(f) Secondary Schools**

Providing a resource for the region's secondary schools would create a regional competitive strength in music. Secondary schools from the northeast region would be strong supporters of the Centre. The Centre could complement their middle years *Excellence and Innovation Project* and the Ministry of Education's *Leading Schools Fund*.

The Centre may also have potential to run music programs for gifted children by for example expanding the MSO's *Classic Kids* program.

**(g) Festivals**

Festivals (essentially a grouping of several events or programs within a concentrated time period) offer several strategic advantages for the Centre including:

- maximising tourist potential for the surrounding region;
- raising the Centre's profile
- attracting larger participant numbers
- creating a concentrated creative "hothouse" atmosphere for students
- spreading the high costs of bringing out international musicians
- creating synergies with other regional events

Opportunities for festivals include:

- A Summer School/Festival of four to six weeks comprising intensive music training, orchestra-in-residence, secondary music camp, resident ensembles and international masters. Ideally it should include the AYO Summer Music Camp as the "anchor".
- An annual Australian Chamber Orchestra festival (additional to that already run in Mudgee NSW).
- An Autumn/Easter festival arranged

by Musica Viva to replace the former Yarra Valley event.

- A regional visual/dramatic arts showcase arranged by the Beechworth Arts Council.

**In addition to the above "core activities", the following were suggested as worthwhile as time and resources permit:**

- Audio training in a recording/sound studio
- National Koori heritage music program
- A national music library
- Musical instrument manufacturing and maintenance
- A music museum and special exhibitions
- A national music awards night
- Music competitions
- Possibly in the longer term, a permanent base for the Australian Youth Orchestra and Symphony Australia

**9. SYNERGIES WITH LOCAL AND REGIONAL ORGANISATIONS**

☛ See Chapter 7 for more detail.

Potentially strong synergies exist with several existing arts/music organisations in the region to develop a wider program for the Centre. These include (inter alia):

- Development of choral music through Wangaratta Choristers, Beechworth Singers and Albury Choristers;
- Albury's Hothouse Theatre
- Murray Arts (regional arts board)
- Jazz Albury-Wodonga
- Wangaratta Jazz Festival
- Beechworth Arts Council
- Albury Art Gallery
- Albury-Wodonga Eistedfodd
- Flying Fruit Fly Circus

**10. SYNERGIES WITH OTHER STREAMS OF ART**

☛ See Chapter 7 for more detail.

While the original vision was for a "music only" Centre, stakeholders expressed strong preferences for encouraging the presence of visual and dramatic arts.

This would create some powerful synergies, increase the Centre's tourism potential and market base and build on the strong concentration of arts groups in Beechworth and the fact that the Beechworth Arts Council already holds

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events on the Campus. The economic benefits of encouraging synergies with the arts and culture are well documented in research literature.

Opportunities include bringing international artists to Beechworth for festivals and displays, an annual *regional arts showcase* and - perhaps later - tuition by organisations such as NIDA, School of Ballet and National Circus Arts.

## 11. POTENTIAL FOR OVERSEAS STUDENTS

☞ See Chapters 6 & 7 for more.

Anecdotal evidence, discussions and investigations during the study suggests there is considerable scope for attracting overseas students, particularly from the Pacific Rim, but hard evidence and quantification of the size of the market is difficult. Asian students have traditionally looked to Europe and the USA but Australia is much closer.

## 12. KEY INGREDIENTS OF SUCCESS FOR THE CENTRE

☞ See Chapters 8 & 4 for more.

### (a) Synergies create success

The Beechworth Centre's success will be heavily reliant on the synergies created by the key stakeholder organisations, the geographic location and physical surroundings. The effect of this combination cannot be under-estimated.

- Beechworth and the region brings an idyllic location, remoteness from city distractions, a strong arts community and excellent tourism attractions.
- La Trobe University brings its International reputation, its educational infrastructure and support, the buildings, grounds and accommodation services.
- The Melbourne Symphony Orchestra and Australian Youth Orchestra bring vision and drive, their national and international standing and links to financial benefactors.
- The Indigo Shire brings local government support, links to the local and regional community and other spheres of government.
- The management structure of the proposed Centre is the other vital element of the synergy - with its board of management, staff, friends group and contracts for provision of services.

### (b) Clustering of events to maximise synergies and market attraction

Clustering events into festivals and groups will be an essential success factor in attracting students and participants. This could include festivals, special programs designed to attract students from multiple secondary schools or simultaneous visits by overseas experts.

The advantages this brings are:

- Creating critical mass that attracts larger audiences
- Adds to the tourism benefits
- Creates a more creative "hothouse" atmosphere that benefits student learning experiences;
- The attraction of multiple events helps overcome the psychological "distance barrier" for potential visitors;
- The cost of bringing out overseas experts can be shared across a range of stakeholders.

### (c) Investment in new and improved facilities

Investment in improved and additional facilities is required in order for the Centre to fulfil its vision and grow its market base.

A large purpose-built performance venue (1000+) is necessary if the AYO summer music camp and Border Music Camp are to locate to Beechworth; and would be desirable but less essential for school music camps.

For the schools market, the needs are rehearsal space for ensembles of 80, ground level accessibility, pianos, smaller tutoring rooms, reasonable acoustics and, desirably, a good performance venue.

Acoustically treated music tuition/practice rooms and tutors' offices will be necessary for most of the Centre's training programs.

### (d) Vision of excellence means striving for the highest standards

While the Centre may need to begin as a small scale, low-budget operation, it must keep its focus clearly on the vision of an International Centre of Excellence, hold uncompromisingly to its values of excellence and move unswervingly toward the goal. This will maximise funding potential and minimise the risk of competition. This means:

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- Offering the highest standards in its courses and programs;
- Attracting the highest calibre of staff and tutors including visiting overseas experts;
- Setting high standards in student selection to attract the brightest and best students.

**(e) Australian identity**

While it is valuable to draw on the lessons from successful overseas centres of excellence, the Beechworth Centre must create its own unique Australian identity, and range of programs that responds to Australian culture and sets it apart. It must not become a clone or copy of an overseas Centre.

**(f) Financial support**

While most stakeholders and organisations in the music industry applaud the concept of the Beechworth Centre, there remains much scepticism about how it would be funded, especially given the shortage of funds available to existing music bodies and tertiary music faculties. Attracting corporate sponsorship and philanthropic donations will therefore be critical to success.

While funding needs for the core secretariat and board of management are modest, large amounts of funding will be needed for building refurbishment and new facilities, attracting high quality staff and visiting luminaries and funding scholarships for Australian and Asian students.

**(g) Reputation and standing of stakeholder organisations**

The involvement of the Melbourne Symphony Orchestra, La Trobe University and Australian Youth Orchestra will give the Beechworth Centre an immediate level of status and prestige that will be essential to secure its reputation. This will be enhanced by the MSO staging concerts at the Centre and securing the AYO National Music Camp at least on a bi-annual basis as a signature event in the Centre's calendar.

**(h) The Beechworth location**

The location is a considerable strength for the Centre in terms of topography, heritage, town character, surrounding tourism attractions, climate, quality of grounds and buildings and general ambience.

The surrounding region has no shortage of tourism attractions spanning a wide variety of experiences; and its food and

wine offerings are equal to the best Australia can offer. Its central location on the Melbourne-Sydney corridor makes it well placed for attracting visitors from NSW and the ACT. Air services to Albury, the Sydney-Melbourne rail service (Wangaratta and Albury stations are a 30 and 45 minute bus trip respectively from Beechworth) and the Hume Highway.

**(i) Differentiation**

The Centre must clearly differentiate itself from other offerings in the Australian music sector. There is already much competition in the music sector, especially between universities. Duplication and overlap with other programs and organisations must be avoided.

There is a particularly strong perception that the Centre may duplicate Australian National Academy of Music offerings. There may well be opportunities to form a strategic alliance with ANAM, whose programs are shortly to be reviewed.

**(j) Support by key/peak bodies**

The Centre must enjoy the support and endorsement of major national music bodies including Symphony Australia, NATHMUS (as the peak body representing the tertiary music schools), AYO, ANAM, Australian Chamber Orchestra and key bodies in each State including (but not limited to) all Australian music schools.

This is necessary to build industry support, raise market awareness, avoid duplicating offerings by these other organisations in an already crowded music sector, attract government and private funding and ensure that the Centre is not perceived as "Victorian-dominated". The Centre should also establish close relations with the *Round Table for Arts Training Excellence* - a mechanism for federally funded arts training institutions to communicate and collaborate.

**(k) Neutrality of ownership**

The Centre should be seen as a resource for the entire music and arts industry and not be seen to be dominated or "owned" by any particular organisation.

The management structure should enable equal access by all State orchestras, without any perception of bias towards the MSO as a result of the Victorian location or the MSO's initial driving of the concept.

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**(l) Relationships with local community**

The study revealed an extremely high level of support and goodwill from the local and regional community towards the proposed Centre. Building strong relationships between the Centre and the community will be essential.

Establishing a "Friends Group" will bring benefits such as building a team of volunteers for Centre events, providing support services such as billeting for overseas students, encouraging use of the Centre by local and regional groups, the "ambassadorial" role the community can play in promoting the Centre, in the sense of regional pride it generates.

Holding performances in venues around the region and locally would help also build relationships with the wider community.

Good relations should be fostered with the local business community to avoid the tensions that can develop in university towns.

A strong relationship with the Local Shire Council will likewise be essential to the Centre's success.

**(m) Student Welfare**

*Isolation and friendship*

It would be wise to implement strategies to address possible feelings of isolation by students (especially overseas students) in a remote location. These could include improving inter-town public transport, hire car availability, engaging the local community to provide friendship and support and social activities.

*Personal security*

The dual role of the University in hosting both corporate conferences and the Centre gives rise to the potential for adult groups and secondary school groups to be sharing the campus; raising issues of personal security and trust which are now a particularly sensitive social issue. Timetabling of school music camps will therefore need to be carefully managed so as not to overlap with corporate events.

**(n) Access and equity**

"Access and equity" principles of the Beechworth Centre need to be carefully formulated. The vision speaks of ensuring access to the Centre for all talented young musicians regardless of financial means. If this is to be the case, the Centre will need to develop the

financial capacity to offer scholarships. This might be achieved through corporate or philanthropic donations; and should be an early priority of the Centre's Board of Management.

**13. KEY CHALLENGES FOR THE CENTRE**

☛ See Chapter 8 for more detail.

*While there are many opportunities and factors in favour of the Centre's success, there are several challenges that need to be confronted.*

**(a) More Difficult Environment**

Australia compared to Europe or the USA has a less entrenched music culture, with consequently less public funding; fewer sources of wealth for sponsorships and philanthropy, a much smaller population from which to source talented musicians and little history of "centres of excellence".

**(b) Distance from Melbourne**

Beechworth's only disadvantage as a location is its distance from Melbourne - about 3.5 hours - is seen by some as a disadvantage that will limit its attraction for school music camps and interstate students, be well outside the comfortable day-trip travel threshold for most people and severely limit audience size for concerts and events, especially given the small percentage of the population who attend classical music concerts.

This disincentive can be partially overcome by a good performance venue, good rehearsal facilities and the clustering of events and programs into festivals to create critical mass and market attraction.

The remote location and relative isolation is likely to work best for short courses and less well for long periods, but this is consistent with the Centre's vision.

Distance is also a desirable feature that creates the retreat atmosphere removed from the distractions of city life. Organised events such as *Opera in the Alps* do attract audiences of 2000+, the region has a range of tourism, food and wine experiences that can be packaged as part of an overall visitor experience; and the capacity of small towns with character to stage successful music festivals and cultural events is well proven: (for example Port Fairy Folk Festival and Wangaratta Jazz Festival).

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Indeed, their success is partly due to their remoteness from the capitals.

***Climate***

The issue of Beechworth's climate was also raised during the study – there may be perceptions that the summer temperatures are too high and a deterrent to students and visitors. While the lower parts of the north-east region do experience consistently high summer temperatures, Commonwealth Bureau of Meteorology records show that Beechworth's summer climate is more temperate than Melbourne's.

**(c) Lack of a major performance venue**

While the Centre can successfully operate a number of programs without a major performance venue, the ultimate vision cannot be realised without this facility and major music camps would require it. Such a venue requires major capital expenditure that will take time to achieve. In the interim years, a temporary venue or demountable building should be considered.

**(d) Trends in secondary music education**

Changes in secondary music education may also have a bearing on the Centre's success. These include the general decline in classical music in secondary schools, the increasing and competing demands on secondary students' time, rising costs; and the option for schools to bring in visiting experts rather than travel to a specialist Centre such as Beechworth.

**14. WIDER ECONOMIC AND COMMUNITY BENEFITS OF THE CENTRE**

☛ See Chapter 9 for more detail.

There are a number of real and potential economic and community benefits to Beechworth, the surrounding region and Victoria stemming from the establishment of the Centre. These include:

**(a) *Correlation between Culture and Regional Prosperity***

Regional development literature points increasingly to a strong correlation between arts, music and culture and the overall economic prosperity of regions. There is a strong correlation between a region's prosperity and its acceptance and attraction of the "Creative Class", including people in the arts, architecture, design, music, entertainment and high tech occupations

and the subsequent attraction of creative professionals in business, education, finance, law, health care etc.

Cultural activities are a key part of a region's infrastructure. They strengthen regional cultural identity and self-awareness, contribute to cultural industries, attract and retain creative people, reduce social exclusion, develop local communities, enhance leadership in civil society and contribute to the environment in which business operates.

**(b) *Regional competitive strength in the arts***

Establishment of the Centre will help create a Centre of gravity in the region in arts and culture. Beechworth already is reputed to have the largest concentration of artists outside metropolitan Melbourne and the wider region has a strong presence in arts and culture generally.

**(c) *Injection to Local Economy***

Potential economic benefits of the Centre to the regional economy are difficult to quantify until the scope of activity is confirmed, but as an example, the Wangaratta Jazz Festival's 90 events at 17 venues over 4 days draws audiences of over 30,000 and injects \$20 million into the local economy.

There will be some small economic benefits associated with increased direct employment at the Centre and from the flow-on effects from supply of goods and services by local businesses. During the festival season the concentration of activities would generate many more short-term jobs in the tourism, service and educational sectors.

**(d) *Induced Demand***

The greater net economic benefits are derived largely from *induced demand*, related to attracting new visitors or extending the length of stay of existing visitors, and therefore, increased tourism expenditure, which flows directly into increased demand for goods and services and employment. There may also be significant short-term flow on effects from the refurbishment and construction works in later phases of the Centre, depending on the extent to which labour and supplies are sourced within the region.

It is estimated that the annual induced expenditure by 2000 visitors to the Centre would be around \$146,000 including on food, drinks, accommodation, travel and related expenditures such as photography etc. Of this amount, it is estimated that \$123,000 is derived from domestic

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overnight visitors, \$12,000 from domestic day trip visitors and the remainder from international visitors.

(e) *"Repositioning" of Beechworth*  
The Centre's capacity as a drawcard for national and international talent would help "reposition" Beechworth in the public mind by staking its profile as a Centre of music, arts and culture in addition to its already strong recognition in heritage, gold and legends tourism.

(f) *Educational Benefits*  
Schools in the region would stand to benefit from the Centre of Excellence by the potential synergies and relationships that could form, enabling them to become specialised leaders in music education and a further regional competitive advantage.

(g) *Promotion of Regional Lifestyle*  
The Centre would be a significant demonstration of strengthening arts and culture in regional Victoria and a unique opportunity to promote the advantages of living, working and visiting regional Victoria nationally and internationally - consistent with current State Government policies. The lack of cultural, arts and entertainment experiences is a key factor deterring capital city dwellers from relocating to regional centres. The Centre would also contribute to growing regional pride.

(h) *Tourism*  
Concerts and other performances at the Centre would be a tourism attraction in themselves and could be linked and packaged with a wide range of other regional experiences such as food and wine, heritage, legends, natural beauty, outdoor adventure activities and the like; for which the region already has a high reputation.

(i) *Asset Utilisation*  
The Centre will result in the better utilisation of community assets, namely the university campus and grounds.

(j) *Catalytic Benefits*  
The Centre is a *catalytic project*, which will provide confidence to others to invest further in tourism, hospitality and other industries. There will also be consequential flow through effects to local businesses, including new businesses (education and packaged tours etc), increased employment; and some savings flowing onto other areas of Council's social, health and welfare budget areas.

## 15. PHASED IMPLEMENTATION

See Chapter 11 for more detail.

The Establishment of the Beechworth Centre will need to be staged over several years, as capital funding for all the necessary facilities will not be available immediately. Other such centres in the world have historically taken many years to grow. Time will be needed to build an awareness of the Centre and some "market experimentation" will have to occur in testing the demand for various programs.

The Centre should build on its competitive strength of music, complemented by a range of activities in the visual and dramatic arts staged at the Campus by other organisations. It must take a national approach, though firstly building on its Victorian base.

The programs and activities offered initially should be those with the biggest potential market yet requiring the least investment.

Five phases of development are proposed. An indicative timeline has been set for Phase 1, but no timelines for Phases 2 to 5 in recognition of the many variables in funding, program development, market testing and awareness building. The five phases are as follows:

### **Phase 1** **Establishment of Centre** *August 2004 to March 2005*

This involves establishing the board of management, creating the legal structure, recruiting staff, establishing an operational base at Beechworth campus, an official launch of the Centre around February/March 2005; and beginning to establish the "friends group" and community/region links.

### **Phase 2** **Commencement and Basic Program Offerings** *Commencing March 2005 and running for up to 3 years depending on progress.*

This phase unites existing music and arts activities on site under one banner and begins to grow a range of activities. La Trobe University provides facilities on a user-pays, as-needs basis. No capital expenditure takes place and existing facilities are used to run a modest range of programs. A marketing strategy is developed and sponsorships secured.

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Initial Program Offerings could include a "Summer Festival" (comprising Opera in the Alps, Orchestra Victoria, MSO, master classes and an international visiting expert), AYO small-scale music camp activities, experimental secondary school music camps, 5 or 6 intensive week-long programs including master classes, workshops etc, programs for regional music organisations; and visual/dramatic arts activities including conferences, artist in residence and Beechworth Arts Council activities.

*Phases 3 to 5 commence any time from 2006 and run for up to 10 years depending on progress.*

**Phase 3  
Consolidation, Program Expansion,  
First Stage of Facilities  
Development**

This continues the Phase 2 programs and expands the range. The first stage of facilities development would occur, comprising renovation of *Grevillea* and *Olivene* buildings for additional accommodation, renovation of the administration wing (Building 31) or *Amethyst* (Building 17) for tutorial and music practice rooms and "Centre HQ". The sound/recording studio and/or Bijou Theatre refurbishment could take place and possibly erection of a temporary "big tent" as an interim major performance venue.

**Phase 4  
Further Program and Facility  
Development, Venture Into  
Overseas Market**

Phase 4 continues the Phase 3 programs and expands the range. Further facilities development occurs, building on Phase 3, such as the music library, displays and museum. Efforts are directed at attracting overseas students. Scholarships and bursaries are introduced; and funding finalised for the major performance venue.

**Phase 5  
Major Performance Venue Enables  
Realisation Of Centre's Full  
Potential**

This involves construction of the major performance venue and will be a major turning point in life of Centre. The performance venue enables the AYO National Summer Music Camp and mid-year Border Music Camp locate to Beechworth and gives the Centre enhanced capacity to attract overseas luminaries.

The impact of Phase 5 could be brought

forward by construction of a temporary performance venue at lower cost.

**16. FACILITIES AND BUILDINGS**

☛ See Chapter 12 for more detail.

Chapter 12 addresses facilities and buildings for the Centre in detail.

In summary, the Campus facilities are well suited to provide immediately for accommodation and catering needs, administration space, some rehearsal rooms, seminar/conference rooms, some recreation facilities and some studio space for artists. The Bijou Theatre provides a smaller performance venue but needs renovation and upgrading.

Facilities which are not currently available and require renovation/conversion of existing buildings and/or construction of new buildings are:

- music tuition and practice rooms of varying sizes
- offices for music tutors
- a major performance venue and associated amenities for large audiences
- a sound recording studio
- library facilities
- spaces for musical instrument makers
- a future music museum; and
- possibly a small amount of higher quality accommodation for overseas specialist musicians.

Figures 7 and 8 illustrate the proposed use of each campus building by the Centre and the likely stage of timing in each case.

Approximate cost estimates were prepared for the renovations and new buildings and are contained in Appendix J. These take account of disabled access and fire regulation requirements, all site preparation costs and professional fees.

For the music tuition/practice rooms, tutors' offices, additional rehearsal spaces and Centre administration/HQ there are two alternatives:

- renovation of space in Building 31 (currently the University Campus Administration building) at \$3.19 million; or
- renovation of Building 17 ("Amethyst") at \$3.82 million.

The Building 17 option (being a newer, non-historic building) has the advantages of fewer building regulations issues, single storey structure, separation from other buildings, concrete

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floors and a roof structure that readily allows re-configuration of walls; and the potential to create a self-contained base for the Centre's operations.

For the renovation of the Bijou Theatre including constructing a new balcony seating area, foyer refurbishment and conversion of adjacent spaces in Building 33 into sound/recording studios and two rehearsal spaces, the cost estimate is \$1.92 million.

## 17. THE MAJOR PERFORMANCE VENUE

See Chapter 12 for more detail.

The major performance venue is the most significant facility not currently available and the most controversial in terms of the project.

While the Centre could operate at a low level without a purpose-built major performance venue, it could not achieve the vision and potential of being a Centre of national and international excellence without it. Existing facilities are only adequate for chamber music and small ensembles. The AYO National music camp could not function at the Centre without such a venue and a similar situation is likely to apply to the Border Music Camp. The MSO and other state orchestras could not perform at full strength without such a venue; and it would be more difficult to attract overseas visiting artists and "luminaries".

Construction of the venue should not be an unconditional requirement for commencement of the Centre. Most if not all of the overseas centres commenced without such a facility, basing their success on program offerings rather than building programs.

To meet anticipated needs the venue will need seating capacity of 1,000 to 1,200 with openable sides to expand capacity to 2,000 plus in finer weather "indoor/outdoor" performances. It would be purpose-built for high quality musical performances including first class acoustics, a stage sized for a 120-person orchestra and back-stage facilities; but readily adaptable for corporate conferences which would provide a significant proportion of the venue's financial viability.

The venue would enable the staging of major events – both musical and corporate – which will have a significant economic and tourism benefit to Beechworth and the surrounding region. La Trobe University currently caters for

conferences up to 350 people but could attract larger events with the right facilities and the region's largest current venue is the Albury Performing Arts Centre. Secondary Schools in the region could also use the venue.

There are constraints and risks associated with the venue: It may be filled to capacity on only a few occasions in a year and its operational viability is questionable because of the considerable annual management and maintenance costs. It could only be justified financially if it were used for both performances and conferences and even then could be economically marginal.

The capital cost estimate for such a venue is \$21 million and is detailed in Appendix J. It is assumed that the capital costs would come from a combination of stakeholder contributions, government grants and corporate/philanthropic donations; and would not be recoverable through operational revenue.

Venue operating costs are estimated at \$83 per m2 per annum but there are many variables to this figure.

In the meantime, alternatives do exist but are either too small or geographically distant from the Centre. These include the Bijou Theatre on campus (seating 250 but needing renovation and with an inadequate stage), the Beechworth Memorial Hall (350), Albury Performing Arts Centre (800), Holy Trinity Cathedral Wangaratta (600), McCauley Arts Centre Wodonga, St Matthews Church Albury, Charles Sturt University Albury and La Trobe University Wodonga. A 1,000 seat auditorium is planned for Albury-Wodonga and Wangaratta City is seeking funding for a major performing arts Centre.

In the interim, it would be possible to erect a temporary type of building. The cost estimates for such a structure are in the order of \$600,000 to \$900,000.

The venue is the most significant in terms of land requirements. Fortunately, the University grounds go well beyond the current extent of the campus infrastructure and there is no shortage of space for additional facilities.

Three alternative sites on Campus were evaluated for the major performance venue.

- Option 1: Land at the north-east corner of the campus grounds, north of Carinya Lodge;
- Option 2: South-west of the International Hotel School;

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- Option 3: South end of campus, immediately south of the Child Care Centre.

Option 2 is the recommended location. Its comparative advantages are that it does not intrude into historically significant grounds, does not involve significant tree removal, has superior vehicular access to Fletcher Road, has ample land area for optimal venue design and car parking facilities, impacts less on surrounding residential development, is close to the major convention building and in easy walking distance of other campus buildings.

## 18. GOVERNANCE AND MANAGEMENT OF THE CENTRE

☛ See Chapter 13 for more detail.

Governance and management of the Centre is discussed in Chapter 13.

### *Legal Entity and Corporate Structure*

A key success factor for the Centre will be the construction of a not-for-profit entity best suited to taking the project forward and achieving the project's objectives. The purpose of the legal entity is to manage and operate the Beechworth Centre on a day to day basis.

While the Centre could readily operate under the umbrella of La Trobe University or the MSO, this would not be in the Centre's long term interest:

- music industry stakeholders would perceive it to be unduly controlled and influenced by the umbrella organisation;
- there is a need for a separate cost and revenue centres and avoiding long term, on-going cross-subsidies between operations;
- the Centre needs a separate identity for marketing and promotional purposes; and
- association with an existing organisation may deem the Centre ineligible for many government grants.

Four types of legal entity were considered for the Centre:

- an incorporated association;
- a Council owned project managed by a Committee established under Section 86 of the Local Government Act;
- a charitable trust; and
- a company limited by guarantee.

It is recommended that the Centre's corporate objectives are best served over

the longer term as a company limited by guarantee. This model offers the best overall combination of advantages in board composition, legal liability, public accountability, opportunities for tax exemptions and tax deductibility for donations, the appropriate representation of stakeholder interests and the long-term vision for national and international scope.

### *Board of Management*

The role of the Board of Management will be to oversee the progressive commercial development of the Centre in accordance with the overall Vision and Corporate Objectives.

Board members should have strong links to both the music and education sectors as well the wider community and the combination of business development and marketing skills required for this significant project.

Board members should be chosen on the basis of key skills and experience (listed in Chapter 13) rather than organisational or geographic representation. The role and skills mix of the Board will change as the Centre moves from concept development to implementation and ongoing operations.

### *Separation of Programming and Facilities Management*

Because of the unique circumstances of this project, whereby one entity (La Trobe) is providing the venue, facilities, grounds and associated support services - and another entity (The Centre) is delivering the programs, marketing, events and intellectual input etc - the management structure must deliver a clear separation between these two roles and set down clear parameters as to how the relationship is to work. The Board should negotiate an agreement with the University covering the terms of hosting the Centre prior to any program activities or infrastructure investment.

Appropriate public liability and other insurances will also need to be carefully investigated and established.

### *Friends Group*

The Centre will require significant volunteer input in all areas of management, administration and operations, including maintenance. The best way of harnessing such support is through the establishment of a *Friends of the Beechworth Centre* group. This should be done very early in Phase 1.

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It will provide a source of volunteers, help build strong relationships with the local and regional community; provide a further conduit to philanthropic funds and donations and help public awareness of the Centre.

### ***Executive Management***

In its initial stages of development, it is recommended that the Board appoint an Executive Officer or CEO and a Business Development Officer (both on a full time basis at least six months prior to commencement of operations), together with appropriate secretarial or administrative support. The roles of these staff are detailed in chapter 13.

### **19. OPERATIONAL FUNDING**

☛ See Chapter 14 for more detail.

Chapter 14 provides estimates of the pre-opening and estimated annual operating costs and revenues, indicative cash flow estimates over a four-year period (establishment year and three operational years) for the Centre.

It is assumed that all of the funds required for Phases 1 and 2 will be sourced from grant funds and other sources so that no loan repayments will be required.

There is no similar Australian operation to benchmark the revenue and costs of this Centre against.

La Trobe University and the Melbourne Symphony Orchestra have indicated they would meet some of the Centre's early operational costs and provide some in-kind support. The operating cost estimates take a conservative approach however and do not include such contributions.

For Phase 1 (the period from August 2004 to 30/06/04), which is essentially the "pre-opening" establishment phase, the estimated expenses are \$450,000 and should be accounted for as part of the up-front capital costs. This amount includes staff appointments, legal costs, launch expenses, promotional materials and other costs. Refer to Figure 11 on Page 89..

Costing spreadsheets have been prepared for the first three years of the Centre's operations *commencing after the official launch* - ie for the periods:

- 01/07/05 to 30/06/06 – Year 1
- 01/07/06 to 30/06/07 – Year 2
- 01/07/07 to 30/06/08 – Year 3

This three-year period generally corresponds with Phase 2 of the Centre's development, although the time-lines are flexible depending on success in obtaining grant funds and in growing the markets for the Centre's programs.

Based on a modest program of activities and certain assumptions outlined in Chapter 14, the Centre will need the following annual income supplements from government grants or stakeholder contributions to cover the shortfall between income and operating costs:

- July 2005 – June 2006: \$345,000
- July 2006 – June 2007: \$362,000
- July 2007 – June 2008: \$400,000

The figures are based on an indicative sample activities program comprising school and university music camps, master classes and two major seasonal events.

It has been assumed that:

- La Trobe University is contracted to provide all food, beverage and accommodation services and all such revenue and costs accrue to La Trobe.
- The operating revenue derived by the Centre is from the hire of performance venues, rehearsal spaces, tutorial rooms and the like to user groups, equipment hire, share of ticket sales for performances, sale of books, gifts and souvenirs.
- All non-operating revenue will be derived from donations/bequests, government grants and fund-raising activities

Overall, if the Beechworth Centre had to cover all of its capital and operating costs, it would not be a financial viable proposition.

Its operational viability can only be achieved if:

- all of its capital costs are covered by grant funds from governments and other sources; and
- it obtains some on-going financial support in its initial pre-opening phase and for the first three years of operation.

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**20. POTENTIAL SOURCES OF CAPITAL  
AND OPERATIONAL GRANTS**

☛ See Chapter 15 for more detail.

Chapter 15 highlights potential sources of capital, seed and operational grant funding from governments and other sources.

The Centre is a prime candidate for consideration for funding based in its evident high level of community support and significant net economic and other regional benefits.

Being located in a rural area, the Centre has potential to assist the long term sustainability and growth of the region and nearby towns.

The Centre will need to access several Commonwealth and State funding programs in addition to seeking initial contributions from key stakeholders such as Melbourne Symphony Orchestra, La Trobe University, Indigo Shire Council and others.

Active Shire Council support, both operationally and financially, will be an important pre-condition for grant funding success.

Commonwealth and State economic, community development, educational and arts grant programs are most suited to the Centre's objectives. Examples of funding programs and sources are documented in chapter 15. These include at least 10 Victorian government operational grant programs, five Victorian government capital grants programs, seven commonwealth government operational grant programs, two Victorian government capital grants programs and several philanthropic sources.



# Part One

# The Concept and Vision

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1. ABOUT THE PROJECT

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  2. THE PRELIMINARY VISION

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  3. THE VISION REFINED

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## PART ONE: THE CONCEPT AND VISION

# I. About the Project

### THE CONCEPT IS A CONVERGENCE OF COMPLEMENTARY NEEDS AND IDEAS

During 2002 discussions took place between representatives of La Trobe University Beechworth and the Melbourne Symphony Orchestra to explore the possibility of establishing an international Centre of excellence in music and the arts at the Beechworth Campus of La Trobe University, modelled on and inspired by centres such as Tanglewood in the USA and the Banff Centre for the Arts in Canada.

These discussions progressed to the point of agreeing to commission a feasibility study and preliminary strategic plan for the concept which is embodied in this report.

Additional funding was provided by the Victorian State Government and the Indigo Shire Council.

The concept represents the convergence of different yet complementary needs of both the MSO and La Trobe University.

The MSO had an idea but needed a suitable location and venue...

...La Trobe's Beechworth Campus has a stunning location and ideal facilities but which are under-utilised and in need of improved viability.

The purpose of this study is to test the validity of the concept with a wide range of stakeholders in the music industry, the arts, the education sector and government and:

- ❑ modify it accordingly,
- ❑ examine the lessons to be learnt from overseas examples,
- ❑ analyse the music sector and potential markets,
- ❑ identify potential stakeholders,
- ❑ identify issues, challenges and opportunities,
- ❑ develop a model of how such a Centre might work including its programs, required facilities, potential users, management structures and funding.

**CAN BEECHWORTH  
 BECOME THE  
 AUSTRALIAN  
 TANGLEWOOD OR  
 BANFF?**

The town of Beechworth - located some 30 kms from Wangaratta in Victoria's north-east region - became a significant Centre around 1851 following the discovery of gold.

The town was originally called *May Day Hill* and the present name "Beechworth" became its name from 1853. Along with Maldon it is one of only two "notable towns" in Victoria due to the unique historic intactness of its built form.

While its early fame was built on the discovery of gold, its economy was underpinned for many years by large public institutions such as the gaol, the May Day Hills asylum (which once employed 600 people)

and the hospital. During the 1990s with the closure of a number of these institutions, Beechworth has undergone and continues to undergo, a renaissance in tourism, arts, culture, heritage and legends, drawing strength from the region's rapidly growing reputation in fine wine and food and high country experiences.

The La Trobe University Campus is situated above the town on the site of the former Mayday Hills Psychiatric Hospital and Lunatic Asylum and has a number of beautiful buildings (some of which have been restored to their former grandeur) and stunning heritage-listed gardens rivalling the best

capital city botanical gardens. The complex comprises 50 buildings over 220 acres of freehold land.

The site is larger than needed to meet La Trobe's needs and is under-utilised despite concerted and largely successful attempts by the University to introduce a range of educational, tourist and business convention activities.

It is believed that the campus would provide an excellent site for a national Centre of excellence in music and the arts.



Figure 1: The North-East Region of Victoria

PART ONE: THE CONCEPT AND VISION

## 2. The Preliminary Vision

**In the words of  
Melbourne Symphony  
Orchestra Managing  
Director Trevor Green:**

*"If we take the Boston Symphony Orchestra as the model and substitute the Melbourne Symphony Orchestra, we begin to create a template that could, over a period of time, become an International Centre of Excellence that would serve the Pacific Rim and attract a growing number of young musicians from the Asian communities, who would travel to Australia for periods of intensive study. In time, it would also have an even greater international appeal.*

*I see the Beechworth Centre in two parts.*

### 1. An International Summer School

*during January and February, with the Melbourne Symphony Orchestra acting in the role of concert orchestra and as mentors / tutors for master classes and workshops.*

*There would be an orchestra made up of selected music students from around the world (initially this may have to be a national event built around Youth Music Australia and the Australian Youth Orchestra).*

*Over a period of say two weeks up to three hundred young musicians would have access to the MSO and teachers and performers who would act as tutors and mentors. There would be classes in chamber music, composition, jazz, solo performance and orchestral practice.*

*Many of these activities would be open to the general public with performances scheduled throughout the day. The orchestra / s and professional tutors would give the evening concerts.*

*During this period it would also be possible to accommodate Youth Music Australia and their annual music camp of 250 musicians.*

### 2. An International Music School Centre of Excellence

*offering a variety of activities and programs throughout the year, possibly drawing its inspiration from that of the Banff Centre for the Arts in Canada's Rocky Mountains.*

*The start-up of this project may need to commence in quite a simple way, perhaps just a long weekend, however, over the years I am convinced that it would grow in stature and appeal and have world-wide accreditation.*

*In suggesting that we look at Tanglewood and Banff as models for Beechworth, I would like to stress that I believe we should endeavour to create an organisation that is uniquely Australian, designed from the very beginning to reflect the needs of the Pacific Rim and the cultural revolution that will take place in these countries.*

*If we can obtain sufficient support and resources to commence the project through a series of phases, I believe that we should aim for 2006 and the Commonwealth Games, which could provide an opportunity to invite some international music students from the Commonwealth countries to launch the Beechworth Centre.*

## PART ONE: THE CONCEPT AND VISION

# 3. The Vision Refined

One of the first tasks in the Study was to take the preliminary concept and workshop it with the Project Steering Committee.

This resulted in an agreed vision and project concept vision which appears here.

Part of the vision refinement resulted in the selection of the title "*Beechworth Centre: Excellence in Music and the Arts*" as the initial name for the Centre.

IS THIS AN  
ACHIEVABLE  
CONCEPT?

COULD IT WORK?

HOW MIGHT IT NEED  
TO BE REFINED?

### BEECHWORTH CENTRE: EXCELLENCE IN MUSIC AND THE ARTS

#### THE VISION

##### OBJECTIVE

To create an internationally renowned Centre of excellence in music, which will:

1. Become one of the world's most influential centres for advanced musical study providing an outstanding educational and life-changing experience.
2. Be an intensive music training facility growing the world's best musicians, showcasing and training domestic and international music talent.
3. Be a place where Australia's and the world's brightest young musicians of all types come to study with world's foremost instructors.
4. Offer a retreat atmosphere away from demands of professional work or study, ideal for periods of focused work and development.

##### GUIDING PRINCIPLES

###### Regional Development

The Centre will make a significant contribution to regional development and particularly the north-east region of Victoria by:

- Strengthening the presence of arts and culture in regional areas and balancing the concentration of artistic opportunities located in the capital city;
- Creating new tourism experiences and add further dimensions and value to existing regional tourism offerings.
- Generating employment.
- Contributing to community building and cultural/artistic enrichment of the local and regional communities.
- Contribute to repositioning of Beechworth with an international reputation for music and the arts (expanding on the current perception of a historic town).

###### Uniquely Australian

The Centre would be uniquely Australian in style, but drawing on the lessons of overseas models.

###### No Duplication

The Centre would be a new offering in the Australian music market - not duplicating existing activities or organisations, but offering complementary programs in a supportive, nurturing environment.

###### Year-Round Program

The Centre would run a year-round program of activities.

###### Equity

The Centre would be inclusive, encourage participation and provide opportunity for all musicians.

###### Nexus Between Music and Other Arts

While the focus of the Centre is on music, other aspects of the arts will give an added dimension and critical mass.

###### Sessional Staff

There would be few if any permanent teaching staff. Instead, international & Australian experts would attend on sessional basis.

###### Youth Emphasis

Participants would be of all ages, but there would be a particular focus on young people.

###### Australian and International Students

Equal weight be given to attracting Australian and international students (mostly from Asia and the Pacific Rim).

###### Tourism Experience

The Centre would function as a tourism experience as well as its primary educational focus.

###### Strong Relationship with Local/Regional Community

The Centre should be well connected to and enrich the lives of the local and regional community.

###### Well Connected

The Centre would establish strong connections and networks throughout the Australian music industry and internationally.

## BEECHWORTH CENTRE: EXCELLENCE IN MUSIC AND THE ARTS

### THE VISION

#### ACTIVITIES AND SERVICES

The Centre would, over time, provide the following services and activities, focusing mainly on classical, chamber, chamber orchestral, jazz and other appropriate types of music.

##### Core Activities – High Priority

- Summer schools.
- Music camps – national and international.
- Courses for International students.
- Seasonal concerts and special events.
- Music camps and special events for secondary schools.
- Visits by internationally renowned musicians for performances and teaching.
- Music Tuition
- General music tuition
- Intensive/specific tuition
- Solo instrument development
- Chamber music training
- Master classes
- Young composers residency program
- Young symphonists residency program
- Advanced music courses.
- Music appreciation courses.
- Contemporary music program.
- Jazz programs and courses.
- Conductor development program.
- Arts/music administration course.
- Other performing arts: dance, drama, visual

##### Desirable Activities – Medium Priority

- Band camps.
- Music writers/composers workshops.
- National Koori heritage music program.
- Music career management and mentoring.
- Audio training (TV and radio), sound studio – digital/multi-media.
- Artist in residence programs.
- Intensive retreat for artists.
- Themed music festivals

##### Other Possible Activities – Lower Priority

- Permanent base for Australian Youth Orchestra.
- National music library.
- Musical instrument manufacturing and maintenance
- Music displays / special exhibitions / music museum.
- Symphony Australia Headquarters.
- National music awards night
- Music competitions
- Arts and crafts markets.
- Circus arts.

#### MANAGEMENT AND FUNDING

The Centre would be run along business lines, aiming for financial sustainability without reliance on government funding for ongoing operations.

Service offerings would generally be on a "fee-for-service" or "user-pays" basis.

The aim would be for the Centre to generate a financial surplus to invest for future growth and development.

The legal structure of the Centre would be selected to best achieve the above objectives.

The management structure should aim to provide a clear distinction between the respective roles of:

- musical/artistic programming
- marketing & promotion
- accreditation; and
- facilities management

A foundation or trust should be established to help fund talented young people who cannot otherwise afford to attend.

The MSO would be one of the users of the Centre, but not the only user.

#### STAGING

The establishment of the Centre would occur in stages.

The aim would be for the first complete year of activities to commence in 2005.



# Part Two

## Can It Work?

- 
4. INSPIRATION FROM OVERSEAS

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  5. INSPIRATION FROM AUSTRALIA

---

  6. INDUSTRY AND MARKET ANALYSIS

---

  7. POTENTIAL ROLES FOR THE CENTRE:  
- INDUSTRY AND COMMUNITY VIEWS

---

  8. ISSUES AND CHALLENGES

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PART TWO: CAN IT WORK?

## 4. Inspiration from Overseas

WHAT ARE SOME SUCCESSFUL OVERSEAS MODELS OF MUSIC CENTRES OF EXCELLENCE?

WHAT CAN WE LEARN FROM THEM?

WHAT ARE THEIR KEY SUCCESS FACTORS?

WHAT IS APPLICABLE TO THE AUSTRALIAN SETTING?

**The Melbourne Symphony Orchestra and La Trobe University's vision for Beechworth is primarily based upon overseas models such as the Tanglewood complex in Massachusetts, the Aspen Music Festival and school in Colorado, and Aldeburgh Productions in England.**

**This chapter outlines the history, facilities, programs and success factors of these and other similar "Centres of Excellence in Music" around the world, providing a valuable indication of the potential success of a Centre of Excellence in Music and the Arts at Beechworth.**

**Summary information only is provided in this Chapter.**

**For full details of history, programs, education, training, community involvement, management and funding, please refer to Appendix E.**

### TANGLEWOOD MASSACHUSETTS USA

Tanglewood is located in the heart of rural Berkshire County in Massachusetts, within a convenient travelling distance from Boston and New York.

The County offers a wide range of leisure/ holiday activities, including skiing, hiking, cycling, whitewater rafting, fishing and golf, and visitors have access to a large number of restaurants and holiday accommodation.

#### Key Facts

- Festival established in 1937

#### Venues/facilities

- 5000 seat music shed
- 1176 seat concert hall
- 300 seat chamber music hall
- Theatre concert hall
- Music Centre library
- Visitor Centre
- Community Relations office

#### Annual Program

- Summer music festival during July and August
- Festival of Contemporary Music
- String Quartet Seminar
- 8 week program of the Boston University Tanglewood Institute (BUTI).
- Auditor program

### ASPEN MUSIC FESTIVAL AND SCHOOL COLORADO USA

A former silver mining town, Aspen is located 2,400 metres above sea level in Colorado's spectacular Rocky Mountains.

In 1949, Aspen was virtually deserted, but the town is now a skiing Centre in winter and a cultural Centre in summer and a popular holiday destination year-round with various other indoor and outdoor activities on offer.

The town is served by a wide variety of shops, galleries, restaurants and accommodation.

Despite its small population (approximately 7500), Aspen has a billion-dollar-a-year economy, and was recently given the dubious distinction of being the most expensive town in the US. Many of the richest people in the US have properties in Aspen.

#### Key Facts

- Music Festival established in 1949

#### Venues/facilities

- 2050 seat music tent
- 500 seat concert hall
- 489 seat opera house
- Music lawn and garden: informal performance settings
- Music campus: incorporating rehearsal halls, classrooms, studios, practice rooms, library, offices & accommodation.

#### Annual Program

- Summer music festival and school run for 9 weeks from June to August.
- Limited winter season of concerts from January to March.

**BANFF CENTRE,  
ALBERTA CANADA**

Banff is located in the Banff National Park, in the heart of Canada's Rocky Mountains, approximately 130 kilometres west of the city of Calgary.

The Banff Centre is located on 17 hectares of grounds, approximately 15 minutes walk uphill from the town Centre.

The Centre offers a full range of indoor or outdoor programs, including guided nature hikes, canoeing, skiing, mountain and rock climbing.

**Key Facts**

- Established in 1933

**Venues/facilities**

- 959 seat theatre
- 246 seat theatre
- Teaching complex of meeting rooms & studios
- 180 person capacity club /cabaret venue
- Music and sound building, with a 200 seat recital hall and over 50 studios
- Max Bell Building, with a 330 seat auditorium and 17 meeting rooms
- Sally Borden Building, offering recreational activities
- 414 guest bedrooms, conference and dining facilities

**Annual Program**

- Wide variety of performances, including jazz, world music, folk and ballet, throughout the year
- Music and sound concert series from January to March, including classical music performances
- Summer arts festival, from July to August, followed by string quartet competition.

**ALDEBURGH  
SUFFOLK, ENGLAND**

Aldeburgh is promoted as "a place of inspiration and energy for music and the arts".

From the start, the Festival drew on the distinctiveness of Aldeburgh and its surroundings. Snape Maltings Concert Hall is set alongside the River Alde, in an Area of Outstanding Natural Beauty, which stretches 40 miles along the east coast of England.

The Concert Hall lies within a designated conservation area, and the river and marshes surrounding it are a haven for wildlife.

**Key Facts**

- Festival established in 1948

**Venues/facilities**

- Snape Maltings Hall, with seating for 832
- Halls and churches in the town and district

**Annual Program**

- Programs for school groups during January and February
- Chamber music performances from January to March by Young Artist Program participants
- A Celebration of Schools' Music: performances and projects in March
- Easter festival concerts
- June classical music festival
- Snape Proms in August, also including jazz, blues, folk, world music & poetry
- Britten Festival in October, including performances by Young Artist Program participants
- Training of young musicians, directors and composers in November

**AMELIA ISLAND  
CHAMBER MUSIC  
FESTIVAL  
FLORIDA USA**

Unlike most of the major music festivals in North America and Europe, the Amelia Island Chamber Music Festival was established in the 21st Century, and thereby provides a more recent example of a successful launch of a summer music festival.

Amelia Island is the northernmost barrier island on Florida's Atlantic Coast. The island has an intriguing history dating back to the 1500s and, to this day, retains the charm and enchantment of the Victorian era.

The island features Victorian Cottage architecture, bed and breakfast accommodation, boutiques, galleries and restaurants.

Amelia Island offers a variety of recreational activities, and attracts visitors throughout the year.

**Key Facts**

- Festival established in 2000/02

**Venues/Facilities**

- Local churches, halls, hotels, bars and historical buildings – none of which were purpose-built for musical performances.

**Annual Program**

June: 3 weeks of activities, featuring:

- Music Festival,
- Amelia Fellowship Artists program,
- Resident Young Artist program,
- Young Musicians program.

**VERBIER FESTIVAL AND  
ACADEMY  
SWITZERLAND**

Verbier is an alpine village situated in the heart of the Swiss Alps, 170km from Geneva and 300 km from Zurich.

The area is popular and renowned for its year-round outdoor sporting and recreational activities, and offers a wide variety of accommodation.

The stunning beauty and relaxed setting of Verbier contribute to raising the level of excellence at the Verbier Academy.

**Key Facts**

- Festival established in 1994.

**Venues/facilities**

- 1500 seat music tent for symphony performances
- 500 seat church for chamber music performances
- Open air performances

**Annual Program**

- Festival and Academy take place in July, over 3 weekends and the days in-between.
- A mini-festival, the "Festivalino" takes place alongside main festival, for 6-12 year olds.
- Festival concerts broadcast on French radio at other times of the year.

**FROM THE TOP  
USA**

*From the Top* is a not-for-profit multi-media organization whose mission is to encourage and celebrate the development of youth through music.

*From the Top* provides information, entertainment, interaction and education for pre-college aged musicians, their parents and teachers.

*From the Top* makes heroes out of kids who play classical music.

Based in Boston, FTT uses live shows, radio, TV, internet and educational programs to provide entertainment, information, interaction and education for school-age musicians, their parents, teachers and the public at large.

Activities include:

- An FTT radio program
- Taping of live events
- Interviews with bright young performers
- Training workshops, mentoring, outreach placement
- Currently developing special TV shows in conjunction with a TV station.
- The internet website.

*There are some elements of the FTT program that could perhaps be included in the Beechworth Centre.*

**GENERAL  
 SUMMARY AND  
 OBSERVATIONS**

**Location**

Most of the world's major centres of excellence in music are located in either North America or Europe, where classical music is most deeply entrenched in the culture of the countries in these regions.

Where held outside major cities, such centres tend to be held in popular tourist areas/premier tourist destinations of outstanding natural beauty, as is the case with each of the examples described in this chapter.

A stunning natural setting can help to inspire musicians to learn, create and perform works.

The setting is a major determinant of success. Non-urban centres need to offer not just the performance venues, but also a beautiful setting and a range of other, typically outdoor, summer activities.

Such centres do not necessarily need to be within a day trip distance of a major city, as evidenced by Banff and Aspen.

**Timing**

The biggest and most renowned centres were established either immediately before or after the Second World War, including Tanglewood (1937), Aspen (1949), Banff (1933), and Aldeburgh (1948).

**Community support**

Each of the centres described in this chapter relies upon community support – either in the form of direct involvement (volunteering, and promotion) or financial support (donations, subscriptions, sponsorship).

Tanglewood benefits from the time and service given by over 1100 volunteers.

**Popularity**

Attendance at centres varies widely (eg. 35,000 at Verbier and 300,000 at Tanglewood).

Some centres operate for just 2 to 3 weeks, while others have grown to include year-round performances and training in addition to a main summer festival.

Some centres were immediately popular (eg. Tanglewood), while others have increased in popularity over time.

**Funding**

The extent to which established centres are financially self-sufficient varies from Centre to Centre, but Banff is 75% self-reliant (including donations, fundraisers, etc), and

Aldeburgh derives only 19% of its funding from the public sector. Ticket sales generally make up a very small proportion of funding, despite the enormous popularity of most performances.

The greatest share of funding usually comes from annual subscriptions / donations, corporate sponsorship and private grants and bequests.

Successful centres are able to source a large proportion of their funding from the private sector, including donations, subscriptions, and sponsorship.

The most successful centres benefit from large and affluent audiences, many of whom are of retirement age and now live in the area, or at least visit the area on a regular basis, which relates back to the advantage of an attractive location.

The Verbier Festival and Academy benefits from the largest arts sponsorship deal in Europe.

Government financial support is welcome but not necessarily essential to the continued success of some centres.

**Management**

Centres are managed in a range of different ways, including government-managed operations (Banff), and independently run organisations (Aldeburgh Productions). Tanglewood is unique in that it is managed by a single symphony orchestra (the BSO).

**Adaptability**

Centres of excellence in music utilise a range of facilities and venues.

The type and size of venues is often a reflection of the popularity of each Centre, with the most popular centres staging their biggest performances in purpose built "tents" and the smaller centres utilising local churches, halls and hotels.

Some centres are able to generate additional revenue from hiring out their facilities at other times of the year.

**Common Competitive Strengths**

- Based around providing a unique and quality music training, education and performance experience with national and international musicians.
- Internationally recognised premier music academies.
- Involvement of national and international musicians as teachers/mentors.
- Location in a premier tourist destination.
- Concentration on young musicians.

**KEY  
 SUCCESS  
 FACTORS**

The table on the following page illustrates the Beechworth Centre's degree of achievement of each of these key success factors.



**1. Linkages and Reputation**

Linked to a major Music/Orchestral organisation



**2. Time**

Taken a substantial amount of time to be established and earn the reputation – most have been in operation since 1930s/1940s.

A gradual “step by step” approach is necessary for long-term development.



**3. Location**

Location in mountain retreats, areas of outstanding natural beauty.

Close to major cities – catchment area.

In a high income vacation area.



**4. Socio-Economics**

The most successful centres benefit from large and affluent audiences, many of whom are of retirement age and now live in, or at least visit the area on a regular basis.



**5. Management**

Extensive volunteer input.

Stakeholder organisations also involved in management (at Board level).



**6. Funding Sources**

- Wide range of capital and operational funding sources.
- Guaranteed funding – bequest/foundations.
- Wide array of opportunities for companies and individuals to contribute financially, at various levels.
- Tax deductibility of donations – separation of funding from operational structure.
- Large part of operating funds self-generated – around 75 per cent. Greatest share of funding comes from annual subscriptions, donations, corporate sponsorship, grants, bequests.



**7. Facilities**

- Diverse in size.
- Multi-purpose.
- Flexible and unique – a Barn, Tent etc.
- Support facilities include cafes, restaurants, accommodation, library, gift shop, picnic facilities, visitor centres etc (whole package).
- Use is made of local community facilities for smaller activities - spreads the benefits through the community.



**8. Musical Links**

Guaranteed input and involvement of quality/ exceptional ability musicians, composers as teachers/mentors etc.

Linked to annual music festivals.



**9. Local Community Support**

- Wide recognition of its positive impacts.
- Volunteers.
- State and Local government support.
- Community Partnerships.
- A Friends Group.



**10. Program**

A full season of events/festivals etc. planned and distributed and sold well in advanced – annual calendar of events.

Major events occur at peak visitor/holiday periods.



**11. Ownership**

Facility has direct a financial ownership by key stakeholders



**12. Activities Link**

Links to popular tourist activities such as hot air ballooning, skiing, rafting .



**13. Scholarships**

Offer special programs/scholarships etc.



**14. Promotions**

Linked to a major orchestral organisation.

Figure 2: Assessment of Beechworth Concept Against Key Success Factors of Overseas Examples

<b>BEECHWORTH CENTRE FOR EXCELLENCE IN MUSIC AND THE ARTS ASSESSMENT AGAINST KEY SUCCESS FACTORS FOUND IN OVERSEAS</b>	
<b>KEY SUCCESS FACTOR</b>	<b>LEVEL OF ACHIEVEMENT</b>
<b>1. Linkages/Reputation</b>	
Linked to a major Music/Orchestral organisation	WELL SATISFIED
<b>2. Time</b>	
Taken a substantial amount of time to be established and earn the reputation – most have been in operation since 1930s/1940s. "Crawl before you walk".	BEGINNING OF A LONG JOURNEY
<b>3. Location</b>	
Location in mountain retreats, areas of outstanding natural beauty.	WELL SATISFIED
Close to major cities – catchment area.	NOT ACHIEVABLE
In a high income vacation area.	PARTLY SATISFIED
<b>4. Socio-Economics</b>	
The most successful centres benefit from large and affluent audiences, many of whom are of retirement age and now live in, or at least visit the area on a regular basis.	NOT CURRENTLY SATISFIED, BUT AFFLUENT RETIREES ARE MOVING TO THIS REGION
<b>5. Funding Sources</b>	
Wide range of capital and operational funding sources.	ACHIEVABLE
Guaranteed funding – bequest/foundations.	ACHIEVABLE
Wide array of opportunities for companies and individuals to contribute financially, at various levels.	ACHIEVABLE
Tax deductibility of donations – separation of funding from operational structure.	ACHIEVABLE
Large part of operational funds is self-generated – around 75 per cent. Greatest share of funding comes from annual subscriptions, donations, corporate sponsorship, grants, bequests.	MAY POSSIBLY BE ACHIEVED
<b>6. Management</b>	
Extensive volunteer input.	ACHIEVABLE
Stakeholder organisations also involved in management (at Board level).	ACHIEVABLE
<b>7. Facilities</b>	
Diverse in size.	LACKS MAJOR PERFORMANCE VENUE
Multi-purpose.	SATISFIED
Flexible and unique – a Barn, Tent etc.	
Support facilities include cafes/restaurants, accommodation, library, gift shop, picnic facilities, visitor centres etc (whole on-site package).	MOSTLY SATISFIED
Use is made of other local community facilities for smaller activities - spreads the benefits through the community.	ACHIEVABLE
<b>8. Local Community Support</b>	
Wide recognition of its positive impacts.	ACHIEVABLE
Volunteers.	SHOULD BE ACHIEVABLE WITH EFFORT
State and Local government support.	PARTLY SATISFIED
Community Partnerships.	ACHIEVABLE
A Friends Group.	ACHIEVABLE
<b>9. Program</b>	
A full season of events/festivals etc. planned and distributed and sold well in advanced – annual calendar of events.	ACHIEVABLE
Major events occur at peak visitor/holiday periods.	ACHIEVABLE
<b>10. Musical Links</b>	
Guaranteed input and involvement of quality/ exceptional ability musicians, composers as teachers/mentors etc.	SHOULD BE ACHIEVABLE WITH EFFORT
<b>11. Ownership</b>	
Facility has direct a financial ownership by key stakeholders	SATISFIED
<b>12. Activities Link</b>	
Links to popular tourist activities such as hot air ballooning, skiing, rafting etc.	ACHIEVABLE
<b>13. Scholarships</b>	
Offer special programs/scholarships etc.	ACHIEVABLE
<b>14. Promotions</b>	
Linked to a major orchestral organisation.	WELL SATISFIED

## PART TWO: CAN IT WORK?

# 5. Inspiration from Australia

### THIS CHAPTER REVIEWS EXAMPLES FROM AUSTRALIA.

Unlike the USA and Europe, there are no known examples of a music Centre of excellence in Australia of the type envisaged for Beechworth.

The Australian Institute of Sport is a true “Centre of excellence” but in a different field.

The Australian Youth Orchestra Summer Music Camp is similar to those run in the USA and could form a key component of the Beechworth Centre’s summer program.

The other examples are mostly festivals, which, although successful, cannot really be compared to the Beechworth concept.

*Summary information only is provided in this Chapter. For full details of history, programs, education, training, community involvement, management and funding, please refer to Appendix F.*

### INTRODUCTION

**Australia does not currently enjoy the benefits of any centres of excellence in music similar to those located in North America and Europe.**

Perhaps the closest example of a “Centre of excellence” in Australia is the Australian Institute of Sport in Canberra, which promotes and facilitates elite sporting performance. Although sporting and musical training and performances require very different facilities and attract audiences in different ways, the vision and concept upon which the AIS is based relates well to the proposed Centre of excellence at Beechworth.

This chapter examines the origins, facilities and training regime of the AIS and some of the more relevant Australian-based music schools and festivals, with a view to providing an insight into management models and the potential success of a Centre of excellence in music in Beechworth.

### The following centres or events were researched:

- Australian Institute of Sport, Canberra
- Australian Youth Orchestra National Music Camp
- Mount Buller Chamber Music Summer School, Victoria
- Celtic Summer School ‘Music under the Mountains’, Tasmania
- Tamworth Country Music Festival & Australian College of Country Music
- Port Fairy Spring Music Festival, Victoria
- Port Fairy Folk Festival, Victoria
- Cygnet Folk Festival, Tasmania
- Australian Music Events Pty Ltd

### AUSTRALIAN INSTITUTE OF SPORT, CANBERRA

The AIS is a pre-eminent elite sports-training institution in Australia with world class facilities and support services.

The AIS is one of Australia’s most successful ventures in education and research, and is widely acknowledged in Australia and internationally as a world best practice model for elite athlete development.

### Key Facts

Founded in 1981

### Facilities:

65-hectare complex in Canberra, comprising:

- 2 arenas
- swimming Centre
- gymnastics hall
- soccer and hockey fields
- multi-purpose indoor training facilities
- Sports science building
- Visitor Centre
- Accommodation for over 350 athletes

State capitals host some AIS residential programs, and road cycling programs are based in Italy.

**AUSTRALIAN YOUTH  
ORCHESTRA NATIONAL  
MUSIC CAMP**

The Australian Youth Orchestra's (AYO) National Music Camp is Australia's oldest, most distinguished music school, and is inseparably linked to the development of professional classical musicians throughout Australia.

Every January, around 200 to 250 young musicians spend 2 weeks in intensive training and skills development, culminating in public performances. Students are generally of high school or college age.

**Key Facts**

Established in 1948

Venues

- Held in Music Building at ANU in Canberra generally every second year.
- Held elsewhere in Australia generally every other second year, usually in University campuses.

Program

- Held annually during January school holidays.
- Program runs over 2 weeks and includes tutorials, rehearsals, workshops, public concerts, and social activities in the evenings.

**MT BULLER CHAMBER  
MUSIC SUMMER  
SCHOOL, VIC**

Mount Buller is an alpine ski resort, approximately 300 kilometres from Melbourne. The resort is popular in winter with skiers, but is relatively quiet in summer. The resort benefits from stunning alpine scenery year round.

**Key facts**

Established at Mount Buller in 1985.

Organised by Chamber Music Summer School, Malvern, Victoria.

Program

- Held annually during January school holidays.
- Program runs for 7 days, including tuition, workshops and performance.

**CELTIC SUMMER  
SCHOOL "MUSIC UNDER  
THE MOUNTAINS" TAS.**

The Celtic Summer School is held in Bracknell, Tasmania, a small farming community located 35 kilometres from Launceston, and nestled under the Great Western Tiers and Dry's Bluff.

**Key Facts**

Program

- Held annually during January school holidays.
- Program runs for 5 days, including classes in specific folk instruments.

**TAMWORTH COUNTRY  
MUSIC FESTIVAL AND  
AUSTRALIAN COLLEGE  
OF COUNTRY MUSIC**

Tamworth is a major regional Centre located on the New England Highway between Sydney and Brisbane. The Tamworth District is characterised by rich pastoral and agricultural land, and has a population of around 50,000.

**Key facts**

- Festival formed around the Country Music Awards, which were established in 1973.
- School established in 1997.

Venues / facilities

- Festival held in Tamworth at various venues, including auditoriums, halls, clubs, pubs, shops, parks and streets.
- College held at

Program

- Festival held over 11 days leading up to and including Australia Day in 2004.
- "Countdown" events held for 1 week prior to official festival.
- Australian College of Country Music held over 2 weeks immediately prior to Festival, and a similar 2-week period each year.

**PORT FAIRY SPRING  
MUSIC FESTIVAL**

Port Fairy is a small historic fishing town on the western coast of Victoria.

**Held:** 10th to 12th October in 2003

**Organised by:** Port Fairy Spring Music Festival

**PORT FAIRY  
FOLK FESTIVAL**

Port Fairy is a small, historic fishing town on the western coast of Victoria.

**Held:** 5th to 8th March in 2004 (and over the Labour Day weekend each year).

**Organised by:** Port Fairy Folk Festival Committee Incorporated.

**CYGNET FOLK  
FESTIVAL, TASMANIA**

**Where:** Port Cygnet, a small town 40 minutes drive from Hobart, Tasmania. The town is surrounded by picturesque beaches and countryside, including vineyards, and offers views of the Hartz Mountains and beyond.

**Held:** 9th to 11th January in 2004, and similar dates each year.

**Organised by:** Huon Folk Incorporated. The festival is virtually the only activity undertaken by this organisation.

**AUSTRALIAN MUSIC  
EVENTS PTY LTD**

Conceived in 1995 by two professional opera singers.

**Aims**

- Provide young talented musicians and singers with opportunities to perform with Australia's finest orchestras, international conductors and professional soloists;
- Provide donations to charity: "Opera in the Market" donates all net profits to the Royal Women's Hospital Gynaecological Cancer Research Centre, while "Opera in the Vineyard" has donated profits to Peninsula Hospice, Peninsula Health and Vision Australia;
- Target new audiences for popular musical performances in unusual settings;
- Hold various choral workshops for the talented musical youth of today;
- Further develop long term involvement in operatic and choral music within the community.

**Events include:**

- Opera in the Alps
- Opera in the Winery / Vineyard; Springtime in the Winery
- Opera in the Market
- Australian Scholars Springtime Concert
- Choral workshops
- Youth Choral Scholars Program

PART TWO: CAN IT WORK?

## 6. Industry and Market Analysis

THIS CHAPTER PROVIDES AN ANALYSIS OF:

- The economic value/profile of the Arts to Australia and Victoria
- The music segment of the Arts industry
- Existing & potential markets for theatre, concerts & performing arts

### KEY POINTS

#### Industry Structure and Size

While the Culture Industry is large (almost as large as the Hospitality Industry), the Music Performance component is small – around 1 per cent.

The Symphony & Choral Music segment in Victoria is also only small and employs around 1,845 people with total revenues of \$113.4 million.

There are only a few organisations involved in this segment in Victoria.

As an example, during 2003 the Melbourne Symphony Orchestra:

- produced more than 129 concerts, with an average capacity of around 80%;
- total paid attendances at these events were 125,000 in Metro Melbourne, and more than 16,000 in regional Victoria. In addition, MSO free concerts in metro Melbourne attracted audiences of more than 30,000;
- broadcast nationally 35 times to a listening audience of around 1.5 million people.

MSO events represent only one segment of the orchestral market, with many other orchestras (including community orchestras) performing in Victoria.

#### Possible Strategic Implications

- The Beechworth Centre may, at defined stages over time, have to take a wider national and international focus to achieve critical mass.

- This is particularly the case if it is to concentrate on the music sector only in the short term.
- It may be necessary over time to involve other areas of the arts to ensure long term critical mass and sustainability.

#### Potential Markets

Details were sought on the following potential markets:

- The existing Arts market
- The Music Study market – Tertiary, Children in Private Tuition and VCE
- General Tourists; and
- Overseas Students

#### Possible Strategic Implications

#### Arts Participation Market

- While the Arts participation market is large, the classical music concerts market is the smallest of 12 selected ABS survey areas.
- The participation in classical music concerts in Victoria is slightly below the national participation rate.
- There are, however, 320,000 people aged from 18 years onwards in Victoria who participate in Classical Music Concerts.
- However, a lot of these people are older but highly educated, and possibly mainly living in Melbourne.
- Just over 40 per cent of these people only go to ONE concert a year.

#### Student Market

- The tertiary music study market is relatively small, but growing.
- Of the 5,528 tertiary students enrolled in music courses nationally, we estimate that around 1,000 of these would be based in Victoria.
- This is a significant niche market.
- A far larger market is students involved in private musical instrument tuition, which is around 473,000 nationally and around 115,000 in Victoria – there may be significant potential here.
- The Formal VCE musical instrument study market is small – around 1000 students only – but again it may be an important niche.

#### Tourist Market

- There are already significant flows of cultural tourists in and to Victoria.
- The northeast region has significant visitor flows.
- The numbers involved in cultural/arts activities in low – around 1-2 per cent, but this may be due to lack of opportunities to participate.
- This area should not be over-emphasized – the Centre will have to build up its own markets and clients, rather than rely on who is already there.

**PART ONE:**

**ECONOMIC  
VALUE/PROFILE  
OF THE ARTS TO  
AUSTRALIA AND  
VICTORIA**

**1.1 Value of Arts and Culture Industries**

The national value of the goods and services in the arts and culture related industries is around \$26 billion, or about 3 per cent of GDP, which is slightly smaller than the hospitality industry.

It can be compared with the Health industry at \$33 billion, Government administration at \$31 billion, Education at \$28 billion and the Accommodation, cafes and restaurants at \$29 billion.

The music and theatre production industry accounts for around 1 per cent of national GDP.

For Victoria, it is estimated that the industry is valued at around \$6 billion, and this compares with the value of the tourism industry at \$7.8 billion and agriculture at \$8.3 billion. It is also estimated that the music and theatre production component is worth around 1 per cent of State GDP.

A chart showing the shares of total Victorian production by broad industry sector is provided in Appendix F.

**1.2 Industry Growth**

Arts related components of the economy have been growing at an average annual rate of 4.4 per cent per annum, since the early 1980s, compared with average growth in GDP of around 3.1 per cent over the same period.

More recent growth data is provided in Table 1, which indicates that over the last decade, the real growth of the cultural and recreational services industry was equal to that of the retail and transport sectors, and grew at the same rate as the overall economy. It was equal sixth in terms of its comparative growth rate.

*Table 1:  
Real industry gross value added, average annual growth rates  
1990-91 to 2000-01  
See Appendix F*

**1.3 Employment**

In Australia, around 250,000 people, or 3.3 per cent of the workforce, is employed in the broadly classified cultural sector.

Over the last 25 years, the number of full time employed artists has trebled, although not all persons are directly employed in arts activities (i.e. some may be drama or arts teachers in schools).

The increased employment has generally been due to increased financial support expenditure and by governments and households in cultural activities and increased participation in the arts.

For the more specific Arts occupations, there are around 69,000 persons employed in Australia.

In relation to the Music sector, there were:

- 7,113 private music teachers;
- 512 professional musicians and music directors;
- 5,533 instrumental musicians; and
- 261 composers.

This totalled 13,419 or 19.5% of total employment in the Arts industry.

For Victoria, in 2001, 112,700 people indicated that they were employed in cultural activities, as their main job, of this around 32,800 were employed in a cultural occupation within the cultural industry, 36,700 were in a cultural occupation in a non-cultural industry and the remainder were in support occupations within the Cultural industry.

For the Arts industry, Victoria accounted for 26.4 per cent or 18,270 persons, of which around 3700 are estimated to be involved in the music industry.

#### **1.4 Arts and Entertainment Expenditure**

Australians spend around \$9 billion each year on arts and entertainment.

The 1998-99 ABS Household Expenditure Survey indicated that, on average, households spent \$1.48 per week on live theatre, music concert fees and charges or around \$550 million a year. This equated to around 0.2 per cent of total weekly expenditure on all goods and services.

#### **1.5 Exports**

There continues to be significant potential for the growth of Australia's cultural exports.

Exports of cultural goods can relate to both income and royalties derived from areas such as international screening and sales of feature films and TV productions, books, art exhibitions and performances by local artists and performance companies.

In 1998, total exports of cultural goods and services were valued at \$650 million. Today, the exports of cultural goods is worth around \$750 million and with royalties earned by Australians on cultural property worth around \$128 million.

#### **1.6 Financial and Other Support**

Total federal, state and local government funding for the arts is around \$3.5 billion annually, with the federal government providing 35 per cent, states and territories 43 per cent and local government 22 per cent.

Nationally, the value of corporate support for the arts is \$65 million a year.

In 2001-02, total national funding for music organisations was \$70.4 million, of which \$51 million was allocated by the federal government and the remainder by the states/territories. Over time, the federal government funding support has declined slightly, while state/territory government funding has increased significantly.

In 2001-02, the Victorian government spent \$495.2 million on cultural activities, of which \$5.5 million was allocated to music performance organisations. This compared with \$787.2 million and \$4.2 million spent by the NSW government.

In Victoria, the average per capita funding was \$102.02 overall and \$1.14 for music organisations, compared to NSW with \$118.50 and \$0.64 respectively.

#### **1.7 Summary and Strategic Implications**

The information above indicates that the arts and culture industry has shown significant growth in income, employment and exports.

The industry is expected to continue to display at least an average growth rate due to increasing government financial commitment and support based on its recognised significance and growth potential as well as from increased participation and expenditure by both households and businesses.

**PART 2**

**THE MUSIC  
 SEGMENT OF THE  
 ARTS INDUSTRY**

**2.1 Australia**

In 1999-2000, ABS survey information indicated that for the Music and Theatre Production Industry:

- there were 705 businesses which operated from 68 performing arts spaces;
- The total number of paid performances was 47,083;
- Paid attendances totalled 13,269,000
- Total employment was 7060, and supported by 3,034 volunteers;
- Total revenue was \$505.4 million, of which 46 per cent was generated by box office receipts, 23 per cent was from government sources and the remainder from other sources.
- Total expenses were \$477.6 million (or 95 per cent of revenue), with wages and salaries accounting for 36 per cent of costs, 9.8 per cent for contract payments to performers and 7 per cent for venue hire.

**2.2 Symphony and Choral Music Organisations**

In 1999-2000,

- There were 38 organisations in this category;
- They held 1130 paid performances
- They achieved total attendances of 991,800 (an average of 878 per performance).

**2.3 Victoria**

For Victoria,

- There were 179 Music & Theatre Production organisations (around 25.4 per cent of the Australian total);
- They held 9006 paid performances;
- They achieved total attendances of 2,234,100

(an average of 248 per performance)

- They employed 1845 people;
- Total revenues were \$113.4 million.

**2.4 Summary and Possible Strategic Implications**

The information indicates that:

- While the Culture Industry is large (almost as large as the Hospitality Industry), the Music Performance component is small – around 1 per cent;
- The Symphony & Choral Music segment in Victoria is also only small and employs around 1845 people and with total revenues of \$113.4 million

This may mean that the Beechworth Centre might - at defined stages over time - have to take a wider national and international focus to achieve critical mass.

This is particularly the case if it is to concentrate on the music sector only, in the short term.

It may be necessary over time to involve other areas of the arts to ensure longer term critical mass and sustainability .

**PART 3**

**EXISTING AND  
 POTENTIAL  
 MARKETS:  
 THEATRE,  
 CONCERTS AND  
 PERFORMING ARTS**

**3.1 Existing Arts Markets**

**3.1.1 Trends in Arts Attendance - Australia**

In 2002, 88.2 per cent of the Australian population aged 18 years and above (or 12.8 million) people attended at least one cultural venue or event.

*Table 2: Participation Rate by Selected Cultural Venue or Event, 2002  
 See Appendix F*

The 9 per cent participation rate for classical music concerts equated to 1.299 million people nationally.

Between 1995 and 2002, the overall participation rate increased from 82.2 per cent to 88.2 per cent and increased across most categories, apart from:

- Museums; and
- Musicals and opera.

and remained the same for popular music concerts.

The attendance rate at Classical Music Concerts for selected survey years since 1991 was as follows:

*Table 3: Changes in Participation Rate to Classical Music Concerts, 1991 to 2002  
 See Appendix F*

Overall, participation in classical music concerts has increased over time.

However:

- Classical Music Concerts are the least attended of the 12 cultural venues and events surveyed;
- 41.8 per cent of these people attended once, 21.3 per cent attended twice, 12.7 per cent attended three times and 24.2 per cent attended 4 times or more during the year.
- Females, with an attendance rate of 10 per cent, were slightly more likely to attend classical music concerts than males, at 8 per cent;
- The age group 55-64

years recorded the highest participation rate (13 per cent), while those aged 18-24 years had a 6 per cent participation rate;

- Most attendances are by people who are a couple only, or a one family household (11.3 per cent), or a lone person household (10.9 per cent);
- People born in Australia have a slightly lower than average attendance rate (8.1 per cent), compared to people born overseas in English speaking or other countries;
- Most people who attended held post graduate degrees (36 per cent), graduate diplomas (21 per cent) or bachelor degrees (19 per cent).
- Most were in the highest household income quintile (15.4 per cent); and.
- The participation rate for capital city residents was 10.6 per cent and 6.1 per cent for people located in other areas.

**3.1.2 Trends in Arts Attendance - Victoria**

Victoria has a lower than average participation rate in classical music concerts, however the attendance rate has progressively increased from 7.7 per cent in 1991.

*Table 4: Attendances and Participation Rate, 2002  
 See Appendix F*

Victoria also has an older population attracted to classical music concerts.

*Table 5: Age Group for Classical Music Concerts Victoria  
 See Appendix F*

**3.2 The Music Study Market**

**3.2.1 Tertiary Education - Australia**

In 2000 in Australia there were 45 tertiary institutions which provided arts courses.

Music was the most popular, with a total of 312 courses, of which 280 were at a pass or higher level.

Nationally, there were 5528 students enrolled in these courses, or 20.6 per cent of total tertiary arts enrolments.

In Equivalent Full Time Student Units (EFTSU) terms, the numbers studying music had increased from 3428 in 1994 to 4351 in 2000, or by 27 per cent, mainly due to an expansion in both courses and places offered.

**3.2.2 Tertiary Education - Overseas Students**

In 2002, around 200,000 international students, or around 20 per cent of the total tertiary student population were overseas students, enrolled in Australian courses.

While the Australian Universities expect the numbers to increase further, mainly from the Asian/Pacific region, there has also been a trend towards the establishment of university branches overseas, which could slow the student growth rate in the future.

Further information on courses and enrollments is required, but it would be expected that the numbers involved in music courses would, at this stage, be low.

It, however, indicates the possible potential for the Beechworth Centre to develop suitable training and courses and attract a growing number of overseas students in the future.

### 3.2.3 Children Privately Studying a Musical Instrument

In April 2000, the ABS surveyed children aged 5 to 14 years and their participation in organised cultural and other activities outside of school hours.

Overall it found a 17.9 per cent participation rate for playing a musical instrument. This equated to 213,800 boys (with a participation rate of 15.8 per cent) and 260,100 girls (with a participation rate of 20.2 per cent), or a total of 473,900, nationally.

There were a further 124,600 involved with singing, 274,100 with dancing and 121,800 with drama.

For Victoria, the number of children involved in playing a musical instrument was around 115,000.

### 3.2.4 Victoria – Formal Music Instrument Studies – VCE, Year 12

Information from the Victorian Curriculum and Assessment Board for 2002, indicated that there were just over 46,000 students who studied for their VCE.

The following table indicates the enrolment for various Arts and Music subjects.

*Table 6:  
 Arts Studies at VCE  
 Year 12, 2002  
 See Appendix F*

While there are just over a 1000 students studying a solo music/instrument, there are many more enrolled in other visual and performing arts areas.

### 3.3 Tourism Markets

#### 3.3.1 International Visitors

In 2002, results from the International Visitor's Survey of the Bureau of Tourism Research, indicated that:

- 12 per cent of visitors aged 15 years and over attended a theatre, concert or other performing arts performance while in Australia – this equated to 535,540 visitors;
- Visitors from USA, Canada, UK, Europe, New Zealand, Taiwan, Hong Kong, Korea and China had the greatest participation rate.
- A higher proportion of visitors who were in Australia for education or employment reasons tended to participate.
- Also, 24 per cent of backpackers attended arts performances.

#### 3.3.2 Domestic Tourism

Results from the 2002 National Visitors Survey of the Bureau of Tourism Research, indicated that 2 per cent of overnight visitors attended the theatre, concerts or other performing arts event while travelling. This equated to 1.5 million visitors.

For day trips, 1 per cent of visitors attended these arts activities – or 1.4 million visitors.

#### 3.4 Victoria and Cultural Tourism

Victoria's overall strength in the Arts and Culture is based around its:

- Artistic diversity;
- Events
- Theatres
- Authentic Historic Environment
- Rich Multicultural presence; and
- Accessibility.

In its Arts Strategy, Tourism Victoria has identified the Legends, Wine & High Country as having a Level 2 regional significant

strength in the Arts and Culture (including at Beechworth), which is important in the overall positioning and marketing of this product region.

The Level 1 towns in Arts & Culture were identified as the Grampians National Park, Ballarat and Bendigo.

The other Level Two towns included Geelong, Echuca and Mildura.

According to Tourism Victoria, annually, Victoria attracts 600,000 international visitors (57 per cent of the total), who participate in the arts and culture. 16 per cent of all visitors attend theatre and other performances and 10 per cent participate in festivals and other cultural events.

On average, domestic arts and cultural heritage visitors stay longer than other visitors (6.5 nights compared with an overall average for others of 3.9 nights).

In 2000, Victoria's share of the domestic tourism arts and cultural heritage visitors was 27 per cent, which equated to 2 million visitors. 18 per cent of these visitors participated in the performing arts or concerts and 18 per cent attended festivals or cultural events.

Tourism Victoria has identified 4 key segments in the Domestic Market who are attracted by and participate in arts and cultural events:

- Socially Aware -
- Visible Achievement
- Traditional Family Life
- Young Optimism.

*Table 7: High Yield Tourism Segments  
 See Appendix F*

The results of the market research summarised in the above table provide an indicative basis for the nature and structure of the tourism packages which will need incorporated into the products offered by the Beechworth Centre.

The 'up market' segments

identified in the Table are the 'socially aware' and the 'visible achievement', share a number of important features:

- they have the income and the motivation to take short and indulgent breaks from Melbourne;
- they are attracted to up market, boutique style accommodation; and
- about half of each segment has children, which feature more in planning for longer holidays than short breaks.

The 'socially aware' segment is particularly oriented towards exploring on their own. They want a 'different' experience and dislike organised tours. They prefer to plan their own holiday based on the information provided;

Conversely, the 'visible achievement' segment places a high priority on activities for children and value for money. They want to know exactly what is offered in a packaged holiday and will plan in advance;

The 'traditional family life' market, while less affluent, is identified as a major market for regional Victoria. In particular, they are enthusiasts for knowledge with a high interest in speciality tours and interpretive product. They like to relive the past and, according to the research results, are keenly interested in cultural/heritage products:

This market segment will increase in significance over the medium-to-longer term given the rapid aging of the population. The fact is also that this group will become more affluent as a result of the increased access to superannuation; and

To attract the 'young optimism' segment, any proposed tourism packages will need to also provide activities associated with other local tourism and hospitality products in the wider region.

### Some Strategic Implications

Given these generic characteristics of the tourism market for regional Victoria, the tourism infrastructure and local diversity of tourism related product in the Wine & High Country Region would appear to form an excellent 'fit' with the requirements of certain market which may be able to be attracted to the Beechworth Centre.

However, significant effort will be required both to improve the quality of the existing infrastructure, and in linking and packaging local products with the music element to attract certain markets.

### 3.5 Tourism Flows in the Legends, Wine & High Country Region of Victoria

In 2002-03:

- There were 1,309,000 domestic overnight visitors who stayed a total of 3,532,000 nights, or an average of 2.7 nights
- Around 56 per cent were from Melbourne, 23 per cent from interstate and 21 per cent from other areas in Victoria;
- 65 per cent were on holidays and 23 per cent are visiting friends and relatives;
- 21 per cent of nights were spent in hotels/motels, 20 per cent in guest houses/B&Bs and other self-catered accommodation, 22 per cent in caravan parks/camping and 26 per cent stayed with friends and relatives;
- 1,308,000 domestic day visitors; and
- 25,000 international visitors.

Total visitor expenditure in the Legends, Wine and High Country region was provided below.

*Table 6:  
 Visitor Expenditure, 2001  
 See Appendix F*

### 3.6 Summary and Strategic Implications

#### 3.6.1 Industry Structure and Size

The information indicates that:

- While the Culture Industry is large (almost as large as the Hospitality Industry), the Music Performance component is small – around 1 per cent;
- The Symphony & Choral Music segment in Victoria is also only small and employs around 1845 people and with total revenues of \$113.4 million;
- There are only a few organisations involved in this segment in Victoria.

#### 3.6.2 Possible Strategic Implications

It possibly means that the Beechworth Centre, may, at defined stages over time, have to take a wider national and international focus to achieve critical mass.

This is particularly the case if it is to concentrate on the Music sector only, in the short term.

It may be necessary to involve other areas of the Arts to ensure longer term critical mass and sustainability .

**3.6.3 Potential Markets**

Details were sought on the following potential markets:

- The existing Arts market
- The Music Study market – Tertiary, Children in Private Tuition and VCE
- General Tourists; and
- Overseas Students

**3.6.4 Possible Strategic Implications**

***Arts Participation Market***

- While the Arts participation market is large, the classical music concerts market is the smallest of 12 selected survey areas by ABS.
- The participation in Classical Music Concerts in Victoria is slightly below the national participation rate.
- There is, however, still 320,000 people aged from 18 years onwards in Victoria who participate in Classical Music Concerts.
- However, a lot of these people are older but highly educated, and possibly mainly living in Melbourne.
- Just over 40 per cent of these people only go to ONE concert a year.

***Student Market***

- The tertiary music study market is relatively small, but growing;
- There may be around 1000 students studying music at the tertiary level in Victoria.
- This is a significant niche market.
- A far larger market are students involved in private musical instrument tuition, which is around 473,000 nationally and around 115,000 in Victoria – there may be significant potential here.
- The Formal VCE musical instrument study market is small – around 1000 students only – but again it may be an important niche.
- There are a far greater number of VCE students studying other Art subjects which may be able to be capitalised on.

***Tourist Market***

- There are already significant flows of cultural tourist in and to Victoria.
- The region has significant visitor flows.
- But the numbers involved in cultural/arts activities in low – around 1-2 per cent, but this may be due to lack of opportunities to participate.
- This area should not be over-emphasized – the Centre will have to build up its own markets and clients, rather than rely on who is already there.

## PART TWO: CAN IT WORK?

# 7. Potential Roles for the Centre: Industry and Community Views

Who are the key players in the music industry and the potential stakeholders in the Centre??

What attitudes do they have towards the proposed Centre?

What do they see as its potential role, function and opportunities?

What involvement might they have in using the Centre or contributing to its programs?

Interviews were conducted and consultations held with a wide range of stakeholders in the music and arts industry, the education sector, the local and regional community, government agencies and others.

Two workshops were also held, in Beechworth and Albury involving the local and regional communities.

The purpose of this dialogue was to seek out their views on the concept, identify potential opportunities and challenges, determine what organisations might potentially use the Centre and what roles the Centre might best serve; and highlight key success factors that would be necessary for the vision to be achieved.

This was an important part of testing whether the proposed vision for the Centre is realistic and whether the intended roles and programs are realistic.

A list of the people consulted can be found in Appendix G, including attendees at the two regional workshops.

An indicative list of relevant organisations is set out below.

This does not purport to be an exhaustive and complete list. Most but not all of these organisations were contacted, having regard to availability and timing.

### National Bodies

- Symphony Australia
- Australian Youth Orchestra
- Australia Council for the Arts
- Music Council of Australia
- Australian Music Events
- Australian Chamber Music Summer School
- Australian National Academy of Music
- Australian Music Examinations Board
- Australian Chamber Orchestra
- Youth Music Australia
- Youth Orchestras Australia
- Musica Viva
- Circus Oz
- SBS, ABC

### State Bodies

- Capital City Orchestras
- Melbourne Youth Music
- Orchestra Victoria
- Melbourne Academy of Music
- Youth Music Victoria

### Regional and Local Organisations

- Murray Conservatorium
- Border Music Camp
- Wangaratta Jazz Festival
- Hothouse Theatre
- Murray Arts
- Jazz Albury Wodonga
- Flying Fruit Fly Circus
- Albury Art Gallery
- Choral Music

### Education Sector

- National Association of Heads of Tertiary Music Organisations
- Tertiary Institutes with Major Music Faculties
  - Queensland Conservatorium of Music Griffith University
  - Sydney Conservatorium of Music
  - Canberra School of Music
  - Melbourne University Conservatorium:
  - Victorian College of the Arts
  - Elder Conservatorium SA
  - University of WA
  - Edith Cowan University Perth
- National Institute for Dramatic Arts
- Australian Ballet School
- Primary and Secondary Schools
- Music teachers
- Music Teachers Association
- Beechworth Cluster of Schools

### Government Agencies

- State Government Ministries for the Arts
- Vic. Department of Innovation, Industry and Regional Development
- Vic Department of Tourism

## POTENTIAL ROLES FUNCTIONS AND PROGRAM OFFERINGS FOR THE CENTRE.

Research and consultations indicates a consensus that the following roles, functions and programs would be the most suitable, enjoy the greatest level of support, serve the music sector best, or have reasonable market potential.

- Bridging and Transitional Programs for Young Musicians
- Training Gaps
- *Renewal* Programs for Professional Musicians
- AYO Mid-Year Training Classes
- AYO Summer Music Camp
- *Opera in the Alps* and Associated Events
- Concerts
- Venue for ANAM Programs
- Australian Chamber Music Summer School
- Chamber and Contemporary Music Ensembles
- Summer Festival
- Short Courses
- Choral Music
- Border Music Camp
- Regional Educational Resource
- Synergies with Local and Regional Organisations
- Mentoring
- The Schools Market
- Synergies with Other Streams of Art

### BRIDGING AND TRANSITIONAL PROGRAMS FOR YOUNG MUSICIANS

The Centre could potentially serve an important role running bridging programs to assist young musicians move from tertiary courses into music careers; and assist the transition from AYO training to a role in, say a professional orchestra.

It is understood this gap is partially addressed at present by training offerings from the Sydney Symphony and the Tasmanian Symphony, but more is needed. This role is also partly met by the Australian National Academy of Music, which gives elite-level performance training to students who have completed tertiary music study.

Some possible examples of how this role could be served by the Centre include:

- The Centre could potentially serve as the national base for Symphony Australia's *Artist Development Programs*.
- A "senior summer music school" at a standard set above the AYO summer music camp;
- A training orchestra: The Centre could create a training orchestra of young people from around Australia who are too old for the AYO but not sufficiently old or experienced to take a place in an orchestra. This would provide transitional training.

### TRAINING GAPS

There are several niches or gaps in music industry training that could potentially be met by programs specially developed by the Centre.

Examples include

- Orchestral management
- Music administration
- Music sector marketing
- Rare/specialist/endangered instrument tuition.

In addition, Symphony Australia co-ordinates the training programs for all State-based orchestras who in turn have contracts with government to undertake training programs. Some of this training could easily take place at or be provided by the Beechworth Centre.

Musica Viva conducts professional development programs for music teachers. While these are mostly within school venues, the Beechworth Centre may present opportunities for expanding these program offerings.

### RENEWAL PROGRAMS FOR PROFESSIONAL MUSICIANS

The Centre could play a valuable role as a place of renewal and refreshment for professional musicians.

Musicians such as those in professional orchestras can become jaded and tired after two or more years of constant work; and need time out for renewal and inspiration.

Musicians could come to the Beechworth Centre for periods of intensive training from overseas luminaries, time out and reflection (perhaps for periods of two to eight weeks).

### AYO MID-YEAR TRAINING CLASSES

The Centre could serve as a venue for AYO classes held at various times during the year, including classes run by visiting overseas experts, and small performances.

Indeed the AYO has run

such events in Beechworth during the past two years, making use of the campus facilities and in addition utilising the Beechworth Memorial Hall (seating 350) as a performance venue.

### AYO SUMMER MUSIC CAMP

The Australian Youth Orchestra would be prepared to commit to holding its Annual National Summer Music Camp at the Beechworth Centre, initially every second year (alternating with the current bi-annual ANU Canberra venue).

This would be dependent however on improved facilities. While accommodation for the Camp's 230 students over two weeks could be easily catered for and there are ample rehearsal venues on campus, the crucial facility needs would be:

- Music tuition/practice rooms (costed as part of Phase 2)
- Pianos
- The major performance venue (a longer term proposition because of its multi-million dollar cost)

The benefits of the AYO camp are significant and its presence would be a fundamental success factor to the Centre's long-term success in that:

- It would give the summer season programs a critical mass and enable them to form the focus of the Centre's early activity;
- The commitment and presence of the AYO Camp would give instant credibility and reputation to the Centre;
- If other activities such as specialist training courses and concerts could be staged simultaneously with the camp, it would create an intense and creative "hothouse" environment.

As an example of the last point, AYO has been negotiating with *Opera in the Alps* to introduce an

## POTENTIAL ROLES FUNCTIONS AND PROGRAM OFFERINGS FOR THE CENTRE (cont).

opera component into its national summer music camp, building on the synergies created by the staging of *Opera in the Alps* each January.

### OPERA IN THE ALPS AND ASSOCIATED EVENTS

Australian Music Events has successfully held *Opera in the Alps* at the Beechworth Campus in January 2002 and 2004 (2003 cancelled due to fires) and aims to continue the annual event. It attracts audiences of 2000 plus and is held on the oval on an outdoor stage.

The event is further supplemented by:

- A performance by *Orchestra Victoria* as an integral part of the program; and
- Choral workshops run by Australian Music Events at the Campus over four days preceding *Opera in the Alps*. These are the equivalent of master classes and involve international trainers.

### CONCERTS

Concerts and other musical performances would be a logical part of the Centre's activities.

The MSO has indicated a desire to hold an annual concert series in Beechworth; and the Murray Conservatorium has indicated that it would run some of its concerts from the Centre. Other groups such as *Musica Viva*, chamber orchestras, ensembles and the like would also be potential users.

The difficulty of attracting sufficiently large audiences due to the regional location suggests that grouping events into festivals or special events with multiple attractions would be a key success factor.

The lack of a purpose-built performance venue is the main drawback.

### VENUE FOR ANAM PROGRAMS

The is potential for the Centre to serve as a venue for delivery of some programs offered by the Melbourne-based Australian National Academy of Music (ANAM). Beechworth's lower cost structure could be an added competitive advantage.

The Beechworth Centre could serve as a potential venue for ANAM's *Summer School* operation and/or a "satellite" base for ANAM; or perhaps offer programs that add another dimension for ANAM students.

The *Summer School* could comprise, for example, four to six weeks of intensive music making/training, a professional orchestra-in-residence, a music camp, resident ensembles and the like. ANAM students could be involved in master classes.

It is understood that there are no summer music festivals/events in Australia currently that would offer this combination or variety of experiences.

ANAM is also considering introducing a *Residential Youth Program* and the Beechworth Centre could perhaps serve as the ideal venue for such.

### AUSTRALIAN CHAMBER MUSIC SUMMER SCHOOL

The Australian Chamber Music Summer School is held annually in Mount Buffalo.

There may be potential for this to move to Beechworth, but this has not yet been investigated.

### CHAMBER AND CONTEMPORARY MUSIC ENSEMBLES

Chamber and contemporary music ensembles could play a key part in the Centre's activities. They would suit its style well.

Organisations such as *Musica Viva* and the Australian Chamber Orchestra could potentially perform at the Centre if they were part of a larger series of events or a festival but this would depend on the financial viability and whether a suitable performance venue was available.

Ideally the ACO prefers to perform in venues of 500 to 1000 capacity to suit its smaller audience size.

ACO currently runs an annual festival at Mudgee NSW in December but is looking at opportunities to establish a further festival at another time of year.

### SUMMER FESTIVAL

A summer festival comprising, say, the AYO Summer Music Camp, *Opera in the Alps*, a series of concerts by the Melbourne Symphony Orchestra and some Master Classes, could work extremely well.

The combination of events would be a key attraction and provide critical mass.

### AUTUMN FESTIVAL

*Musica Viva* until recently held an annual Autumn/Easter festival in the Yarra Valley. This ceased due to inadequate accommodation and catering facilities. It would be keen to consider relocating this type of event to Beechworth to take advantage of the accommodation and catering facilities. Such an event attracts audiences of around 350 which would be ideal for the Beechworth site. There could be synergies with the Bright Autumn Festival and other Beechworth region events.

## POTENTIAL ROLES FUNCTIONS AND PROGRAM OFFERINGS FOR THE CENTRE (cont).

### SHORT COURSES

Conservatoriums and University-based music schools from around Australia could potentially send students to the Centre for short courses.

It would depend on what the Centre offered. Payment arrangements would vary: in some cases individual students would pay; in others the universities may pay.

Albury-based Murray Conservatorium would send its brightest students (50-60) to participate in Centre offerings.

### CHORAL MUSIC

There appears to be considerable potential for the development of choral music at the Centre:

for example, Australian Music Events' Choral Workshops held in January prior to Opera in the Alps, the strong presence of choral music in north-eastern Victoria and the presence of the local *Beechworth Singers*.

### BORDER MUSIC CAMP

The mid-year *Border Music Camp* operates as a similar concept to the AYO national Summer Music Camp, but with smaller numbers, at a lower level of standard and with a regional rather than national focus.

BMC would contemplate holding the camp at the Beechworth Centre if all facilities can be provided on one site, including the performance venue.

Scots School chapel is the current performance venue and is too small for current audiences of 600-800. A venue of 1000+ capacity is needed.

### AS A REGIONAL EDUCATIONAL RESOURCE

Secondary schools from the north-east region would be strong supporters of the Centre.

Music is a vulnerable subject; attracting music teachers is difficult and travelling to Melbourne for special events is difficult.

The local secondary schools cluster believes the Centre could complement their middle years *Excellence and Innovation Project* and the ministry of Education's *Leading Schools Fund*.

### SYNERGIES WITH OTHER LOCAL AND REGIONAL ORGANISATIONS

Potentially strong synergies exist with a number of existing arts/music organisations in the region and the local area. These organisations include (inter alia):

**Wangaratta Jazz Festival**  
Three potential opportunities exist for the Beechworth Centre:

- Wangaratta Jazz Festival organisers and Wangaratta Council are seeking to expand jazz events throughout the year in addition to the successful annual festival. While the main festival will remain in Wangaratta, there may be scope to hold occasional events at Beechworth through other times of the year.
- The *Jazz Music Awards* preliminary judging could possibly take place at Beechworth in mid-year.
- *WJF jazz master classes* run for secondary school students throughout the year could possibly be held at Beechworth.

### Albury's Hothouse Theatre

This organisation conducts courses for playwrights and could be a potential user of the Centre as either a course or performance venue.

### Three Choirs Festival

Comprising the Wangaratta Choristers, Beechworth Singers and Albury Choristers.

### Murray Arts

Murray Arts functions as the Regional Arts Council for North-east Victoria.

### Jazz Albury-Wodonga

### Flying Fruit Fly Circus

### Albury Art Gallery

### Beechworth Arts Council

### Albury-Wodonga's Annual Eistedfodd

### MENTORING

Mentoring of young emerging musicians is a vital function in any profession, and no less so in the music industry.

The Centre could fulfill this role by providing opportunities for emerging young musicians to work alongside experienced musicians.

There is a view, however, that mentoring may not be so well suited to the Centre due to the likely short duration of its courses: - mentoring is a long-term process.

## POTENTIAL ROLES FUNCTIONS AND PROGRAM OFFERINGS FOR THE CENTRE (cont).

### THE SCHOOLS MARKET

**Responses from the secondary schools sector to the concept of the Beechworth Centre were very positive.**

The site was thought to be ideal as a venue for school music camps.

There is a dearth of suitable venues throughout Australia for school music camps and thus the potential market extends well outside of Victoria.

Of those venues that do exist, the most common deficiency is lack of a suitable performance space and acoustically treated practice rooms.

The Beechworth Centre could either just hire the venue or provide special programs for music camps. The latter would make it more attractive.

Many private secondary schools are investing heavily in building purpose-built music facilities on campus to remain competitive, but this has not removed the need to take music students on camps away from the everyday school environment - this provides an experience unmatched by any school-based tutoring.

Most schools prefer to hold music camps over a long weekend rather than mid-week so as not to interfere with the academic curriculum; and the Centre should take this into account when planning facility utilisation.

Cost of camps to students ranges between \$250 - \$700 depending on length of time, facilities, etc. Some camps are heavily subsidised for all participants while others provide scholarships and/or subsidies on the basis of talent or financial need.

A summer school focussed on secondary students would also have considerable potential and be well-received by teachers; although care would need to be taken to not compete Melbourne Youth Music's Summer Camp.

The Centre may also have potential to run music programs for gifted children. The MSO already operate a "Classic Kids" program in Melbourne and could expand this to the regions.

It is understood that a review of primary and secondary music education is shortly to commence. This could be a timely opportunity for the Centre's stakeholders to promote the opportunities Beechworth could provide in this market.

#### **Key success factors for making the Centre most attractive to the schools market include:**

- Organising school music "events" which bring together students from several schools with national or international musical "luminaries" or expert tutors. The convergence of activity and the associated creative spin-off is more likely to attract schools to use the Centre than if a single school were present.
- Suitable rehearsal spaces. Typical needs include:
  - Space for an ensemble of 80 to practice in (say a room 10m x 20m), with good ground level accessibility;
  - Several pianos;
  - A number of smaller rooms for practice/tutoring;
  - Acoustics need to be reasonable but are not so crucial compared to professional needs.
- Reasonable fees and charges that are affordable for schools.
- The proposed purpose-built auditorium would be desirable, though not essential in the first instance.

#### **Disadvantages**

Beechworth's main disadvantage will be its distance from Melbourne, but this disincentive could be partially overcome by a good performance venue, good rehearsal facilities and - most of all - the fact that it would operate as a dedicated music Centre offering specially arranged programs.

Other potentially limiting factors include:

- the general decline in classical music in secondary schools (musically the top 25 secondary schools in Victoria are excellent, but beyond this classical music programs are poor).
- the increasing and competing demands on secondary students' time;
- rising costs;
- the option for schools to bring in visiting experts rather than travel to Beechworth;

**POTENTIAL ROLES  
FUNCTIONS AND  
PROGRAM  
OFFERINGS FOR  
THE CENTRE (cont).**

**SYNERGIES WITH  
OTHER STREAMS OF ART**

**At the outset of this study, the view was that the Centre should concentrate on music and not have its focus diluted by the inclusion of other arts such as visual and dramatic arts.**

**While it is still the view that the Centre will focus specifically on music, there have been strong views expressed through the consultations that the synergies with the visual and dramatic arts should be encouraged, developed and nurtured.**

**Indeed this is supported by economic development studies throughout the world.**

Despite the Centre having a clear focus on music excellence, the presence of other arts activities on campus (visual, performing, textiles etc) is important in helping shape an appealing and creative atmosphere.

This was endorsed strongly by La Trobe University. The University already has an active involvement in the arts and the broader arts will attract a greater number of people to the Centre than classical music alone.

The Shire Council is of the view that broader arts activities should be separated from the Centre management and be the responsibility of the local community, arts organisations and the university, as appropriate.

Although minimal financial resources are required, these activities potentially have a large labour component that shouldn't be the concern of the Centre.

There is considerable potential for integrated visual and musical arts performances at the Centre. For example,

- International artists could be in residence at the same time as musical artists; and could also run workshops.
- The existing strengths of the local area and region with the Beechworth Arts Council, Left Bank Artists Co-op, the high concentration of artists, strong history in choral music etc.
- The Beechworth Theatre Company already uses the campus as a practice venue; and the Beechworth Arts Co-operative uses some campus buildings as artist studios.
- The Beechworth Arts Council has already brought international artists over to use space at the La Trobe campus.
- Beechworth Arts Council runs a series of "café concerts" at La Trobe. Eg latin American bands.

The audience is local and regional. Held in the rotunda, the Bijou or the hotel school. Numbers range from 10 to 70.

- Beechworth Arts Council has lost the opportunity to hold its festivals in conjunction with the town's other main festivals due to venue restrictions and sees the campus as an ideal location.
- Beechworth Arts Council would like to hold a regional expo/showcase of arts from various galleries and individual artists – based on a similar concept at the Melbourne Exhibition Buildings in October. This would happen in November 2004 for the first time at La Trobe. It would start off small, over a weekend and feature quality artists.
- There may be scope to operate tuition classes by organisations such as NIDA, the Ballet School and National Circus Arts.

## THE POTENTIAL FOR OVERSEAS STUDENTS

### **Anecdotal feedback and general opinion of most stakeholders interviewed is that there is considerable potential for attracting overseas students, particularly from Asia and the Pacific Rim.**

Asian students have traditionally looked to Europe and the USA but Australia is much closer.

In year 2,000 there were 5,528 students enrolled in music courses across Australia, which translates to 20.6 per cent of students enrolled in courses with an art focus (visual, dramatic, fine arts, graphic arts etc.).

Based on 20 per cent of enrollments across Australia being international students, we could expect that 1,000 are international students.

These 1,000 students are enrolled in undergraduate and postgraduate music courses and would seem to be well catered for in Australia across the 45 institutions that already provide music courses.

The Beechworth Centre is not primarily intended to offer accredited tertiary courses (indeed to do so would simply duplicate an already overcrowded marketplace) – but rather to provide specialist/niche training and development.

The Centre could if necessary issue certificates of accreditation; and any Australian or overseas tertiary institute could choose to recognise specialist course delivered at the Beechworth Centre as part of their accreditation.

Is it reasonable to assume that whatever specialist offerings the Centre can provide for Australian students and musicians will also be attractive to overseas students and musicians, if structured and promoted properly through the right channels and vehicles?

It is understood that Griffith University Queensland has the largest number of overseas music students -

around 70 at present (12-15% of the faculty total) of whom around 50 would be from Asia.

The challenge for the Beechworth Centre is to:

- develop a series of specialist Master Classes and other programs;
- identify suitable people in Australia and globally who could run these;
- use its existing domestic and international network of tertiary institutions and music organisations to promote these courses to both Australian and international residents.

### **Keys to Success**

While the USA and Europe are currently perceived as offering the world's best quality in music centres of excellence, the Beechworth Centre's success in attracting overseas students of the highest quality and musical potential will depend on:

- Establishing the highest standards in both course offerings and student selection (the very best talent will ultimately choose centres based on excellence rather than price or distance);
- Demonstrating that Australia can offer standards equal to any in the world and communicating this to the international music market;
- Creating a unique Australian identity, experience and range of programs for the Centre that sets it apart from other offerings worldwide. This means ensuring that the Centre is not simply a "pale imitation of Tanglewood or Banff" but a place with a unique agenda, vision and range of offerings.
- Focussing initially on the Asian market because of Australia's geographic advantage;
- Attracting the very best luminaries/artists from

overseas to teach at the Centre. The formula is: *"Get the best teachers and the students will follow"*. This may not be easy, as such people may well be offered more money to go to Asia.

- Relying on the considerable reputation and influence of La Trobe University.
- Securing the AYO National Music Camp at least on a bi-annual basis as a signature event in the Centre's calendar.

It may be worth considering obtaining financial backing (philanthropic or corporate) to enable the Beechworth Centre to offer scholarships for talented Asian students as a "loss leader" to raise the profile and awareness of the Centre overseas. It would subsequently be easier to attract fee-paying overseas students.

In building an international reputation, there will be no substitute for hard work and good contacts. Word-of-mouth tends to work better than marketing campaigns.

PART TWO: CAN IT WORK?

## 8. Issues and Challenges



Research and consultation conducted during the study identified a number of key issues facing the establishment of the Centre.

These are not necessarily obstacles to the Centre's success, but rather challenges that need to be acknowledged and confronted.

The issues are not necessarily listed in order of importance.



AUSTRALIA IS A MORE DIFFICULT ENVIRONMENT THAN EUROPE AND THE USA - *MUSIC CULTURE, POPULATION, WEALTH*

While substantial support and goodwill is evident for the Beechworth Centre, it must be remembered that projects like these face certain limitations in Australia compared to Europe and the USA which enjoy:

- A much stronger recognition and entrenchment of music in their cultures and consequently more public and private funding;
- Much greater sources of wealth from which to source sponsorships and philanthropy;
- A much larger population base from which to source talented musicians and young students;
- A much longer history of establishment of "centres of excellence" (some have taken 40+ years to get to their current position).

Existing centres in the USA have developed an air of prestige and mystique which creates considerable market power, even if the actual programs may not always be "world class".



DEVELOPING A PRESTIGE REPUTATION

The involvement and commitment of the MSO and AYO and La Trobe University's reputation as a leading institution in the education sector would certainly give the Beechworth Centre an immediate level of status and prestige.



HOLD FAST TO THE VISION OF EXCELLENCE

While the Centre may well need to begin as a low-level, low-budget operation largely using existing facilities, it must keep its focus clearly on the ultimate vision of an International Centre of Excellence and move speedily toward the goal.

If it fails to do so, it will lose key opportunities to source government funding and indeed the entire concept could be "poached" by another region either in Victoria or interstate.

If the Centre can hold uncompromisingly to its core values of excellence and high standards, this will enhance its chances of success and economic development impact.



THE CENTRE MUST CLEARLY DIFFERENTIATE ITSELF

A very clear message emerging from the consultations is that the Centre must clearly differentiate itself from other offerings in the Australian music sector.

The Centre's offerings need to be unique or at least substantially different from – and complementary to – that available in the music sector.

### Competition

There is already much competition in the music sector, especially between universities.

Students in Melbourne (which geographically would initially be the most likely customers) are already exceptionally well served by institutions such as the Melbourne Conservatorium, the Victorian College of the Arts, Australian National Academy of Music and others.

### Mission Statement

Some concern was expressed that the Centre's Mission Statement is not sufficiently clear and distinctive, especially with respect to tertiary music schools.

### The Title

Caution was sounded in relation to the Centre calling itself a "*Centre of Excellence*" – since many organisations in the music field also see themselves as centres of excellence and the term could have the effect of getting potential supporters off-side.

### Overlap with ANAM

The most common reaction to the *Beechworth Centre* concept was that it would overlap with programs offered by the Australian

**KEY ISSUES AND CHALLENGES (cont).**

National Academy of Music (ANAM) or with courses offered by tertiary music schools.

The issue is potentially sensitive if Beechworth were to receive government funding, given the funding limitations experienced by tertiary music schools.

There is clearly potential for the Centre's programs to overlap with ANAM, but this could be easily avoided.

Interestingly ANAM sees the Centre as complementary rather than a direct competitor. It is understood ANAM's programs are being reviewed with a view to making them more accessible for junior students, which may impact on the Centre's market.

The potential for ANAM becoming a key stakeholder in the Centre should be explored.

As a footnote, the Commonwealth has recently announced a review into the role and functions of ANAM; which may be timely in the context of this discussion.



**ATTRACTING THE BEST INTERNATIONAL TALENT**

If the Centre is to develop a national and international reputation and be successful in attaining its vision, it must attract the best and brightest students.

The commonly held view is that success in this respect will depend almost exclusively on the quality of the staff and tutors. If the Centre is to be national and international in focus, then it must have the brightest and best tutors. "*Students will go to wherever the best teachers are, so if Beechworth can get them, the students will go there,*" was a common theme in the consultations.

This in turn will reinforce the need for a major performance venue.

A related key point is that to create a critical mass and an intensive learning experience, it will be important to schedule simultaneous visits by international and national experts. Having only one such person in attendance will be unlikely to generate the critical mass.

Attracting the best overseas luminaries is not easy. Australia cannot pay at the level of Europe and the USA, so to some degree the key to success will be linked to the desire of such people to see Australia and give something back to the industry.

Organisations such as the AYO and the various state orchestras regularly bring overseas masters to Australia. The Centre would be best to "piggyback" on these opportunities so as to spread the high costs. (Bringing an international musician to Australia for a week can cost up to \$60,000).

Many of the best students are on scholarships and endowments from the corporate sector; and so attracting corporate sponsorship and philanthropic donations will be critical.



**THE LOCATION**

The proposed location is superb from the point of view of:

- the topography, heritage character of the town, surrounding tourism attractions and climate;
- the quality of the grounds and buildings and general ambience;
- offering a retreat atmosphere away from the demands and distractions of everyday life and the tourism and recreational experiences it offers;
- its central location on the Melbourne-Sydney corridor makes it ideal for attracting visitors

from NSW and the ACT. Air services to Albury enhance these opportunities, as does access to the Sydney-Melbourne rail service;

The disadvantages of the location are:

- Distance from Melbourne – (over three hours) makes is less attractive for school camps and for use by organisations from States such as Queensland and WA.
- Distance is a potential disincentive to attract staff and students.
- Disincentive for potential concert and event audiences, unless the journey can be effectively integrated and packed into an overall tourism/recreation and lifestyle experience.

Notwithstanding this, the capacity of small towns with character to foster the development of very successful music festivals and cultural events is well proven: (witness for example the Port Fairy Folk Festival and the Wangaratta jazz Festival). Indeed, their success is partly due to their remoteness form the capitals.



**FUNDING**

While most stakeholders and organisations in the music industry applaud the concept of the Beechworth Centre, there remains much skepticism about how it would be funded, especially given the shortage of funds available to existing music bodies and tertiary music faculties.

While funding of the core secretariat and board of management would be modest, large amounts of funding would be needed for:

- Building refurbishment and new facilities;
- Attracting high quality staff and visiting luminaries;

**KEY ISSUES AND CHALLENGES (cont).**

- Funding scholarships for both Australian and Asian students.



**SIGNIFICANCE OF AYO SUMMER MUSIC CAMP**

Stakeholder consensus is that it would be counter-productive for the Centre to establish youth music camps that directly compete with the AYO National Summer Music Camp. To do so would dilute the elite level of the AYO camp and the market is simply not big enough for both.

The NSMC has an excellent reputation and is an established event in Australia's music calendar.

AYO has signalled its interest in holding the Camp at the Beechworth Centre every second year once a major performance venue is in place.

This is significant in providing an anchor point and critical mass for the Centre's summer festival program; as well as giving the Centre instant credibility and prestige.



**SUPPORT BY KEY ORGANISATIONS**

To be a truly national Centre of excellence, the Centre must enjoy the support of the major national music bodies and the key bodies in each State including (but not limited to) all Australian music schools. The reasons for this are:

- The nature of the Centre is that it will offer programs and activities to a wide range of existing music organisations, rather than competing with them;
- This is a new venture in an already crowded music sector;
- The Centre will need government and private funding;

- It is important that the Centre is not perceived as "Victorian-dominated".

In particular it needs to have the strong support and endorsement of:

- The Australian Youth Orchestra
- Symphony Australia, as a conduit to all the State-based orchestras
- NATHMUS, as the peak body representing the tertiary music schools.
- The Australian Chamber Orchestra

The Centre should be established in a way that enables equal access by all State symphony orchestras, without any perception of bias towards the MSO as a result of the Victorian location or the MSO's initial driving of the concept. This needs to be reflected in the management model.

The Centre should also establish close relations with the *Round Table for Arts Training Excellence* - a mechanism for federally funded arts training institutions to talk to one another and collaborate and develop common ideas.



**THE TRAINING PROGRAM**

**Breadth of Involvement**

The Centre's programs should be provided by a wide range of experts and performers, rather than limited exposure to a single orchestra.

**Shorter Rather than Longer Courses**

There is a view that the remote location and relative isolation would work best for short courses and less well for long periods.

In any case this is consistent with the specialist type of training which the Centre appears best suited for.



**VISITOR NUMBERS**

There is considerable skepticism about the potential visitor numbers as audiences for concerts and other events that might be staged by the Centre. This skepticism is due to:

- The Centre's long distance from Melbourne (outside the day trip range);
- The small percentage of the population who attend classical music concerts.



**ACCESS AND EQUITY PRINCIPLES**

It is important to decide what the access and equity principles of the Centre will be.

For example, should it be purely "user-pays" for the best students; or should the best talent be able to go there regardless of the money? This is important to resolve in terms of the business model, because it influences costs.



**CLIMATE**

There is a perception that Beechworth's summer climate may be a deterrent to visitors and excessively hot for the type and concentration of events run by the Centre in Summer.

An examination of Commonwealth Bureau of Meteorology records dating from 1958 indicates that the summer climate is more temperate and less severe than Melbourne, as demonstrated by the following figures:

- The mean daily maximum temperature for January and February is 27.3 degrees C compared to 25.8 for Melbourne.

**KEY ISSUES AND CHALLENGES (cont).**

- There are no days where the temperature has exceeded 40 degrees C compared to 0.7 and 0.3 days respectively for Melbourne.
- The mean number of days in January and February where the temperature exceeded 35 degrees C is 1.5 days and 0.6 days respectively compared to 3.6 and 2.7 for Melbourne.
- The mean number of days in January and February where the temperature exceeded 30 degrees C is 9 days and 7.5 days respectively compared to 7.8 and 6.9 for Melbourne.
- The highest maximum temperature for January and February was 39.3 and 40 degrees C respectively compared to 45.6 degrees and 43.2 degrees for Melbourne.

*Source: Bureau of Meteorology climate average data.*



**BUILDING STRONG RELATIONSHIP[S] WITH THE LOCAL AND REGIONAL COMMUNITY**

One of the key success factors of other Centres of Excellence is the role of volunteers. The local and regional community is a key source of volunteers.

It will therefore be critical to build strong relationships with the local and regional community.

The potential benefits of strong relationships will be:

- Access to a pool of volunteers;
- Support services for overseas students (including billeting);
- Financial support from business and local government;
- Use of the Centre's facilities (and therefore income) by local and regional groups;

- The more intangible "ambassadorial" role that the community can play in promoting the Centre and the sense of regional pride it generates.

Holding performances in venues around the region and locally would help build relationships with the wider community.

A strong relationship with the Local Shire Council will likewise be essential to the Centre's success.

*Study consultations revealed an extremely high level of support and goodwill from the local and regional community towards the proposed Centre.*



**SENSITIVITY TO STUDENT NEEDS**

Young people, particularly overseas students, may experience feelings of isolation in a small country town remote from centres of activity and entertainment.

Possible strategies to address this issue could include:

- Improving public transport (especially to Albury) or availability of hire cars - young people like their independence. One way car hire between Albury and Melbourne is currently not available.
- Involving local community and volunteers in providing friendship, support, etc.
- Arranging social activities;
- Giving consideration to how the different age groups on campus might interact.



**RELATIONS WITH LOCAL BUSINESS**

Friction and sensitive relations can be an issue in all university towns.

It will be important to establish and maintain good relations between business and University to avoid any possibility of Centre students experiencing any feelings of animosity by local businesses.



**PERSONAL SECURITY ISSUES**

The dual role of the university campus in hosting corporate conferences and events and in playing host to the Centre of Excellence raises potential issues of personal security which need to be considered, but should not be a problem if properly managed.

A key role of the Centre is likely to be the hosting of music camps for both tertiary and secondary students.

Secondary schools are unlikely to be comfortable with sharing a campus with an adult conference due to concerns by parents.

Timetabling of school music camps will therefore need to be carefully managed so as not to overlap with corporate events.

PART TWO: CAN IT WORK?

## 9. What are the Benefits and Associated Wider Impacts of the Centre?

### WHAT ARE THE BENEFITS AND ASSOCIATED WIDER IMPACTS OF THE CENTRE?

- TO AUSTRALIA
- TO VICTORIA
- TO THE MUSIC SECTOR
- TO THE NORTH-EAST REGION & BEECHWORTH

There are a number of real and potential benefits to Beechworth, the surrounding region and Victoria generally - stemming from the establishment of the Centre.



### REGIONAL ECONOMIC BENEFITS:- THE LINK BETWEEN CULTURE AND CREATIVE AND ECONOMIC PROSPERITY

Regional Development literature points increasingly to a strong correlation between arts, music and culture and the overall economic prosperity of regions. Here are some examples:

#### Brookings Institute

Recent studies in the US by the Brookings Institute, Washington D.C. have indicated there is a strong correlation between a region's prosperity and its acceptance and attraction of the "Creative Class", including people in the arts, architecture, design, music, entertainment and high tech occupations and the subsequent attraction of creative professionals in business, education, finance, law, health care etc.

#### Goddard

Professor John Goddard of the University of Newcastle Upon Tyne UK noted in his February 200 paper "The Role of a University in its Region" :

"...The shift in knowledge-intensive capitalism goes beyond the particular business and management strategies of individual firms. It involves the development of new inputs and a broader infrastructure at the regional level on which individual firms and

production complexes can draw. The nature of this economic transformation makes regions key economic units in the global economy..."

Cultural activities are a key part of this broader infrastructure. They:

- Strengthen regional cultural identity and self-awareness;
- Contribute to cultural industries (audience and product);
- Attract and retain creative people;
- Reduce social exclusion and develop local communities;
- Enhance leadership in civil society and contribute to the environment in which business operates.

Cultural industries are an important means by which a region can perpetuate and transplant its culture and values and thus influence regional and international public opinion, attitude and value judgment.

When a region exports a good or service it exports its values and tastes. ie: a region's cultural industries are *geo-cultural mechanisms which can enhance the region's position in global culture.*

#### Porter

In the last decade there has been a heightened awareness that the traditional paradigm of economic development is somewhat inadequate for the challenge of an

increasingly volatile global marketplace.

One example of this is the increased focus on issues relating to competitive advantage as opposed to that of comparative advantage. Professor Michael Porter encourages us to look at competitive advantage from a more organic perspective. For example, he argues that *ultimately nations succeed in particular industries because their home environment is the most forward-looking, dynamic and challenging.*

#### **Clustering**

The establishment of the Centre of excellence would be consistent with Professor Michael Porter's clustering theory in that it would help create a Centre of gravity in the region in arts and culture, encouraging the growth of other cultural activities in the region.

Beechworth already is reputed to have the largest concentration of artists outside metropolitan Melbourne and the wider region has a strong presence in arts and culture generally.

#### **Wangaratta Jazz**

If the Wangaratta jazz Festival is any guide to the potential success, consider that its impact includes:

- its 90 events at 17 venues over 4 days draws audiences of over 30,000 and the event injects \$20 million into the local economy. (The Age 2/11/03)
- The local schools have all developed strong music programs, and the level of local performance activity has risen strongly

From a regional perspective, the Beechworth Centre would complement the emerging Albury Cultural precinct, a multi-million dollar investment by Albury City Council .



#### **DIRECT ECONOMIC BENEFITS**

There will be some economic benefits associated with increased direct employment and from the flow on effects from the local supply of goods and services by other businesses to the Centre. This in itself is a very small impact however given the numbers of staff we are talking about.

During the summer season the concentration of activities would generate many more short term or part time jobs in the tourism, service and educational sectors.

The greater net economic benefits are derived largely from *induced demand*, related to attracting new visitors or extending the length of stay of existing visitors, and therefore, increased tourism expenditure, which flows directly into increased demand for goods and services and employment.

There may also be significant short term flow on effects from the refurbishment and construction works in Phase 2 and onwards as foreshadowed in part 3 of this Study, but this is dependent on the extent to which labour and supplies for these works are sourced within the region.



#### **ESTIMATED NET ECONOMIC BENEFIT**

The direct induced effects associated with the Centre have been estimated - based on the development of the Centre as outlined in Part 3 of this study - by examining the expected number\*\* of students, music professionals, event patrons and tourists, their origins and whether they are day-trippers or overnight stays.

Information on expenditure was obtained from Bureau of Tourism Research surveys, but updated to 2003 prices.

On the basis of the above, it estimated the annual induced expenditure by 2000 visitors to the Centre is around \$145,933, including on food, drinks, some accommodation and other travel related expenditures, such as petrol, photographic materials etc.

Of this amount, it is estimated that \$123,000 is derived from domestic overnight visitors, \$11,980 from domestic day trip visitors and the remainder from international visitors.

With increased use and visitation over time, the induced economic effect will expand significantly.

\*\*Excluding existing events such as *Opera In the Alps*. ie: Nett expected increase over current activity levels.



### "REPOSITIONING" OF BEECHWORTH

The Centre's high profile and capacity as a drawcard for national and international talent would help reposition Beechworth in the public's mind.

Currently Beechworth enjoys a very high sense of recognition in the public psyche but primarily as a heritage town - ie known for its particularly intact built form and streetscapes.

In more recent years Beechworth's image has broadened with the growing recognition of:

- its legends such as the association with Ned Kelly and the historical themes of gold, Chinese immigration, contribution to the early governance of Victoria and so on;
- the growing recognition of the local wine and food industry; and
- the emergence of the arts community which is particularly concentrated in the town.

The Centre of Excellence would "add another string to Beechworth's bow" so to speak, by staking its profile as a Centre of music, arts and culture.



### EDUCATIONAL BENEFITS

Schools in the region would stand to benefit from the Centre of Excellence by the potential synergies and relationships that could form in music education.

The Centre's facilities, programs and capacity to attract talented individuals would offer local and regional schools access that would enable them to become specialised leaders in music education.

This would give the schools a competitive advantage in the same way that certain other schools develop particular reputations in one or more subjects.

Potential funding should be investigated through the State Government's new Leading Schools Program which aims to create centres of excellence in particular secondary schools.



### CULTURAL BENEFITS

One of the key factors deterring capital city dwellers from relocating to regional centres is the lack of cultural, arts and entertainment experiences.

The Centre would be a significant demonstration of strengthening arts and culture in regional Victoria, which is consistent with current State Government policies.

Beechworth already enjoys a strength in the arts with its strong networks of artists and one of the largest concentrations of artists outside metropolitan Melbourne.,

Albury Wodonga as the regional capital also boast good arts and cultural facilities which are improving.

The establishment of the Centre of Excellence would be a significant boost to the region's "cultural competitiveness" which would in turn enhance its economic competitiveness as a place to invest and live.

There are other significant cultural benefits to be derived from this project to the region and Victoria which relate to:

- the development of Centre of National Significance, which over time will develop strong international links;
- the linking and extending of the strong local heritage theme with a Cultural one;
- it will provide a Centre to which students of Music can strive to achieving excellence.



### TOURISM

Concerts and other performances at the Centre would be a tourism attraction in themselves and could be linked and packaged with a wide range of other regional experiences such as food and wine, heritage, legends, natural beauty, outdoor adventure activities and the like.

The region already has a successful record of linking food, wine and music as a tourism experience:

- The NorthEast Valleys Food and Wine Group brings together the wine districts of Beechworth, King Valley, Rutherglen and others.
- Wineries such as All Saints, St Leonards, Gapstead and Brown Brothers have staged music performances on their properties and promote their wines through existing events at the La Trobe Beechworth campus.

Centres such as Tanglewood have something to offer everyone in the family. Golf, shopping, music, education, other local attractions. So the aim should be to integrate visits to the Centre with all the other tourism and leisure offerings in the local area and surrounding region.



### BETTER UTILISATION OF COMMUNITY ASSETS

The Centre will result in the better utilisation of community assets, namely the university campus and grounds.



### PROMOTING THE BENEFITS OF REGIONAL LIVING

The Centre has a unique opportunity to promote the advantages of living, working and visiting rural/regional Victoria, both nationally and internationally.



### DEMONSTRATION AND CATALYTIC BENEFITS

There are strong demonstration and catalytic elements associated with the Centre in attracting new investment in supporting facilities and infrastructure for which the whole community will benefit.



### SUMMARY OF OVERALL BENEFITS

As indicated, there are a number of wider economic and community benefits associated with this Centre, which include:

- diversifying the region's industry, employment and skill base;
- it is a catalytic project, which will provide confidence to others to invest in tourism/hospitality and other industries;
- there is expected to be at least two jobs directly generated by the Centre in the management and operations area, but other jobs will be generated across a range of hospitality and support areas;
- there will also be employment generated indirectly in the region from the supply of food, accommodation, transport, drinks and souvenirs and from the recommended wider regional heritage and cultural tourism packaging opportunities;
- from the Council's viewpoint, the benefits of the Centre to the local community will be the development of a project which supports and enhances the current heritage tourism, positioning of Beechworth and the region.
- There will also be consequential flow through effects to local businesses, including new businesses (education and packaged tours etc.), from increased employment (and some savings flowing onto other areas of Council's social, health and welfare budget areas) and from the tapping into the tourist industry to stimulate local regional income;
- the Centre will form a number of strategic partnerships and relationships with the local community to achieve its visitor and operational targets and, therefore, provide a stimulus to the region and economy, especially in linking the smaller towns and larger cities in the vicinity of Beechworth; and
- the Centre will be a focus for enhanced community pride in developing a national - and eventually an international - Centre of Excellence in Music.



# Part Three

## How Will It Work?

- 
10. THE CONCEPTUAL MODEL:  
SYNERGIES FOR SUCCESS

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  11. STAGED IMPLEMENTATION:  
BUILDING THE CENTRE STEP BY STEP

---

  12. WHAT FACILITIES ARE NEEDED AND WHAT WILL THEY COST?

---

  13. GOVERNANCE, MANAGEMENT AND LEGAL STRUCTURES

---

  14. OPERATIONAL COSTS

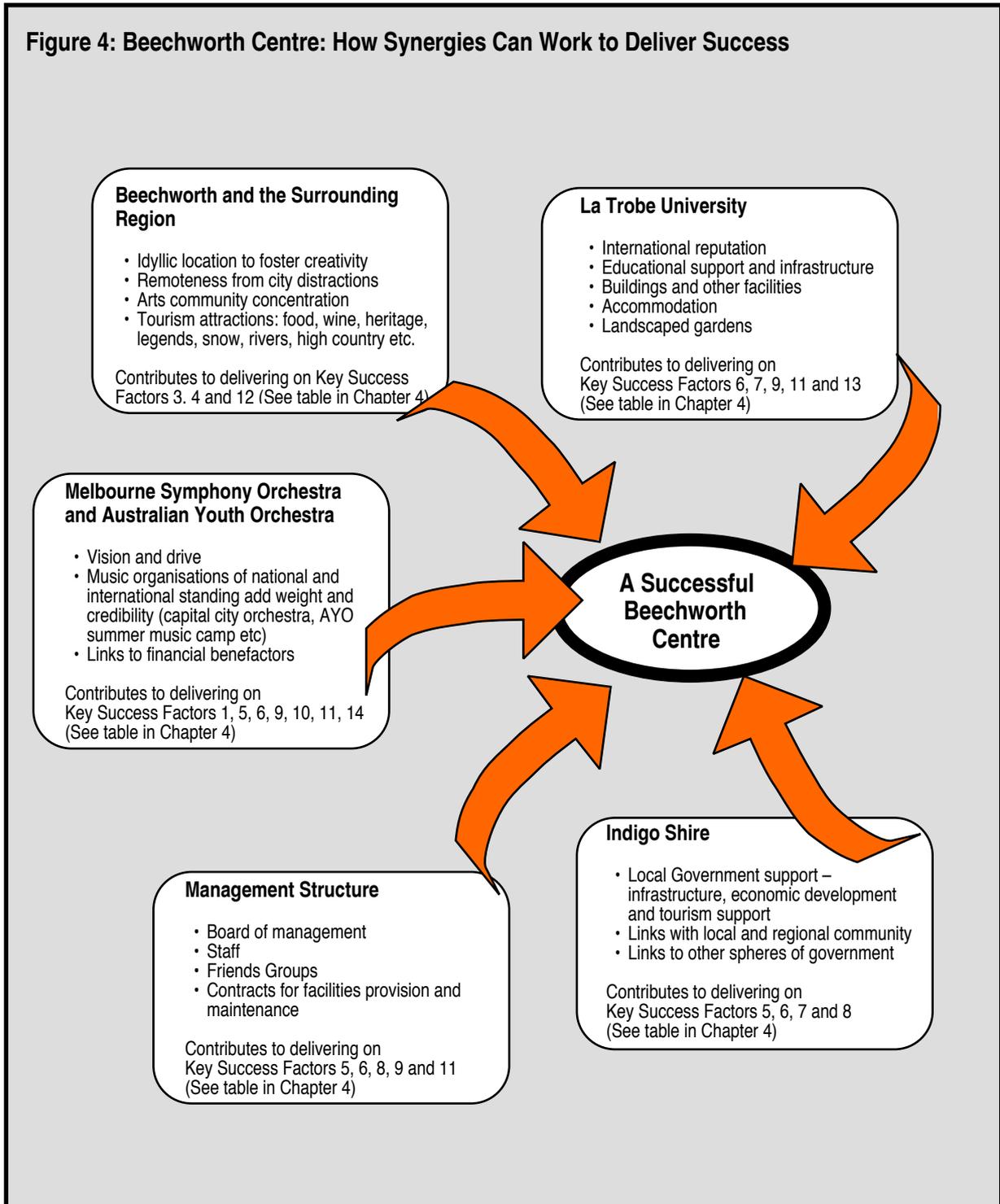
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  15. POTENTIAL FUNDING SOURCES

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PART THREE: HOW WILL IT WORK?

# 10. The Conceptual Model: -Synergies for Success



PART THREE: HOW WILL IT WORK?

## 11. Staged Implementation: -Building the Centre Step by Step

### PROPOSED ACTIVITIES AND PROGRAM OFFERINGS FOR THE CENTRE

Part Two of this study identified lessons from overseas examples of similar centres, examined potential market demand, identified the degree of likely support by industry stakeholders and the community, identified the roles, functions and programs which would be most appropriate for the Centre, highlighted some key success factors, issues and challenges; and outlined potential benefits for the region, Victoria and Australia.

These findings enable us to refine the initial range of program offerings identified in the Preliminary Vision for the Centre.

#### The proposed functions are listed on the following page and grouped under four categories.

- Some of these activities occur successfully on the campus now and can continue.
- Some activities could commence almost immediately using existing facilities.
- Some activities (including some in the core category) require capital expenditure on new or improved facilities and will need to be staged over several years.
- Some (mostly in category 4) would be either difficult to implement or generally of a lower priority.

#### Phasing of the Activities

All the activities and program offerings are then listed in the chart (Figure 4) on Pages 63 and 64.

This chart indicates which activities could occur now and which would require facilities and capital investment and suggests a staging of implementation over four phases.

**PROPOSED  
ACTIVITIES AND  
PROGRAM  
OFFERINGS FOR  
THE CENTRE**

**1. CORE ACTIVITIES**

The core, high priority activities for the Centre would be as follows:

**Summer Schools and Festivals**

These would include the AYO Summer Music Camp and other summer school type events, perhaps focused on chamber music, jazz or supplements to ANAM and MYM programs etc.

**Music Camps**

Including the secondary school music camp market, the Border Music Camp and other camps. These could be offered in either of two ways:

- Schools and camp organisations hire the facilities but arrange and provide their own music program; or
- the Centre arranges and provides the music program and the visiting schools "buy" the program.

**Special Events and Seasonal Concerts**

Including seasonal concerts and special events ranging from MSO, ACO and other major orchestras, chamber and contemporary ensembles etc).to major undertakings such as *Opera in the Alps*.

**Music Tuition, Classes, Workshops**

Included in this category are all of the teaching-focused activities such as general music tuition,intensive and specific tuition, solo instrument development, chamber music training, master classes, young composers residency program/workshops, young symphonists residency program, advanced music courses, symphony orchestra training, choral workshops, music appreciation courses, rare/specialist instrument tuition and jazz workshops.

**Other Specialist Training**

This category includes offerings such as a conductor development program, music administration training, orchestral management training, music sector marketing training and support and

development for regional music teachers.

**Bridging/Transitional Programs for Young Musicians**

Focused on the transition from training orchestras such as the AYO to professional orchestras.

**Renewal/Refreshment Programs for Professional Musicians**

Offering time out, renewal, and skill enhancement etc for professional musicians of all ages and stages.

**Contemporary Music Program.**

**2. COMPLEMENTARY, NON-MUSICAL ARTS PROGRAMS**

These include a range of programs and activities in the visual and dramatic arts, sponsored, arranged and run by other organisations in a manner complementary to the Centre's activities. These could include:

- Other performing arts: dance, drama, visual
- Artist in residence programs.
- Arts and crafts markets.
- Circus arts.
- Artist retreats

**3. DESIRABLE, MEDIUM PRIORITY ACTIVITIES**

The following activities would be desirable as a follow-on to the core activities:

- Audio training (TV and radio), recording/sound studio – digital/multi-media.
- Music career management and mentoring.
- National Koori heritage music program.
- Band camps.
- Themed music festivals.

**4. OTHER POSSIBLE OFFERINGS**

These are activities, services or features that would be the "icing on the cake" in creating a well-rounded and comprehensive Centre of Excellence.

They would be pursued as and when possible.

- Permanent base for Australian Youth Orchestra.
- National music library.
- Musical instrument manufacturing and maintenance.
- Music displays / special exhibitions / music museum.
- Symphony Australia Headquarters.
- National music awards night.
- Music competitions.

Figure 4: Activities Phasing Chart - Page 1

BEECHWORTH CENTRE: EXCELLENCE IN MUSIC AND THE ARTS					
ACTIVITY PHASING CHART - Page 1 of 2					
Activity	Comments	Phase 2	Phase 3	Phase 4	Phase 5
<b>Core Activities – High Priority</b>					
<b>Summer Schools</b>					
•AYO Summer Music Camp	Music tuition rooms and major performance venue necessary for this to take place.				✓
•Summer schools (eg: supplements to ANAM, MYM, Aust Chamber Music etc)	Could take place now at a limited scale and increase as more facilities come on line.	✓	✓✓	✓✓✓	✓✓✓✓
<b>Music Camps</b>					
•Border Music Camp	Music tuition rooms and major performance venue necessary for this to take place.				✓
•Music Camps - other	Could take place now depending on facility needs. Ideally need tuition/practice rooms. Full potential will be reached with major performance venue.	✓	✓✓	✓✓✓	✓✓✓✓
•Secondary School music camps	Could take place now depending on facility needs. Ideally need tuition/practice rooms. Full potential will be reached with major performance venue.	✓	✓✓	✓✓✓	✓✓✓✓
<b>Special Events and Seasonal Concerts</b>					
•Seasonal concerts and special events. (eg: MSO, AGO, other State orchestras, chamber and contemporary ensembles, Musica Viva etc).	Could take place now at limited scale once Bijou theatre refurbished. Full potential cannot be realised without major performance venue.		✓	✓✓	✓✓✓
•Opera in the Alps	Can continue now with current outdoor arrangements. Major performance venue would allow enhanced program.	✓	✓	✓	✓✓
<b>Music Tuition, Classes, Workshops</b>					
•General music tuition					
•Intensive/specific tuition					
•Solo instrument development					
•Chamber music training					
•Master classes					
•Young composers residency program/workshops					
•Young symphonists residency program					
•Advanced music courses.					
•Symphony orchestra training					
•Choral workshops					
•Music appreciation courses.					
•Rare/specialist instrument tuition					
•Jazz workshops					
	Could take place now depending on facility needs. Ideally need tuition/practice rooms. Can grow in scope as facilities are gradually developed.	✓	✓✓	✓✓	✓✓✓

Figure 4: Activities Phasing Chart - Page 2

BEECHWORTH CENTRE: EXCELLENCE IN MUSIC AND THE ARTS					
ACTIVITY PHASING CHART - Page 2 of 2					
Activity	Comments	Phase 2	Phase 3	Phase 4	Phase 5
<b>Other Specialist Training</b>					
•Conductor development program.					
•Music administration training	Could take place now depending on facility needs. Ideally need tuition/practice rooms. Can grow in scope as facilities are gradually developed.	✓	✓✓	✓✓✓	✓✓✓✓
•Orchestral management training.					
•Music sector marketing training					
•Support and Development for Regional Music Teachers					
<b>Bridging/Transitional Programs for Young Musicians</b>					
<b>Renewal/Refreshment Programs for Professional Musicians</b>					
	Could take place now depending on facility needs. Ideally need tuition/practice rooms. Can grow in scope as facilities are gradually developed.	✓	✓✓	✓✓✓	✓✓✓✓
	Could take place now depending on facility needs. Ideally need tuition/practice rooms. Can grow in scope as facilities are gradually developed.	✓	✓✓	✓✓✓	✓✓✓✓
<b>Contemporary Music Program.</b>	Could take place now depending on facility needs. Ideally need tuition/practice rooms. Can grow in scope as facilities are gradually developed.	✓	✓✓	✓✓✓	✓✓✓✓
<b>Complementary (Non-Musical) Arts Programs</b>					
<b>Not directly run by the Centre</b>					
•Other performing arts: dance, drama, visual	Can take place now in limited form using Bijou Theatre and other buildings. Full potential will be reached with major performance venue.				
•Artist in residence programs.	Can operate now with current facilities.	✓	✓✓	✓✓✓	✓✓✓✓
•Arts and crafts markets.	Can operate now with current facilities.	✓	✓✓	✓✓✓	✓✓✓✓
•Circus arts.	????				
•Artist retreats	Can operate now with current facilities.	✓	✓✓	✓✓✓	✓✓✓✓
<b>Desirable Activities – Medium Priority</b>					
•Audio training (TV and radio), recording/sound studio – digital/multi-media.	Requires purpose-built sound studio.			✓	✓✓
•Music career management and mentoring.	Could take place now depending on facility needs. Ideally need tuition/practice rooms. Can grow in scope as facilities are gradually developed.				
•National Koori heritage music program.	????			✓✓	✓✓✓
•Band camps	Could take place now depending on facility needs. Ideally need tuition/practice rooms.	✓	✓✓	✓✓✓	✓✓✓✓
•Themed music festivals	Could take place now depending on facility needs. Ideally need tuition/practice rooms. Can grow in scope as facilities are gradually developed.				
<b>Other Possible Activities – Lower Priority</b>					
•Permanent base for Australian Youth Orchestra.	Would need further discussion. Difficult to replicate advantages of capital city location.			✓	✓✓
•National music library	Would need further assessment to determine practicality.			✓	✓
•Musical instrument manufacturing and maintenance	Low-cost conversion of an existing building could make this possible at an early date. Would work best as adjunct to other activities.				
•Music displays / special exhibitions / music museum.	????			✓	✓
•Symphony Australia Headquarters.	Would need further discussion. Difficult to replicate advantages of capital city location.			✓	✓✓
•National music awards night	????				✓
•Music competitions (eg Jazz awards judging)	Could take place immediately by agreement.	✓	✓	✓✓	✓✓✓

## HOW COULD THE CENTRE'S IMPLEMENTATION BE STAGED?

### Why Stage the Implementation?

**The Establishment of the Beechworth Centre will need to be carefully staged over several years, having regard to the fact that:**

- Money is unlikely to be available immediately to fund the entire project;
- Other such centres overseas have taken many years to establish - For example Tanglewood began around 70 years ago;
- It is a sensible approach with any new venture to adopt a staged approach, consistent with resources and skill development;
- It will take time to achieve a take-up of demand for the Centre's programs and some "market experimentation" will be needed;
- Establishing a wide awareness of the Centre will take time.

### Principles of Staging

The staging principles should be as follows:

1. The Centre for the first few years should build on its competitive strength of music.
2. This will be complemented by a range of programs and activities in the visual and dramatic arts staged at the Campus by other organisations.
3. It must take a national approach, although firstly building on its Victorian base.
4. The programs and activities offered initially should be those which have the biggest potential market yet require the least investment. This will enable a critical mass to be generated reasonably quickly.

### Five Phases

Five phases of development are proposed and illustrated in Figure 5.

**Phase 1**  
ESTABLISHMENT OF THE CENTRE

**Phase 2**  
COMMENCEMENT AND BASIC PROGRAM OFFERINGS

**Phase 3**  
CONSOLIDATION, PROGRAM EXPANSION AND FIRST STAGE OF FACILITIES DEVELOPMENT

**Phase 4**  
FURTHER PROGRAM AND FACILITY DEVELOPMENT AND VENTURE INTO OVERSEAS MARKET

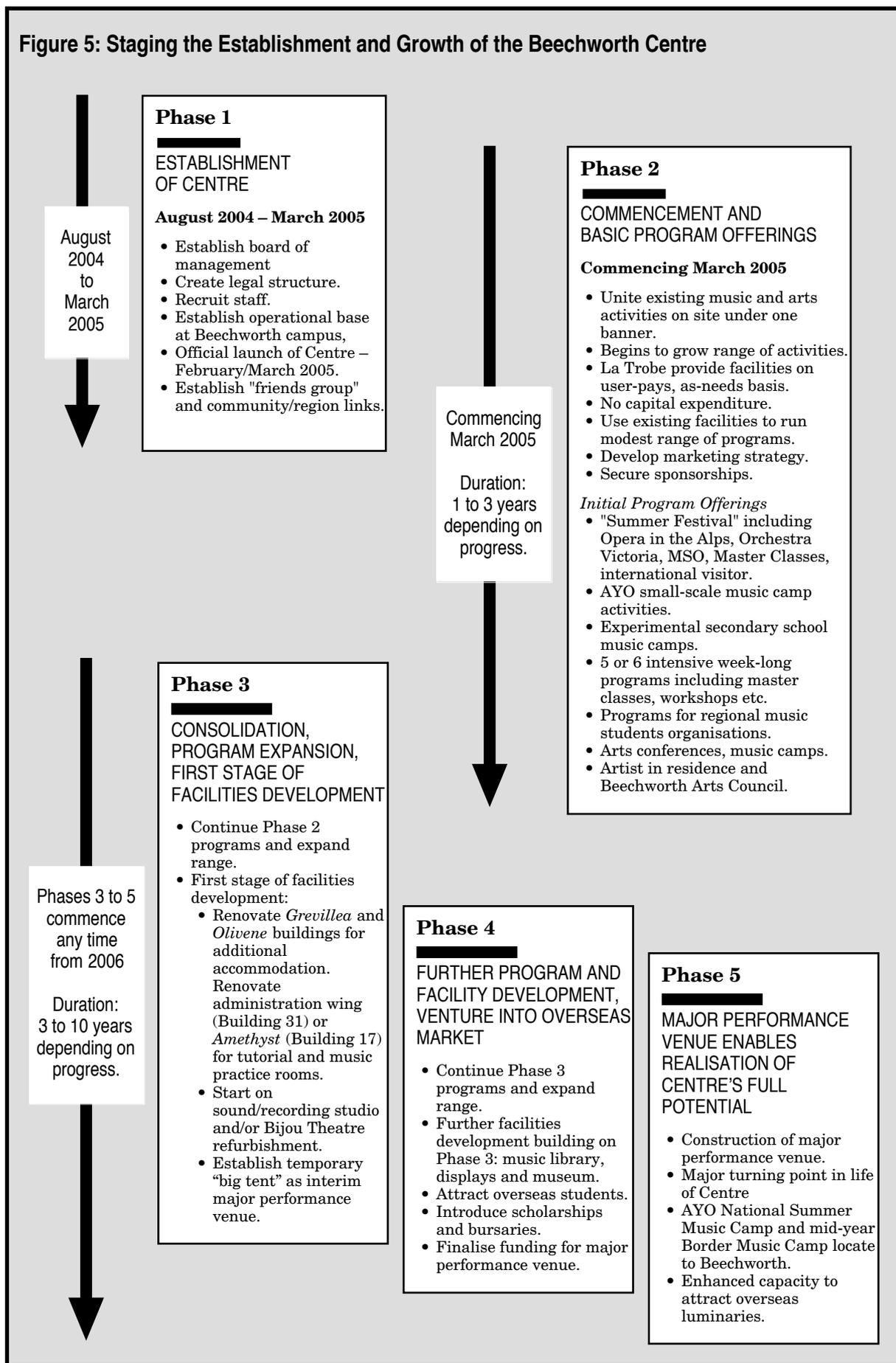
**Phase 5**  
MAJOR PERFORMANCE VENUE ENABLES REALISATION OF CENTRE'S FULL POTENTIAL

### Flexible Timelines

An indicative timeline has been set for Phase 1.

However no timelines have been set for Phases 2 to 5, in recognition of the many uncertain variables in terms of ability to obtain funding for capital works, the time needed to develop programs and build market awareness and other factors.

Figure 5: Staging the Establishment and Growth of the Beechworth Centre



**HOW COULD THE  
CENTRE'S  
IMPLEMENTATION  
BE STAGED?  
(cont)**

**Phase 1**

**ESTABLISHMENT OF  
CENTRE**

**Period:**  
August 2004 – March 2005

**Phase 1 Approach**

Phase 1 involves the establishment of the legal entity for the Centre, the recruitment of a suitable Board of Management and staff, establishing an office and operational base, officially launching the new entity and concept and beginning to establish a *Friends Group*.

Program delivery would not commence until Phase 2.

**Key Tasks**

- Establish Board of Management and Legal Structure.
- Recruit initial staff.
- Establish modest operational base at the Beechworth Campus, utilising existing available office space.
- Official Launch of Centre – February/March 2005.
- Establish "friends group" and community/region links.

**Phase 2**

**COMMENCEMENT AND  
BASIC PROGRAM  
OFFERINGS**

**Period:**  
Commencing March 2005

**Phase 2 Approach**

Phase 2 essentially draws together the existing music and arts related activities already happening in Beechworth under one "banner"; begins to grow the range of activities available for regional Victoria to participate; and provides a focal point for national and international leading artists (when in Australia) to offer training to a regional and national audience.

During Phase 2, the Centre would rent office space and "overhead services" from La Trobe, and pay on an "as-needs" "user-pays" basis for any buildings and services.

**Key Tasks**

- No capital expenditure on facilities or buildings.
- Use existing facilities to run a modest range of programs and activities based around existing stakeholders
- Developing marketing strategy.
- Secure sponsorships.
- Develop programs for year 2.

**Examples of Phase 2  
Activities/Programs:**

- "Summer Festival" of events over say 4 to 6 weeks including Opera in the Alps, associated performances by Orchestra Victoria, a series of performances by the MSO or a scaled-back version thereof, AYO and MSO Master Classes, possibly featuring a visiting international luminary.
- AYO small-scale music camp activities mid-year.
- A small number of experimental secondary school music camps.
- 5-6 Intensive Programs developed and run by the Centre throughout the year (at least every school holidays), linked to provision of artists/trainers from existing stakeholders and other related groups, marketed through key industry bodies and educational institutions. For example: Chamber Music Master Classes + concert, ANAM residency and Master Classes, Composer workshop (linked to MSO composer in residence program), Jazz improvisation program linked to Wangaratta jazz festival, Youth orchestral activity.
- Some programs specially geared to tertiary and secondary music students and music organisations from the north-east region.
- Arts-related bodies could use the Centre for their particular intensive sessions (eg, conferences, music camps).
- Non-musical arts activities could continue to take place, such as artist in residence, and programs run through the Beechworth Arts Council. These would not be run by the Centre so as to maintain its focus on the "main game" of music.

**HOW COULD THE  
CENTRE'S  
IMPLEMENTATION  
BE STAGED?  
(cont)**

**The Centre will be without a major performance venue until Phase 5, and without any music tuition rooms until Phase 3, which means it will need to operate a more limited range of programs** making use of the Bijou Theatre and existing venues in Beechworth and surrounding towns.

The positive aspect of holding performances in other venues is that it will help build strong ties with the community.

Concentrating on chamber music and smaller ensembles in the early stages would also avoid the need for a large performance venue.

### **Phase 3**

**CONSOLIDATION, PROGRAM EXPANSION, FIRST STAGE OF FACILITIES DEVELOPMENT**

#### **Phase 3 Approach**

Undertake first stage of facilities development and capital works.

Continue programs and activities from Phase 2 but expand to include a greater range.

#### **Capital Works**

Capital works for Phase 3 could include:

- Renovation of *Grevillea* and *Olivene* buildings for additional accommodation, to expand the capacity for music camps and the like. These works would be funded by La Trobe University from its own capital budget consistent with its campus development plans to serve the needs of the conference market.
- Renovation of either the administration wing (Building 31) or *Amethyst* (Building 17) to provide tutorial, and music practice rooms, improved acoustics and related facilities. In conjunction with these works, the Centre might enter into a long-term lease with La Trobe for these particular buildings or parts thereof.
- If funds were available, a start could also be made on the sound/recording studio and/or the Bijou Theatre refurbishment.
- Establishment of a temporary "big tent" to serve as an interim arrangement until completion of the major performance venue.

### **Phase 4**

**FURTHER PROGRAM AND FACILITY DEVELOPMENT, VENTURE INTO OVERSEAS MARKET**

#### **Phase 4 Approach:**

Phase 4 is essentially the further development of Phase 3:

- Undertake further facilities development and capital works, building on Phase 3.
- Continue programs and activities from Phase 3 but expand to include a greater range.
- Expand the Centre's sphere of influence by attracting overseas students.
- Putting in place scholarships and bursaries to attract students from overseas and around Australia.
- Finalising funding for the Major Performance Venue

#### **Capital Works**

Capital works for Phase 4 could include establishment of the music library, displays and museum – drawing on La Trobe University's library management experience.

## **Phase 5**

**MAJOR PERFORMANCE  
VENUE ENABLES  
REALISATION OF  
CENTRE'S FULL  
POTENTIAL**

### **Phase 5 Approach**

Phase 5 involves construction of the major performance venue.

This will be a major turning point in the life of the Centre, transforming its capacity to host major events such as the AYO National Summer music Camp and other major music camps such as the mid-year Border Music Camp.

It will also significantly enhance the Centre's capacity to attract overseas luminaries.

PART THREE: HOW WILL IT WORK?

## 12. What Facilities are Needed and What Will They Cost?

The Beechworth Centre for Excellence in Music and the Arts is proposed to be located at La Trobe University's Beechworth campus.

The University's grounds are located within walking distance of Beechworth town Centre, and cover a total area of 106.5 hectares in freehold ownership of the University.

The campus contains several buildings that can be utilised for the proposed Centre, including function rooms and accommodation.

### **Purpose of this Chapter**

This Chapter discusses the options, costs and feasibility for the staging of facilities necessary for the Centre for Excellence including an assessment of existing facilities and additional facilities necessary for the proposed Centre.

### **Inventory of Existing Property and Facilities**

La Trobe University acquired the former Mayday Hills Psychiatric Hospital in December 1996. The total site area of 106.5 hectares is divided into two distinct areas:

1. The campus area, accessed from Albert Road and Dingle Road, zoned PUZ2 (Public Use: Education) under the Indigo Planning Scheme. This part of the site contains all the university buildings, roads, infrastructure, historic features including landscaped gardens and the oval. Part of this area is subject to a Heritage Overlay under the Indigo Planning Scheme.
2. Adjoining agricultural fields, bounded by the formalised campus area, Polmear Lane, Christensen Lane and Dingle Road, and zoned RUZ (Rural Zone). No buildings are located on this part of the site, and the Heritage Overlay does not affect this part of the site.

The campus area comprises a complex of historic and modern buildings, some of which can be used for the proposed Centre.

### **Beechworth Campus Master Plan**

In 2000, a Master Plan was prepared for La Trobe University's Beechworth Campus, showing how the operational needs of the University can be accommodated within the historic and sensitive grounds and buildings of the campus.

**What Facilities Will the Centre Need?**

The Beechworth Centre's proposed activities and programs will require appropriate facilities and physical spaces.

La Trobe's Beechworth Campus can meet a number of these needs immediately without any expenditure.

Some new facilities will need to be provided and some existing facilities will need to be modified.

An overview of these needs is shown in Figure 6 below.

These are discussed in more detail on the following pages.

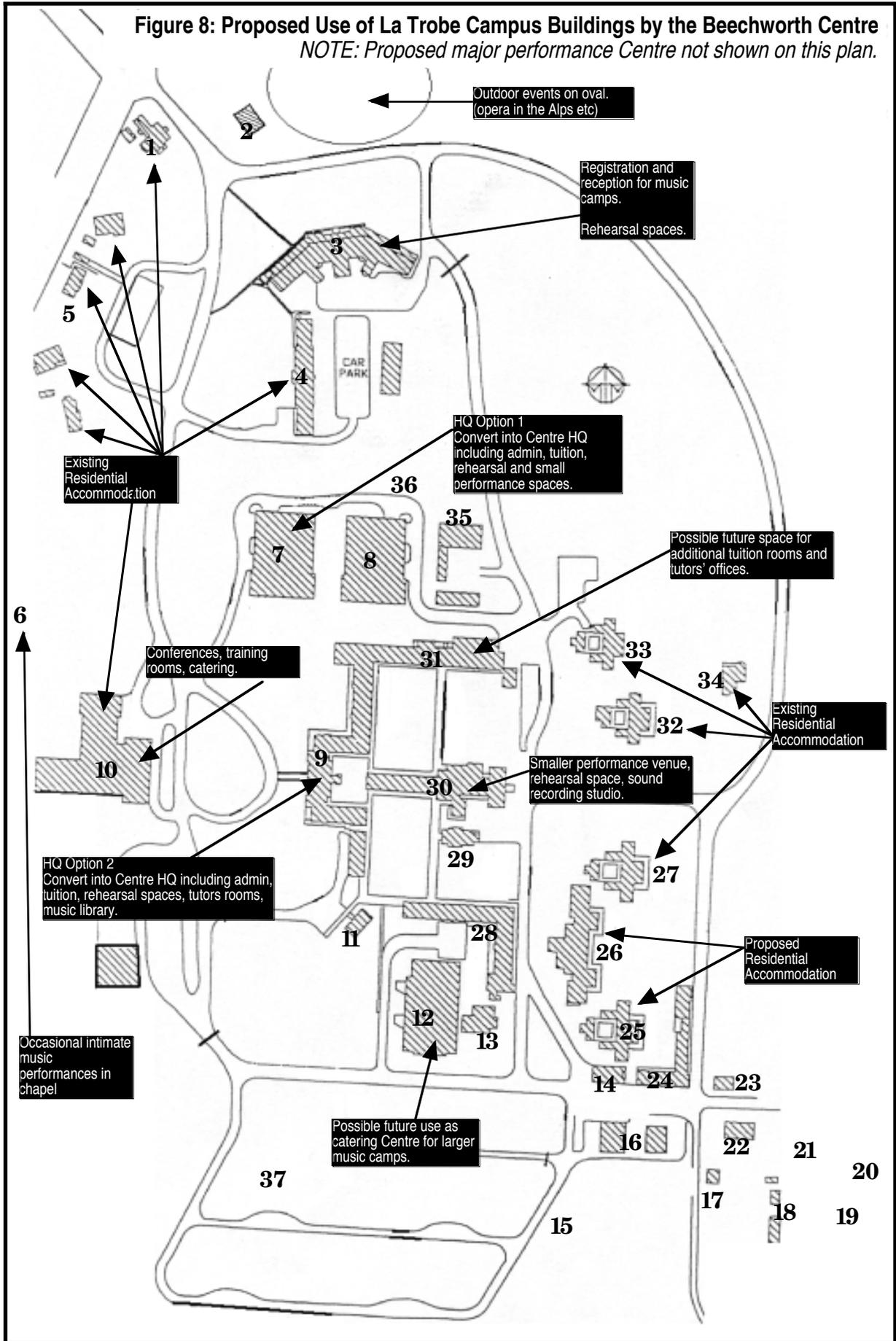
Figures 7 and 8 on the following pages indicates how the campus facilities would be used to serve the needs of each component of the Centre's program and at which Phase of development they would be brought on stream.

BEECHWORTH CENTRE			
Summary of Facility Needs			
1	Accommodation suitable for students	Well provided now. Scope for further expansion.	✓✓✓
2	Accommodation suitable for overseas visitors	Some high quality accommodation would benefit the centre.	✗
3	Catering, meals etc	Well provided now. Scope for further expansion.	✓✓✓
4	Administration/office space	Some available now. Space available for conversion.	✓✓
5	Music tuition/practice rooms of varying sizes	Not existing but space available for conversion.	✗
6	Rehearsal rooms of varying sizes	Available now but not acoustically treated. Scope for further expansion.	✓
7	Seminar/conference/lecture rooms	Well provided now. Scope for further expansion.	✓✓✓
8	Major performance venue	Not available. Major investment needed.	✗
9	Medium sized performance venue	Available now but needs upgrading.	✓
10	Recreation facilities for young people	Some facilities exist. Scope for further expansion.	✓
11	Amenities for large audiences	Would need providing with major performance venue.	✗
12	Sound/recording studio	Not existing but space available for conversion.	✗
13	Library facilities	Not existing but space available for conversion.	✗
14	Studio spaces for artists	Some existing, with space available for future expansion.	✓
15	Workshop spaces for musical instrument makers	Not existing but space available for conversion.	✗
16	Space for music museum/display	Not existing but space available for conversion.	✗
17	Car parking	Well provided now. Scope for further expansion.	✓✓

Figure 6: Summary of Facility Needs

Figure 7: Proposed Use of Campus Facilities by the Beechworth Centre

BEECHWORTH CENTRE							
Proposed Use of Campus Facilities							
Building No.	Name	Current use	Proposed Use by "Beechworth Centre"	Necessary for Use in Phase:			
				Ph 2	Ph 3	Ph 4	Ph 5
1	Gatehouse	Accommodation (17 beds)	Accommodation	✓	✓	✓	✓
2	Pavilion	Pavilion	n/a				
3	Turquoise	Campus Information and Convention Centre	Registration/reception area for music training camps; rehearsal spaces.	✓	✓	✓	✓
4	Conference Hotel	Accommodation	Accommodation	✓	✓	✓	✓
5 bcd	4 Residences	Accommodation (4x8=32 beds)	Accommodation	✓	✓	✓	✓
6	Chapel (seats 60)	Chapel services, weddings.	Occasional intimate music performances.	✓	✓	✓	✓
7	Amethyst	Disused	Could be converted to main "headquarters" facility for the Centre, including administration, tuition/practice rooms, rehearsal spaces and small performance space.		✓	✓✓	✓✓
8	Emerald	Child Care Centre (leased)	n/a				
9 abc	Administration	Campus Administration	Parts could be converted for Centre HQ/administration and tuition/practice rooms. The future music library could also be located here.	✓	✓✓	✓✓	✓✓✓
10	Kerferd	International Hotel School (conference rooms, function rooms, restaurant (70 seats), private dining room (25 seats), bar, business centre, pool, accommodation (87 beds.)	Accommodation, conferences, training, catering.	✓	✓	✓	✓
11		Former Housekeeper	n/a				
12		Former Catering Centre	Not proposed for use at present. Could serve as catering for music camps				
13		Former Tailors Shop	n/a				
14		Old Boiler House	n/a				
15		Substation #2	n/a				
16		Briquette Store	n/a				
17		Pumphouse	n/a				
18 ab		Gardeners lunch room and store	n/a				
19		Barn	n/a				
20		Former Farm Manager's House	n/a				
21		Stables	n/a				
22		Bricklayers Shed	n/a				
23		Former Morgue	n/a				
24		Workshops	n/a				
25	Olivene	Disused, costume storage	Future accommodation. Consideration should be given to high quality accommodation for overseas visitors.		✓	✓	✓
26	Grevillea	Disused, costume storage	Future accommodation. Consideration should be given to high quality accommodation for overseas visitors.		✓	✓	✓
27	Kurrajong	Accommodation (30 beds)	Accommodation	✓	✓	✓	✓
28	Garnet/Sapphire	Disused	n/a				
29		Former toy shop	n/a				
30	Bijou Theatre and adjoining spaces.	Theatre/performance venue/conferences. Adjacent spaces used as artist workshops.	Performance venue, rehearsal spaces, sound/recording studio.	✓	✓✓	✓✓✓	✓✓✓
31	Laundry wing	Disused	Possible future space for expanded tuitionrooms and tutors' offices.				
32	Kiama	Accommodation (15 beds)	Accommodation	✓	✓	✓	✓
33	Carinya	Accommodation (15 beds)	Accommodation	✓	✓	✓	✓
34	McCarthy House	Accommodation	Accommodation	✓	✓	✓	✓
35		Engineers	n/a				
36		Substation #1	n/a				
37		Kindergarten	n/a				
<b>Proposed new performance and conference venue</b>			Major performances and conferences				✓



## HOW WELL WOULD THE UNIVERSITY FACILITIES MEET THE ANTICIPATED NEEDS OF THE BEECHWORTH CENTRE?

See Appendix J for cost estimates on:

- New performance venue
- Music tuition rooms
- Administration space
- Sound studios
- Rehearsal space
- Bijou theatre refurb.

### ACCOMMODATION SUITABLE FOR STUDENTS

*Well provided now. Scope for further expansion.*

The Campus has excellent overnight accommodation facilities which it has progressively developed over the past seven years for the conference market.

There are presently 220 beds with scope to bring more on line as further buildings such as *Olivene* and *Grevillea* are renovated, which the University is planning to do in the near future.

Campus accommodation has an annual average utilisation rate of 25% which is significantly under-utilised, offering ample spare capacity for music camps and other programs offered by the proposed Centre.

In addition to La Trobe, the town of Beechworth has a total bed capacity of around 650. Anecdotally there are only two or three occasions in a year when this is totally booked out.

### ACCOMMODATION SUITABLE FOR OVERSEAS VISITORS

*Some high quality accommodation would benefit the Centre.*

While the existing campus accommodation is of a very good standard, in most cases equalling motel quality, it would be advantageous to develop a small amount of premium level accommodation for specialist overseas visitors brought in by the Centre.

These premium facilities could also be readily marketed to the corporate sector and the increasing number of tourists seeking luxury facilities.

### CATERING, MEALS ETC

*Well provided now. Scope for further expansion.*

The Campus has excellent catering facilities that have been developed over the last seven years.

These include full catering and kitchen facilities in the *Campus Information Building* and extensive conference and catering facilities in the *International Hotel School*, including *Sambells Restaurant* and *Bar*.

The former *May Day Hills* catering Centre, while mostly disused, could readily be recommissioned to provide additional catering for expanded music camps.

### ADMINISTRATION AND OFFICE SPACE

*Some available now. Space available for conversion.*

The Centre will need administrative offices and associated facilities, but initially at a very small scale.

Office space for a staff of three or four would suffice together with a boardroom and the usual printing and telecommunications facilities and staff amenities.

Initially it is likely that La Trobe University can provide these within its existing campus administration wing that currently enjoys spare capacity.

The costs of preparing the space would be minimal, comprising mostly painting, carpeting, lighting, furnishings and equipment.

Ideally it would be desirable to have some offices suitable for use by music tutors and visiting specialists. These needs are addressed in the discussion on music tuition spaces.

In the longer term, the Centre's administration needs could be met by further expanding the space in the campus administration wing or alternatively locating it in the *Amethyst* building if it was converted into the Centre's "headquarters" as outlined in the section on music tuition rooms below.

### MUSIC TUITION & PRACTICE ROOMS

*Not existing but space available for conversion.*

Music tuition/practice rooms are a fundamental need for the Centre. The Campus lacks these facilities but has ample building space that could be converted/adapted for this purpose.

The need is for a combination of small and medium sized rooms. A mix of rooms suitable for two people (one-on-one tuition), 6 people (small groups) and 10-15 people (medium sized groups) is needed.

Based on MSO and AYO estimates, ultimately up to 40 rooms would be ideal, but because implementation of the Centre is to be staged, a small number of rooms could be provided initially and expanded as demand and finances permit.

Small offices for music tutors and visiting specialists would also be required.

Two suitable locations have been identified for these facilities:

#### **Option 1: The Campus Administration Building (Building 31) and adjoining north and south wings).**

These contain a very large number of rooms of varying sizes which would suit the needs ideally.

There is ample space in the existing campus administration wing to achieve around 20 rooms, with ample additional space

**HOW WELL WOULD THE UNIVERSITY FACILITIES MEET THE ANTICIPATED NEEDS OF THE BEECHWORTH CENTRE?**

- See Appendix J for cost estimates on:
- New performance venue
  - Music tuition rooms
  - Administration space
  - Sound studios
  - Rehearsal space
  - Bijou theatre refurb.

in the adjacent north and south wings.

Minimal work would be required including painting, carpeting, light fittings and installation of heating for the colder months. Cooling is not required on the first floor due to the solid structure of the building but most likely would on the second floor.

The dividing walls between rooms are thick solid brick and the timber floors are believed to have clay filling. This may assist with acoustics although additional treatments may be necessary such as door sealing, wall and ceiling panels to deflect sound appropriately. It really depends on what importance is placed on acoustic perfection.

The rooms could be planned into distinct "zones" to allow for different intensities of noise and group activities.

Some minor alteration to toilet facilities and amenities would also be needed. The LPG boiler provides downstairs heating and is understood to have capacity to heat around 6 to 8 rooms upstairs without replacement.

Emergency lighting, exit lighting and additional fire escapes will be needed. All rooms must be within 20m of a fire escape and compartmentalisation is required between different sections of the building in the event of a fire.

Disabled toilet facilities would be needed at first floor level.

Telephone cabling is available to the first floor but not the second floor.

Architectural advice by CS&T Architects based on an inspection of the buildings indicates that disabled access will need to be addressed as part of the works in order to comply with building regulations including changes to legislation expected to come into operation at the end of 2004. To do otherwise would be contrary to government and university policy.

The works necessary to comply include a lift, external stairways and disabled ramp access to the front entrance.

Sketch plans have been prepared by CS&T Architects (See Appendix J) showing how these needs might be configured. The sketch proposes a lift located in the garden to the east, elevated accessways connecting the lift with the existing building at first and second floor levels, external stairways and disabled ramp treatment at the front entry.

Interior refurbishment works have been costed for the Centre, south and north wings of the building. These are contained in Appendix J.

These allow for repainting, carpeting, some electrical work, some new lighting, basic acoustic treatments around doors and some sound-absorbing panels. Installation of four sound-isolated booths (for noisy instrument practice such as percussion) on level one has also been costed. It is assumed that no reconfiguring of internal walls would occur.

**Option 2:  
The Amethyst Building  
(Building 17)**

Although lacking character, this is a very adaptable and practical building that could provide both large flexible spaces as well as smaller rooms; and if dedicated exclusively to the Centre, effectively serve as its "headquarters" on a long term lease from the University.

Among its advantages over Building 31 are:

- Fewer building regulation issues than the older buildings;
- The single-storey structure and isolated location is more suitable for noisy activity;
- It is located adjacent to the water garden;
- It has concrete floors with solid brick external walls and a suspended

ceiling;

- The roof structure allows internal walls to be readily reconfigured without creating structural issues;
- It allows the building to be purpose-designed for the needs of music;
- Ducted heating is already in place.

An assessment was undertaken by CS&T Architects and sketch plans and costings prepared for refurbishment/conversion of the building. These are contained in Appendix J and provide for:

- Gutting the interior except for the central toilets which would be refurbished.
- Minor extension of building walls to the south to achieve better acoustics in the rehearsal space.
- Minor extension to the courtyard on the east (kindergarten) side and the main entrance.
- External rendering or painting of the exterior.

The reconfigured interior would accommodate:

- A rehearsal space of 400m<sup>2</sup> area
- 31 cubicles or small rooms ranging from 8m<sup>2</sup> to 12m<sup>2</sup> in area
- 11 group rooms of 15-30m<sup>2</sup> each
- 3 classrooms of 50m<sup>2</sup> each.

**SEMINAR / LECTURE / CONFERENCE ROOMS**

*Well provided now. Scope for further expansion.*

The campus provides excellent seminar/ conference /lecture facilities.

The Campus Information Building comprises:

## HOW WELL WOULD THE UNIVERSITY FACILITIES MEET THE ANTICIPATED NEEDS OF THE BEECHWORTH CENTRE?

See Appendix J for cost estimates on:

- New performance venue
- Music tuition rooms
- Administration space
- Sound studios
- Rehearsal space
- Bijou theatre refurb.

- a central lobby/reception area of 150m<sup>2</sup>
- adjoining glassed gallery of 70m<sup>2</sup>
- two function rooms each of 160m<sup>2</sup> and each seating 200 for seminars and forums
- kitchen and service rooms.

The *International Hotel School* includes:

- A 210m<sup>2</sup> function room seating 280 theatre style
- A 130m<sup>2</sup> function room.
- A 40m<sup>2</sup> function room seating 30.
- A 30m<sup>2</sup> function room seating 25

The two largest function rooms over into a large space seating 350 at dinner tables.

All are in excellent condition.

## REHEARSAL ROOMS OF VARYING SIZES

*Available now but not acoustically treated. Scope for further expansion.*

The seminar/ conference/ lecture rooms listed above are also adaptable for rehearsal spaces, but lack proper acoustic treatment.

The two function rooms in the Campus Information Building have been used previously by the Australian Youth Orchestra and would serve satisfactorily as music function rooms or rehearsal rooms, particularly in the Phase 1 of the Centre's operation when other spaces were not on line.

## MEDIUM SIZED PERFORMANCE VENUE

*Available now but needs upgrading.*

Regardless of the major performance venue, the Centre would need a small to medium sized performance venue of 150-200 capacity for smaller ensembles, chamber music and the like. There is an increasing public demand for smaller more intimate performances.

The Bijou Theatre could serve this role. It has a floor area of 150m<sup>2</sup> and seats 200 theatre-style or 100 for a dinner. It includes a stage and dressing rooms but these are generally regarded as outdated and inadequate.

However its stage is regarded as too small and it would need immediate upgrading including repairs, repainting, re-carpeting, foyer furniture and fittings, lighting, curtains and stage equipment.

La Trobe University has allocated \$100,000 in its 2004-05 budget for some refurbishment works, but this will not cover all the necessary works.

Cost estimates have been prepared by CS&T Architects as part of this study for refurbishment of the Bijou and the adjoining east wing. These are contained in Appendix J and provide for:

- Gutting and re-fit of the existing theatre balcony, to construct a new enlarged balcony sympathetic to the historic character and accommodating approximately 60 seats.
- Refurbishment of theatre foyer.
- Conversion of stores at east end of the building into two recording studios with a central control space. The studios are built as "boxes within boxes", meaning that no alteration has to take place to the external or structural fabric of the building.

- Refurbishment and conversion of the space to the east of the theatre foyer for use as two rehearsal spaces.

- Miscellaneous theatre refurbishment works.

- No external changes to building footprint.

- No allowance for exterior building works.

The *campus Chapel*, seating 60, is also suitable for small intimate musical performances.

## RECREATION FACILITIES FOR YOUNG PEOPLE

*Some facilities exist, with scope for further expansion.*

## AMENITIES FOR LARGE AUDIENCES

*These would need providing with the major performance venue.*

## SOUND / RECORDING STUDIO

*Not existing but space available for conversion.*

Cost estimates for providing a sound/recording studio in the building east of the Bijou Theatre foyer have been prepared and are contained in Appendix J.

See the section on the *medium sized performance venue* above.

**HOW WELL WOULD THE UNIVERSITY FACILITIES MEET THE ANTICIPATED NEEDS OF THE BEECHWORTH CENTRE?**

- See Appendix J for cost estimates on:
- New performance venue
  - Music tuition rooms
  - Administration space
  - Sound studios
  - Rehearsal space
  - Bijou theatre refurb.

**MUSIC LIBRARY, MUSEUM AND DISPLAY**

*Not existing but space available for conversion.*

The Campus Administration Building and adjoining north and south wings would be a suitable location for the music library and museum, given the amount of space available.

The Campus Information Centre is another possible location, but if used for this purpose it would no longer be available for conferences which would seriously impair the University's conference market.

Indicative space/facility needs include:

- Gallery space: approx 2m<sup>2</sup> per visitor and minimum width 5.6m allowing for display cases and circulation;
- Appropriate display facilities for fragile manuscripts;
- Library space 300–400m<sup>2</sup> with listening facilities (allow 1 seat per 30% of student population and 3m<sup>2</sup> per seat);
- Visitor Centre, book/souvenir shop, foyer, coffee shop,
- Conservation laboratory (paper, instruments and associated artifacts)
- Curator, conservator
- Facilities for special exhibitions
- Appropriate security.

Indicative costs:

- \$4000 per m<sup>2</sup> gallery space with climate and light control
- \$2500 per m<sup>2</sup> library space including storage, shelves, individual carelles etc
- \$50,000 for conservation laboratory including chemical storage unit
- \$60,000 salary for curator
- \$50,000 salary for

conservator

- Appropriate insurance cover for special exhibitions.

**STUDIO SPACE FOR ARTISTS**

*Some existing, with space available for future expansion.*

**WORKSHOP SPACES FOR MUSICAL INSTRUMENT MAKERS**

*Not existing but space available for conversion.*

A number of buildings on campus have potential to house musical instrument workshop spaces.

These could simply be leased out as "raw, unfitted space" which would then be fitted out by the tenant; or alternatively they could be fully renovated and equipped by the Centre ready for use.

Fully equipped workshops of say 50m<sup>2</sup> each might need to include spray and paint booths, sawdust extractors etc, an appropriate internal layout, power, moisture-controlled timber storage areas. Specialist tools and equipment would be provided by the tenants.

**CAR PARKING**

*Well provided now. Scope for further expansion.*

While car parking on campus is reasonably adequate at present, it would need to be expanded as the Centre grew.

A major performance venue would require around 600 to 800 car spaces to meet expected traffic generation rates.

## THE MAJOR PERFORMANCE VENUE

- See Appendix J for cost estimates on:
- New performance venue
  - Music tuition rooms
  - Administration space
  - Sound studios
  - Rehearsal space
  - Bijou theatre refurb.

### MAJOR PERFORMANCE VENUE

*Not available. Major investment needed.*

While the Centre could operate at a low level without a purpose-built major performance venue, it cannot achieve the vision and potential of being a Centre of national and international excellence without it.

The AYO National music camp could not function at the Centre without such a venue and a similar situation is likely to apply to the Border Music Camp. The MSO and other state orchestras could not perform at full strength without such a venue; and it would be more difficult to attract overseas visiting artists and "luminaries".

However construction of the venue should not be an unconditional requirement for commencement of the Centre. Most if not all of the overseas centres of excellence commenced without such a facility, basing their success on program offerings rather than building programs.

#### Venue Characteristics

It is important to define what type of venue might be required. Research and stakeholder consultation conducted during this study suggests that the venue should have the following characteristics:

- A seating capacity of around 1000 to 1200 (based upon the University's need to cater for larger conferences than its current facilities allow and the need for a venue larger than the Albury Performing Arts Centre);
- Purpose-built for high quality musical performances including first class acoustics, excellent stage (capable of seating a full 95-person orchestra) and back-stage facilities such as grand piano bays, dressing

rooms and the like;

- Readily adaptable for corporate conferences (plenary sessions etc) which would provide a significant proportion of the venue's financial viability.;
- Flexible design that enables the sides to be opened out to allow indoor-outdoor performances to larger crowds of say 2000 plus, along the lines of the Sidney Myer Music Bowl or the Tanglewood performance venue.
- Uniquely styled, indigenous to Australia, reflecting the surroundings, character and culture of the area. It should not be of the "functional and clinical" style.
- Broadcasting facilities should be incorporated.

#### The arguments in favour of such a venue are as follows:

- *International Competitiveness*  
A quality performance venue is essential if the Centre is to be nationally and internationally competitive. Existing facilities are only adequate for chamber music and small ensembles. The Centre needs a clear plan that will lead to a performance venue over time, or it will not reach its goal of being a Centre of national and international excellence.
- *Economic and Tourism Benefits*  
A quality performance venue will enable the staging of major events – both musical and corporate – which will have a significant economic and tourism benefit to Beechworth and the surrounding region.
- *The Conference Market*  
La Trobe University needs a larger venue for conferences. It currently caters for conferences up to 350 people but could

attract larger events with the right facilities.

- *Joint Use with Schools*  
Secondary Schools in the local area and surrounding region could potentially use the venue, increasing its viability.
- *Larger Venue Needed*  
The region needs a larger venue than the Albury Performing Arts Centre currently provides.

#### Constraints and Risks

There are a number of constraints and risks associated with the venue, including the following:

- *Would It Be Viable?*  
A venue of this size would be filled on only a few occasions in a year and its viability is therefore highly questionable. It could only be justified financially if it were used for both performances and conferences and even then could be economically marginal. A key success factor with venues of this type is to have them filled all year round.
- *High Cost*  
A venue of this type would cost several million dollars to build (see estimates below). The capital costs could not be recovered – only the operating costs could attempt to be recovered and these could easily run to \$83 per m2 pa.
- *Competing Priorities*  
In terms of government funding, there would be other locations in Victoria more deserving of a venue based on population size.  
  
Wangaratta City is seeking funding to build a new performing arts Centre, which could be a competitive threat to the Beechworth Centre.
- *Alternatives Exist*  
Alternative venues do exist for current needs. For example:
  - Bijou Theatre (on campus – seats around 250)

## THE MAJOR PERFORMANCE VENUE

See Appendix J for cost estimates on:

- New performance venue
- Music tuition rooms
- Administration space
- Sound studios
- Rehearsal space
- Bijou theatre refurb.

- Memorial Hall Beechworth (seats 350)
- Albury Performing Arts Centre (seats 800)
- Holy Trinity Cathedral Wangaratta (seats 600)
- McCauley Arts Centre Wodonga
- St Matthews Church Albury
- Charles Sturt University Albury
- La Trobe University Wodonga

### Other Venues are Planned

A 1,000 seat auditorium is proposed for Albury Wodonga and Wangaratta City is seeking government funding for a major performing arts Centre.

- The heaviest concentration of musical activity at the venue may be during the summer period where the conference and convention market is relatively quiet.

### Long Lead Time

It would take around three years to commission, design and build the venue.

### Capital Cost Estimate

A preliminary cost estimate for a performance venue was prepared by CS&T architects as part of this study and is contained in Appendix J.

The estimate of \$21 million is based on the following specifications:

- Auditorium with seating capacity of 1200 on a raked floor
- Capacity to open out the sides of the building to external terraces or grass providing capacity for an additional 1000 people (costed as paved areas with fabric roofing structures but no external seating allowed for)
- Foyer accommodating 1200 standing

- Stage to fit 120 musicians
- Orchestra pit
- Back and side stage areas
- Box office
- Control room/projection
- Small recording studio
- Back of house (toilets, change rooms, green room, suites, wardrobe, music store, chair store)
- Additional rehearsal spaces of 300m2 at side or back of stage
- Four plenary/function rooms totalling 300m2 to supplement existing campus conference spaces
- Wind-lock entry
- Administration space for staff of 4
- Storage rooms and chair storage
- Public toilets
- Vehicle entry and loading
- Sealed access road of 200m length
- Car parking for 600 cars on an unsealed gravelled area
- Pedestrian paths to campus
- Landscaping
- Services, utilities etc

### Operating Cost Estimate

Operating costs are a significant budget consideration for a performing arts venue. As an example, *Rawlinson's Cost Planning Reference Book* suggests the following components per square metre per annum:

- Rates and taxes - \$28
- Insurance - \$5
- Air conditioning – depends on usage - \$6
- Energy/power etc – depends on usage - \$12
- Cleaning - depends on usage - \$10
- Security - \$2
- Building Staff - \$2

- Repairs/maintenance -\$4
- Fire protection -\$1
- Sundries - \$4
- Lifts/equipment - \$1
- Management - \$8

These total \$83 per square metre per annum.

However the big and unknown variable in this is the number of hours per year that the venue will operate. For example, if it is only operational for 50% of total available time this figure may reduce to \$70 per square metre.

Management and operational staff (at \$10 per square metre) could possibly be excluded as they are factored into the Centre's operating cost model.

### A Cheaper Option: Temporary Structure

An alternative option would be to erect a temporary type of building that would serve the purpose for say four or five years until sufficient funds were available for a permanent venue.

As an example, a cost estimate was obtained for a clear-span "permanent tent" style structure with metal frame and plastic walls seating 1,000-1,500 and having an under-cover area of around 2,000m2.

Such a structure would cost around \$450,000 plus GST to purchase. Installation would be a further \$25,000 to \$30,000 plus the cost of a concrete pad and associated site preparation works.

Resale of the structure at the end of say two years could recoup 60% of the initial cost.

Alternatively, hiring such a structure would cost around \$22,000 per month plus GST.

**WHAT IS THE MOST  
SUITABLE SITE FOR  
THE NEW  
PERFORMANCE  
VENUE?**

Three alternative sites  
were evaluated.

**Siting of the  
Performance Venue**

Of the additional facilities required to bring the Beechworth campus up to the standard needed to ensure the success of a Centre for Excellence in Music and the Arts, the auditorium is the most significant in terms of land requirements.

Fortunately, the university is located within grounds that go well beyond the current extent of the campus infrastructure, and there is no shortage of space for additional facilities.

Ideally, any additional facilities should be located as close as possible to existing facilities, thus minimising infrastructure costs (e.g. roads, electricity, water supply) and the distance needed to walk between existing and new facilities.

The campus presents several options for the siting of a new auditorium, but three sites stand out as having the desired characteristics and location.

**An assessment of the three sites described opposite suggests that Option 2 is the most appropriate for the siting of a new auditorium.**

Figure 9 on the following page shows the three locations.

**OPTION 1**

**Land immediately to the north of the lodges Kurrajong, Kiama and Carinya.**

This area slopes down from the lodges and from the service road leading from the Campus Information & Convention Centre to the rear of the Administration building. Several mature exotic trees are dotted across this site, and would need to be removed if an auditorium were to be built here.

This site is located within the boundary of what the Master Plan defines as being of "contributory (heritage) significance" (as opposed to the main driveway entrance and the area immediately adjoining the administration building, which is of "primary" significance).

A new building on this site would have a negative impact on the historical significance of this part of the campus, although the topography of the site creates an opportunity for an innovative and unobtrusive design.

The site is located within easy walking distance of all existing facilities at the campus.

Proximity to existing development is also the main drawback of this site, being within about 50m of the rear boundaries of Low-Density Residential zoned lots on Dingle Road.

Noise generated in the auditorium is likely to be an issue, particularly if the number of performances increases over the years with the popularity of the Centre.

**OPTION 2**

**Land immediately to the south-west of the International Hotel School and west of the kindergarten / child care Centre.**

This site is outside the area of historical significance (as

identified by the Master Plan) and any building works in this area would not therefore impact upon the heritage character of the existing campus.

The area is devoid of trees and currently used for pasture. The site is, however, within easy walking distance of existing campus facilities, and close to existing car parking areas.

An additional benefit of this site is the potential to create a new and direct access to the site from Beechworth township via Fletcher Road. Using this access point, the walking distance between this site and the Centre of town is approximately 1.5 kilometres, i.e. the same as the distance between the Campus Administration building and the Centre of town via Albert Road.

There are no residential areas within close proximity of this site.

**OPTION 3**

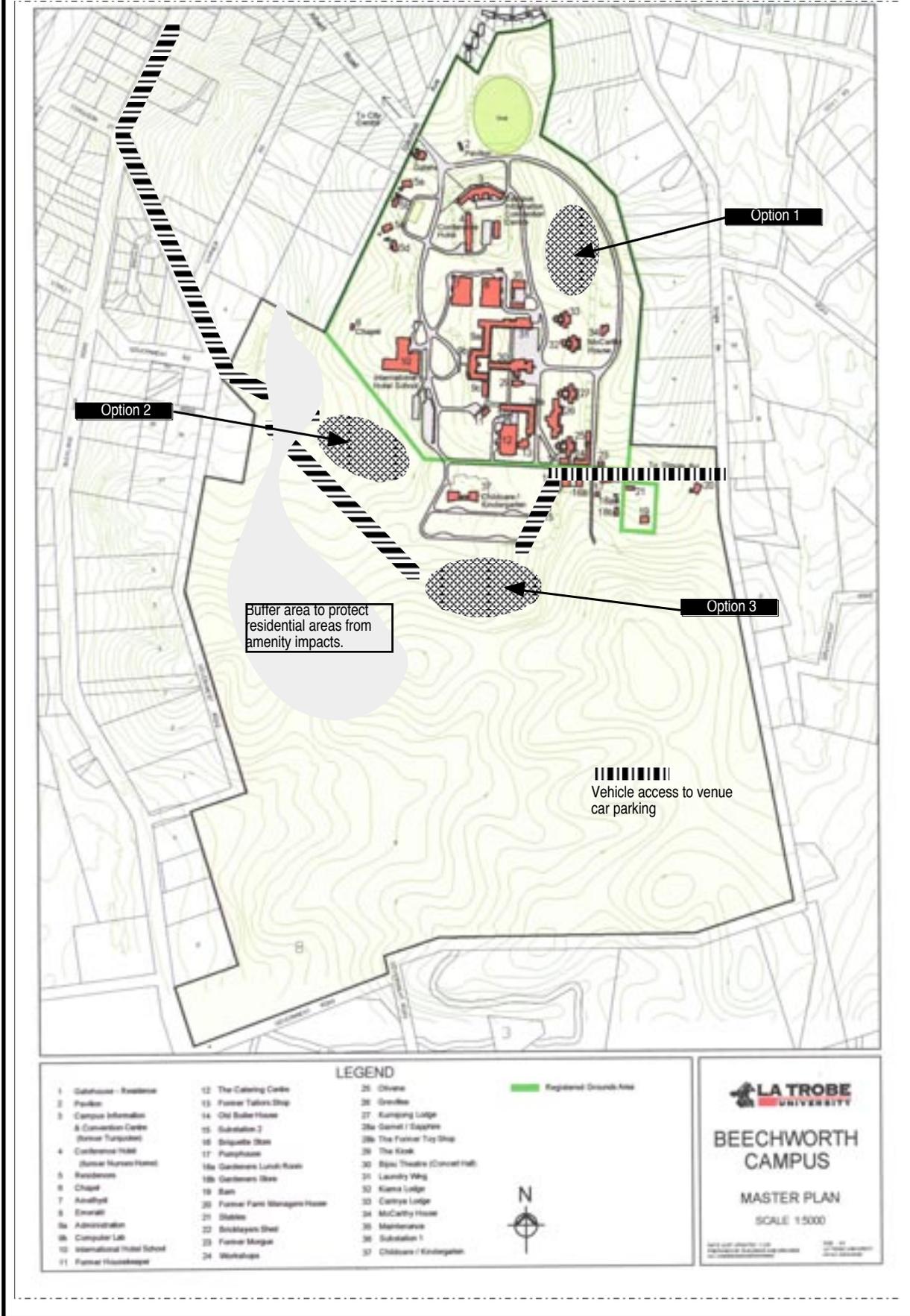
**Land immediately to the south of the kindergarten / child care Centre and associated car parking.**

Like Option 2, this site is outside the area of historical significance, is devoid of trees, and is currently used for pasture.

This site is the furthest of the three sites from any existing residential areas, and thus noise should not be an issue, although a venue at this site may impact upon the subdivision potential of the remainder of the University's land to the south.

This site is generally the furthest from existing facilities, being approximately 400 metres from the Campus Administration building and 700 metres from the Campus Information & Convention Centre.

Figure 9: Alternative Locations for Major Performance Venue



PART THREE: HOW WILL IT WORK?

# I3. Governance, Management and Legal Structures

WHAT TYPE OF LEGAL ENTITY IS MOST SUITABLE FOR THE CENTRE?

WHAT SHOULD BE THE COMPOSITION OF THE BOARD OF MANAGEMENT?

WHAT MANAGEMENT STRUCTURES AND PERSONNEL ARE NEEDED?

## 1. Introduction

A key success factor for the Centre will be the construction of a not-for-profit entity best suited to taking the project forward and achieving the project's objectives. While the selection of an appropriate legal entity is crucial to success, so too is the appointment of a suitably qualified and motivated Board and executive.

**This chapter therefore addresses the issues surrounding the:**

- **purpose of the legal entity;**
- **most appropriate operating entity for the Centre;**
- **composition of the Board; and**
- **preferred management structure and core functions for key personnel.**

## 2. Corporate Purpose

The purpose of the legal entity is to manage and operate the Beechworth Centre for Excellence in Music and the Arts on a day to day basis including

- project initiation and management;
- planning, establishing and promoting a widely recognised and accepted "brand" for the Centre with all key stakeholder groups and the wider community;
- packaging of individual activities associated with the Centre;
- securing appropriate regional, state and national representation for the Centre;
- project co-ordination and contracting of services;
- securing of funding and sponsorships; and
- quality control.

## 3. Corporate Entity

### 3.1 Ownership

While the Centre could easily and readily operate under the umbrella of La Trobe University (under a facilities agreement with the University) or the MSO, it is recommended that this would not be in the long term interest of the Centre, in terms of:

- the issues raised by potential stakeholders and the music industry particularly surrounding perceived ownership and influence;
- the need for a separate cost and revenue Centre;
- avoiding any long term, on-going cross-subsidies between operations;
- the need to develop a separate identity for marketing and promotional purposes; and
- if the Centre is associated with an existing organisation such as La Trobe or the MSO, it may be deemed ineligible for many government grant funding programs which are only available to non-government organisations and/or those not associated with an already government funded educational or arts organisation.

*While the synergies between the Centre, La Trobe University and the MSO should be maximised, it is recommended that the Centre develop its own legal structure and Board of Management.*

**3.2 Nature of the Entity**

Four types of entity were considered for the Centre:

- I. an incorporated association;
- II. a Council owned project managed by a Committee established under Section 86 of the Local Government Act;
- III. a charitable trust; and
- IV. a company limited by guarantee.

**3.3 Key Issues in Choosing An Appropriate Entity**

Consideration of an appropriate legal entity for the Centre revolves around several key issues including:

- the Vision and Corporate Objectives of the Centre;
- the potential size of the Centre;
- the proper professional conduct of its commercial operations, particularly given the objective for the Centre to eventually be self funding in an operational sense;
- the requirement in the short term to seek donations and sponsorships;
- its national, and over the longer term, international focus;
- limited liability of Board members and the organizations they represent;
- the reversion of remaining assets to an appropriate body in the event of the premature dissolution of the Centre;
- potential for Federal and State tax exemption, if granted, either for donations or from direct and indirect taxes that would otherwise be payable;
- the future commercial operations, including commercially based loans, corporate

sponsorship and investment; and

- the maintenance of appropriate representation of stakeholder interests.

It is understood that:

- an incorporated association;
- a local government/Council owned project managed by a Committee under Section 86 of the Local Government Act; and
- a charitable trust

each have an equal chance, though no guarantee, of satisfying:

- tax exemption and tax deductibility of donations;
- limited liability of board members and the organizations they represent; and
- the reversion of assets to a public body with like objects.

Both incorporated associations and charitable trusts have points of particular appeal:

*As an incorporated association:*

- the Centre could meet the short to medium term corporate objectives of the project, without requiring the more rigorous and resource consuming reporting requirements of a company; and, we understand

- qualify for tax exemption status.

*As a charitable trust:*

the Centre may attract to its board of management, individuals of high professional and social calibre as well as instil potential investors with a sense of permanency and professional propriety.

However, in view of the proposed longer term development of the Centre, it is possible that it has the

potential to outgrow the type of organizational structure and stature associated with an *incorporated association*, namely:

- over time it is likely that the Vision and objectives will not sit comfortably with a form of entity typically associated with a small locally focused and non commercially based club or society – an image which certain elements of the Centre may initially attract and which need to be strenuously avoided, if the full potential of the Centre is to be realised;
- furthermore, there is a possibility that the responsible Minister may order the removal of the Incorporated Association status were the Minister to form the view that the Centre's activity extends beyond that typically connected with an incorporated association;
- while it is possible for an incorporated association to trade interstate, once it is registered to do so, this would be more simply achieved through an alternative nationally based entity; and
- the Centre's professional credibility with financial institutions and amongst potential major corporate sponsors may suffer as a result if the less rigorous reporting standards required.

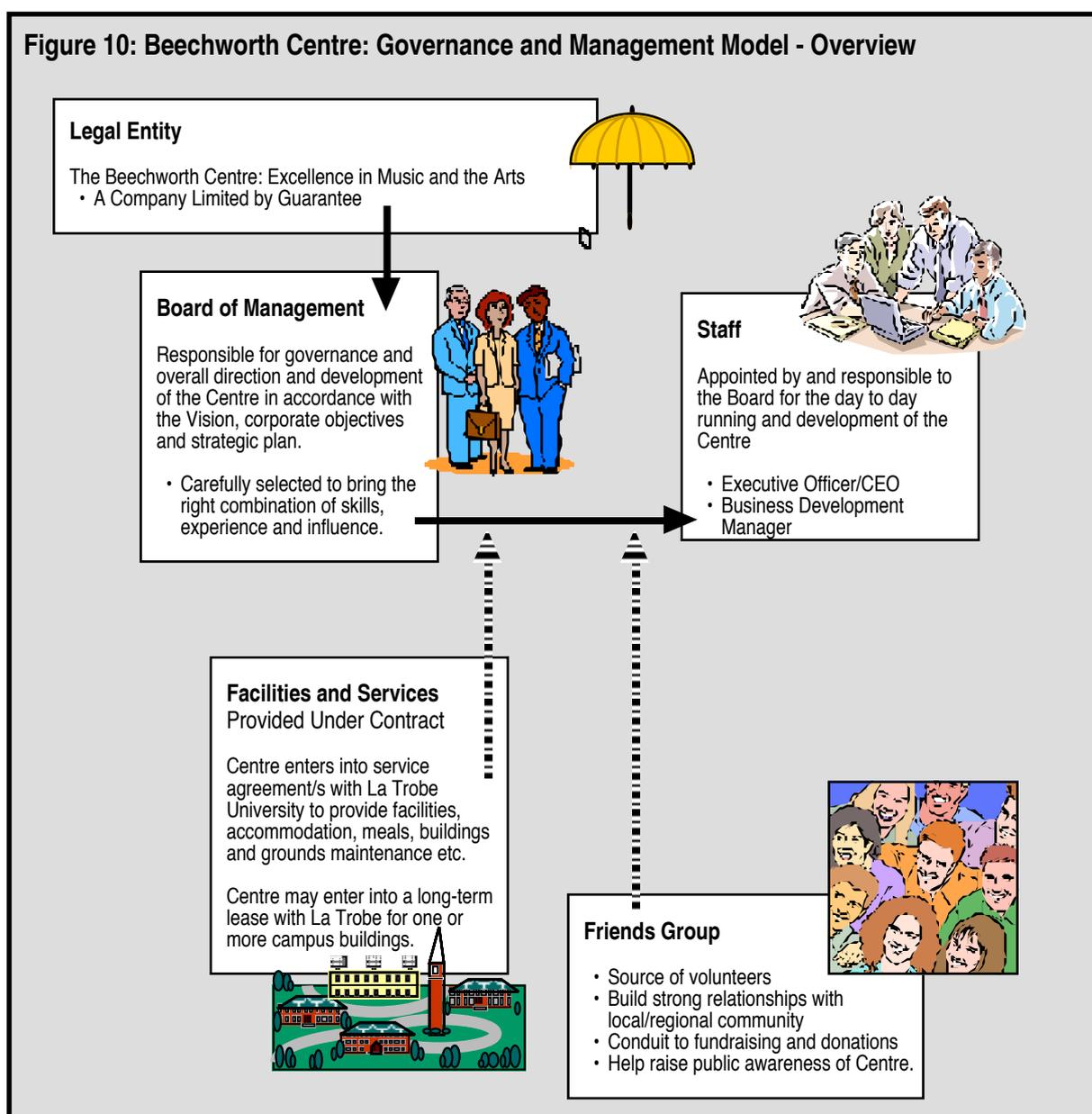
In the case of *public trust*, our principal concern lies with respect to control.

Our understanding is that the only type of trust that is legally able to operate in a public benefit role, which would maximise the prospects for tax exemption for the Centre is a *charitable trust*. This type of entity raises a number of concerns:

- it places residual responsibility for the project in the hands of the State Government, which is not likely to be what either the State, the MSO, the University, the Council or other stakeholders may want;

- it is our understanding that the commercial nature of the Centre may pre-empt its legal status as a charitable trust, or at least call it into question;
  - it is our understanding that generally, trustees are not able to delegate their responsibilities, although they may appoint professionals to undertake specific tasks to the extent permitted by the trust deed. This may not suit some stakeholders who may be contemplating substitution at some future time; and
  - trustees must have equal voting rights, which may or may not constitute a problem when developing the commercial direction of the Centre into the future.
- By way of contrast, there are several points of attraction associated with a *company limited by guarantee*:
- it provides a basis for the level of professional management required by the full range of stakeholders and potential investors through its standards of public accountability;
  - it permits, if required, unequal representation on its board of management; and
  - it limits liability to that stated in its constitution.
- It is recommended that the Centre's corporate objectives are best served over the longer term as a company limited by guarantee.**

**Figure 10: Beechworth Centre: Governance and Management Model - Overview**



**4. Board of Management**

In considering potential Board members, it is suggested that they have strong links to both the music and education sectors as well the wider community *and* the combination of business development and marketing skills required for this significant project.

The skills required of Board members will initially revolve around:

- vision and passion for the concept,
- information gathering;
- concept development;
- establishing new organisations;
- establishing networks in the music and arts sectors;
- planning; and
- lobbying etc.

Close links with the local and regional community are also essential.

However, once the Centre enters the operational (and later the construction) phase, there will be a significant increase in the variety and complexity of the skills and knowledge required of the Board.

The role of the Board of Management will be to oversee the progressive commercial development of the Centre in accordance with the overall Vision and Corporate Objectives. In exercising this role, very considerable demands will be placed upon the appointed individuals, given that the Centre is a new concept with much to be accomplished in order to bring it to fruition.

In selecting Board members, it is essential that they be chosen on the basis of key skills and experience rather than organizational or geographic representation.

The key skills required by the Board include:

- project planning and construction;

- strategic and business planning;
- advocates for the project to stakeholders and potential funding agencies and organisations;
- business and financial management;
- communications, promotions and marketing; and
- arts and tourism packaging;
- seeking sponsorships and donations and experience in developing innovative funding packages and applications;
- performance monitoring; and to a lesser extent
- an understanding of day to operational issues and funding application processes.

As the Centre moves from concept development to implementation and ongoing operations, it is essential that the Board understands its role and function – initially that of management oversight, financial management and performance monitoring and ultimately strategic planning and direction setting.

**5. Separation of Programming and Facilities Management**

Because of the unique circumstances of this project, whereby one entity (La Trobe) is providing the venue, facilities, grounds and associated support services - and another entity (The Centre) is delivering the programs, marketing, events and intellectual input etc - the management structure must deliver a clear separation between these two roles and set down clear parameters as to how the relationship is to work.

This need is emphasised further by the possibility of conflict or competing priorities as to the use of the campus facilities from time to time.

Understandably, the University would seek some level of control over the development process in order to:

- integrate the development with other planning on the site and across the University;
- communicate to other stakeholders the long term commitment of the University to the project;
- garner support from within the University for both capital and operational funding support; and
- ensure the development of the project complies with University planning requirements.

The Board should negotiate some form of Agreement with the University covering the terms of hosting the Centre prior to any infrastructure investment.

## 6. Friends Group

There is little doubt that the Centre will require significant volunteer input in all areas of management, administration and operations, including maintenance.

A particularly effective way of harnessing such support is through the establishment of a *Friends of the Beechworth Centre* group.

This should be done very early in Phase 1.

The benefits of such a group would be:

- as a source of volunteers which have been shown to be a key success factor of other such centres;
- building strong relationships with the local and regional community;
- as a conduit to possible philanthropic fundraising and donations;
- as a means of raising public awareness of the Centre.

This structure would also free up the Board to focus on the *big picture* issues.

## 7. Executive Management

In its initial stages of development, it is recommended that the Board be assisted by the following staff:

- an *Executive Officer/CEO* appointed on a full time basis at least six months prior to commencement of operations; and
- a *Business Development Manager* appointed on a full time basis for at least six months prior to opening and during peak operating times.

### 7.1 Core Functions

#### Executive Officer or CEO

The Executive Officer or CEO will carry out the following functions in support of the Board:

- strategic planning and development;
- responsibility for the financial performance of the Centre;
- oversee the refurbishment program;
- seeking out sources of private and public funding and sponsorship;
- general administration and liaison with La Trobe University staff on site and the wider Community; and
- supporting the Board.

#### Business Development Manager

The Business Development Manager will be required on a full-time basis during the initial planning period and also during peak operating times and will have responsibility for administration, promotions and marketing, including ongoing program development and sales.

The Business Development Manager may require assistance in areas such as book-keeping, ticket sales and general administration

as the Centre develops and implements its full program.

The Business Development Manager should be recruited and working at least six months prior to the launch of the Centre to ensure that effective program and package development and promotions commence and bookings are received prior to actual program commencement.

Other responsibilities will include planning the pre opening and official launch activities in order to obtain maximum media coverage in the region, in Melbourne and elsewhere.

Therefore, the core roles and responsibilities of the Business Development Manager will include:

- identification and development of relationships with other arts/culture and tourism operators in the region, state and national arts and tourism bodies, targeted media, state and federal funding bodies, heritage and arts organizations, public and private sector sponsors and other potential sources of private funding;
- development of regional, state and national arts promotion campaigns;
- design and execution of arts and related tourism packages;
- development and administration of a marketing and promotion campaign for the Centre;
- development of sponsor packages/proposals and related documentation;
- servicing of sponsors and co-ordination of potential sponsor activity with the Executive and Board; and
- assist the Executive Officer with strategic planning and development and monitoring financial performance.

## 8. Conclusion

A recurrent theme of this report is the need for the Centre to be professionally presented and managed.

From the options canvassed, we believe the most appropriate legal entity for the Beechworth Centre of excellence for Music and the Arts is a company limited by guarantee.

The structure of the Board requires emphasis on the skills rather than stakeholder representation. However, stakeholder representation and a feeling of "inclusiveness" will also be important to the Centre's overall success.

The Board in turn should be supported by a limited executive management, also appointed on the basis of the range of key professional skills required to achieve the Vision and Corporate Objectives of the Centre.

*It is very important to note whilst the above is our understanding of what we believe to be the legal ramifications of the corporate structures that we have considered, we do not purport to be lawyers or to provide legal advice.*

*It would be desirable therefore to obtain further and separate legal advice to confirm or otherwise the nature of the advice provided in this Chapter.*

## PART THREE: HOW WILL IT WORK?

# 14. Operational Funding

### THIS CHAPTER PROVIDES:

- Estimates of the pre-opening and estimated annual operating costs and revenues for operation of the Beechworth Centre.
- Indicative cash flow estimates/outcomes for the first three operational years of the Centre based around a number of assumptions.

Capital funding needs for facilities are outlined in Chapter 12 and Appendix J.

### 1. Introduction

This chapter provides estimates of the pre-opening and of the estimated annual operating costs and revenues associated with the operation of the Beechworth Centre.

It also provides indicative cash flow estimates/outcomes over a four year period (ie: establishment year and three operational years) based around the assumptions outlined in this chapter.

It has been assumed that all of the funds required to complete Phase 1 will be sourced from grant funds and from a variety of other sources so that no loan repayments will be required.

While there is no similar Australian operation to benchmark the revenue and costs of this Centre against, information has been collated from a variety of sources, including the AYO, La Trobe University Beechworth, from the wider stakeholder consultation process and from the operational cost and revenue data provided in the Australian Bureau of Statistics publication, "Performing Arts Industries, 1999-2000" (Catalogue no. 8697.0) September 2001.

During the course of the study, La Trobe University indicated it would meet some of the Centre's early operational costs and provide some in-kind support. Such offers are common in collaborative projects and are to be warmly welcomed. We have however taken a conservative approach and not included such contributions in the cost estimates outlined in this Chapter.

### 2. Pre-Opening Expenses and Budget

The project needs to be professionally and strategically launched in the market place in order for it to gain maximum market exposure.

It also provides an opportunity to acquire significant and cost free media attention if the launch is sufficiently high profile and high impact in its structure and content.

The estimated pre-opening expenses for year one of \$450,000 should be budgeted for and be accounted for as part of the overall up front capital costs required by the project.

The pre-opening activities are estimated to include, initial:

- appointment of a full time Executive Officer to service the needs of the recommended Board, to supervise the Phase 1 works and to seek out other sources of operational and capital funding, sponsorships and donations etc.; and
- appointment of a full time Business/Program Development Manager to co-ordinate the initial promotions and advertising and preparation of the Annual Calendar of Events and to ensure confirmed bookings.

Other activities to be co-ordinated between these two officers, include:

- Development of strategic partnerships;
- Funding and sponsorship development;

- Establishment of the *Friends of the Beechworth Centre* group;
- Packaging of the project and development of firm bookings;
- Production of displays, brochures and other interpretive material;
- Training of staff and volunteers; and
- Co-ordination of the Official Launch of the Centre in early 2005.

In general, the pre-launch process should establish:

- Increased market excitement, interest in and awareness of the Centre;
- Conversion of interest into confirmed firm bookings;
- Preparation and implementation of the Sponsorship Development Strategy and obtaining of Sponsorships;
- Secure alliances with targeted regional tourism and arts/cultural operators and promoters, in priority segments and geographic markets;
- Secure media and promotional alliances, and
- Preparation of the official launch strategy.

Based on the above, the estimated pre-opening budget required at least six months prior to opening is contained in Figure 11.

Item	Total \$
Salary package for full-time Executive Officer	100,000
Salary package for full-time Business Development Manager	60,000
Salary on-costs 15%	24,000
Legal costs	25,000
Direct Office Operating Costs	25,000
Advertising and Promotions	25,000
Official Launch Costs	35,000
Other on-costs including travel	70,000
Staff recruitment	15,000
Program development	15,000
Sponsorship strategies and tourism alliances	15,000
Friends Group formation, volunteer training	20,000
General expenses and contingencies	21,000
<b>TOTAL</b>	<b>\$450,000</b>

Figure 11: Estimated Pre-Opening and Launch Budget, 12 months Prior to Centre's Opening

The pre-opening marketing, promotional and other activities associated with this project is critical to its on-going viability and sustainability, particularly in the areas of market and firm bookings and development of all support material.

Some of the capital funds required to support the pre-opening activities have been included as part of the project's overall capital cost and to be obtained from various government grant programs.

Some of the pre-opening and launch expenses should, however, be covered by cash and in-kind contributions together with sponsorships and other donations.

### 3. Assumptions on the Operation of the Centre

This section details the assumptions, costs and revenues associated with the operation of the Centre to calculate the financial break-even point.

#### 3.1 Markets, Use of the Centre and Revenue Possibilities

In Chapters 7 and 11 a range of likely programs and users of the Centre was outlined. Taking some examples of these, some approximate revenue possibilities have been generated. These are approximate only and are likely to need further refinement. Whilst the AYO Summer camp has been used as one of the program examples here, it could easily be substituted by another event or summer festival, bearing in mind that the AYO camp itself will not be possible until the major performance venue is in place.

Indicative example program:

- *School and University Groups* for a series of three day/two day music camps of around 40-50 participants for 40 weeks of the year (1600-2000 students) within 2-3 years from opening. This is seen as being one of the major user groups and revenue generator for the Centre, with charges of around \$275

per person, including all group accommodation, food and beverages, room and equipment hire fees and tuition and fees to Master Teachers if required. Further details on the program fees are provided below, but it is intended that this fee be shared with La Trobe University to cover some of the required contracted services and costs.

- *Master Classes*  
Potentially in the order of ten classes over the year, each class comprising around 30-40 students and of a three to five day duration, with specialist master teachers sourced from among the best in Australia and overseas.
- *Two major seasonal events*, one associated with the biennial AYO Training Camp in January and with another similar event organised in the years when AYO is in Canberra, and another similar event, possibly in September/October each year.

Currently the AYO event involves around 230 students and 40 teachers over a period of 14 days, with the actual cost being \$2000 per student, but with the subsidised program fee per student being \$700. Again, it is envisaged that some of this revenue would accrue to the Centre for service and hire fees and also shared

- with La Trobe University. From the total expenditure, it is estimated that hire and other service fees provided by the Centre could provide revenues of between \$10,000 to \$15,000 per event, for an eventual total of between \$20,000 to \$30,000, once the two events are organised and staged annually within the first 3-4 years.
- *Opera in the Alps* is staged annually at the end of January, and with an attendance of around 2000 people, who pay between \$57 and \$72 per adult and \$33 and \$44 per child. It is estimated that the average ticket price paid is around \$56 per attendee, excluding any food, beverages and accommodation sales, which as accruing totally to La Trobe University. Eventually the Centre will be able to offer facilities to assist in staging this event.
- *A number of other markets, including Artist in Residence etc.* and other similar programs which could generate revenue for the Centre, but not a significant amount.

### 3.2 Revenue Sharing and Generation Possibilities

The above revenue sharing arrangements are further expanded upon and outlined in this section.

In terms of the revenue sharing and generation activities, it has been assumed that:

- La Trobe University is contracted to provide all the required food, beverages and accommodation components/ services – and
- All associated revenue and costs accrue to La Trobe.

The operating revenue derived by the Centre is, therefore, from:

- Fees from the hiring of the performance venue/tutorial rooms etc. – from schools, AYO and Special Events etc;
- Fees from the hire of equipment;
- A Share of any ticket sales from performances and Special Events, of between 7 to 15% per event/performance; and

- Revenue from sale of books, gifts and momentos/merchandise.

The non-operating revenue will be derived from:

- Donations/bequests
- Government operating grants; and
- Fund raising activities

Figure 12 outlines the assumptions regarding charges and revenues.

Figure 12: Assumptions Regarding Charges and Revenues

Market	Details and Charges, \$2004	Revenue Share to Centre/Latrobe
Master Classes	Itinerary/Program: 5 days/4 nights for 5 weeks a year – weekdays Cost – per person <ul style="list-style-type: none"> <li>▪ Tutoring: \$300</li> <li>▪ Accommodation: \$55 shared per night or \$220</li> <li>▪ Meals: Breakfast (4), Lunch (5), Dinner (4), morning/afternoon teas etc. - \$240</li> <li>▪ Hire fees - \$100</li> </ul> Total: \$860 per week or \$215 per night. – excludes transport, beverages	Revenue share to Latrobe per person: \$460 Revenue Share to Centre per person: \$400
Schools Music Camps	Itinerary/Program: 2 nights/3 day weekends Cost – per person <ul style="list-style-type: none"> <li>▪ Tutoring: \$100</li> <li>▪ Accommodation: \$56.40 shared</li> <li>▪ Meals: Breakfast (2), Lunch (2), Dinner (2), morning/afternoon teas etc. - \$60</li> <li>▪ Hire fees - \$50</li> </ul> Total: \$266.40 – excludes transport	Revenue share to Latrobe per person: \$116.40 Revenue Share to Centre per person: \$150
Special Events/Performances Market using Centre's facilities	2/3 per year – Ticket Sales and Some Hire Fees	<ul style="list-style-type: none"> <li>• Share of Ticket Sales Revenue – 15 per cent</li> <li>• Revenue from Hire of Venue/Equipment etc</li> <li>• Merchandise Sales</li> </ul>

#### 4. Cash Flow Analysis Year 1

Based on the above, assumptions the estimated cash flow for the first full year of operation in 2005-2006 is shown in the Table below.

At this stage, no revenue is estimated to be derived from conferences and seminars which may use the Centre's facilities, as this will form part of an Agreement between the respective Boards of the Centre and of La Trobe University.

It is, however, expected that over time revenue will be able to be generated from Special Occasion and Events bookings which will eventually form a significant component of revenue, from venue and equipment hire and from other value-added services and packages, which include food and beverages and ticketed performances.

Figure 13: First Full Year of Operation 2005-2006:  
Possible Revenue Sharing and Generation for the Centre.

Event/Function	Days Per Year	Estimated Gross Revenue including food, beverages and accommodation	Estimated Net Revenue To Accrue to Centre from Venue Hire, Ticket Sales etc. only
Special Events January: AYO and a Similar Event each year when AYO are in Canberra	14	\$480,000 (As now, minimal amount only accrues to the Centre)	\$10,000 per event, initially one event each year
September: Annual Seasonal Special Event	10 days	\$400,000	\$20,000 for one Special event each year
Master Classes	Year 1: Initially 40 participants for 24 weeks of the year for two nights each or a total of 1920 guest nights at \$265 per session or \$132.50 per night	\$254,400	\$127,000
Opera in the Alps – End of January each year	Estimated 2000 participants at average ticket price of \$56, excluding accommodation, hampers, other food and beverage and merchandise sales	\$112,000	Nil initially
Miscellaneous: Artist in Residence/Master Classes etc.	At \$175 per day	\$36,000	\$18,000
<b>Total Revenue Generated</b>	<b>143 days</b>	<b>\$1,282,400</b>	<b>\$175,000</b>
<b>Estimated Miscellaneous revenue from merchandising etc.</b>			<b>\$14,000</b>
<b>Estimated Revenue Target from Fund Raising, Donations etc.</b>			<b>\$42,000</b>
<b>Estimated Total Revenue Target</b>			<b>\$231,000</b>

**5. 2005-06 Estimated Full Year Operational Budget**

In the first full year of operation, the estimated annual operating budget is provided in the table on the following page.

The major operational costs relate to salaries of the two full time staff, the payment of specialist Musicians, Teachers and Mentors and from the provision of an advertising/promotional and program development budget.

For years 2 and 3, the operating costs generally are assumed to increase in line with the assumed increased use of the Centre.

Figure 14: Estimated Annual Total Operating and Non-Operating Costs -Constant 2004\$.

Operating Cost Category	Estimated \$2004
<b>Direct Costs</b>	
Executive Officer – salary package	100,000
Business/Program Development Manager	60,000
Wages on-costs	24,000
<b>Operating Costs</b>	
Bank Fees	500
Cleaning Materials	1200
Commissions Paid	500
Computer Costs	500
Contract Cleaning	1200
Program Development costs to Musicians/Mentors/Teachers & Travel Expenses etc.	75,000
Contract/Temp Staff	5500
Equipment Hire	5000
Insurances/Public Liability & Property	6500
Maintenance & Repairs	1250
Marketing & Promotions	25,000
Stationery	750
Postage	550
Printing	3500
Replacement of Equipment	1200
Security	600
Staff Training	1000
Motor Vehicles	8000
Lease Costs	2500
Other Misc. costs	5050
<b>Non- Operating Costs</b>	
Depreciation	8000
Goods for re-sale	7800
<b>Grand Total Operating and Non-Operating Costs</b>	<b>345,100</b>

Refer to Appendix K for detailed cashflow spreadsheets for the first three operational years.

**6. Cash Flow Projection Scenarios**

The cash flow table for the first four years of operation to 2007-08 was generated on the basis of the above information and is shown in Figure 15.

The detailed tables for the first three operational years are attached in Appendix K.

Figure 16 indicates the estimated operating and non-operating revenues (including estimated sponsorships, donations targets) but excluding an operating subsidy), as well as the operating and non-operating (largely depreciation) costs.

Based on the assumptions provided above, the level of operational financial support or subsidy required over the first four years of operation, is estimated in Figure 16.

The results indicate that the operation is estimated to require an annual cash contribution to its pre-opening expenses and operating costs for at least the first few years, with this being around \$80,000 to \$450,000 per annum.

Figure 15: Summary of Preliminary Estimated Costs and Revenues, Years 1-4 (ie Start-up year plus first three operational years).

Financial Year	Estimated Operating and Non-operating Revenue – excluding any Operational Subsidies	Estimated Operating and Non-Operating Costs
2004-05	\$ Minimal	\$450,000
2005-06	\$150,000	\$345,100
2006-07	\$264,384	\$362,170
2007-08	\$320,000	\$400,200

Figure 16: Estimated Financial Support/Subsidy Requirements by Year

Financial Year	Nature of Support	Operational Grant Support Required
2004-05 – Establishment Year – 12 months or pro-rata	Operating and Non-operating Support/Subsidy	\$450,000 (12 months or pro-rata)
2005-06	Operating and Non-operating Support/Subsidy	\$245,000
2006-07	Operating and Non-operating Support/Subsidy	\$97,800
2007-08	Operating and Non-operating Support/Subsidy	\$80,400
Estimated Average combined Federal/State/Local Government Contribution per annum	Operating and Non-operating Support/Subsidy	\$183,050

## 8. Conclusions

Overall, if the Beechworth Centre had to cover all of its capital and operating costs, it would not be a financial viable proposition.

Its operational viability can only be enhanced if:

- all of its capital costs are covered by grant funds from governments and other sources; and
- it obtains some on-going financial support in its initial pre-opening phase and for the first three years of operation.

The results indicate that the operation is estimated to require an annual cash contribution to its pre-opening expenses and operating costs for at least the first few years, with this being around \$80,000 to \$450,000 per annum.

The Centre must therefore, consider establishing the appropriate legal structure, similar to what occurs with other performing arts centres so that it can actively pursue tax deductible donations, bequests, sponsorships and government grants.

Also, the Shire Council should actively consider providing financial grants towards the pre-opening expenses and to the on-going operations for at least the first three years, on the basis of a fixed amount per annum.

Refer to Appendix K for detailed cashflow spreadsheets for the first three operational years.

PART THREE: HOW WILL IT WORK?

## 15. Potential Funding Sources

This Chapter highlights the key and other potential sources of capital, seed and operational grant funding from the Federal and State governments, as well as other sources.

### Potential Capital and Operational Grants

Chapter 14 gives an indication of funding required to undertake Phase 1 of the Centre.

This Chapter highlights the key and other potential sources of capital, seed and operational grant funding from the Federal and State governments, as well as other sources.

The Centre is a prime candidate for consideration for funding based in its evident very high level of community support and its significant net economic and other regional benefits.

It is also located in a rural area, with a number of small towns, with the Centre having the potential to assist their long term sustainability.

It is likely that the Centre will have to access a number of Federal and State funding programs for the various planned components, in association with a contribution from the Melbourne Symphony Orchestra, La Trobe University and Indigo Shire Council as some of the key stakeholders.

In accessing the various grant programs, it is extremely important to have active and demonstrated Indigo Shire Council support, both operationally and financially, as tangible evidence of wide community support for the concept. This is a necessary pre-condition for obtaining grant funds from most community programs.

It is recommended that Centre specifically target the federal and state economic, art and community economic

development and arts grant programs, as the project's objectives and outcomes are most suited to these.

The identified funding programs which are applicable to this Centre and which can be possibly tapped into are provided on the following pages.

A SELECTION  
OF SUITABLE  
CAPITAL AND  
OPERATIONAL  
FUNDING  
SOURCES

**VICTORIAN GOVERNMENT  
OPERATIONAL GRANT  
PROGRAMS**

**Artists in Community  
Program**

Enables collaborations between professional artists and Victorian communities to be commissioned to create new artistic works in the context of urban, regional and rural communities.

**Artists in Schools**

Creates the opportunity for practising professional artists to work with young people in Victorian primary and secondary schools.

**Professional in  
Residence**

Supports the employment of professionals to work with organisations on specific projects requiring specialist input.

**Creative Community  
Partnerships**

Aims to support residencies for art companies, particularly those in the small to medium sector in partnership with a community host in outer metropolitan, regional and rural areas,

**Local Festivals**

Funds are provided for festivals that are well managed, built on professional arts strengths, support innovative ideas and cultivate new talent.

**Sharing the Arts**

Is a cross-art form funding program that will ensure access to professional artistic and cultural experiences for communities in outer-metropolitan, regional and rural areas. Program categories include Touring Victoria, which can offset the cost of touring a discrete production to a minimum of three Victorian destinations.

**Creative Enterprises**

Aims to support major organisations and festivals that significantly contribute to the development of a dynamic and sustainable creative sector that engages with a diversity of audiences, including residents, tourist and business. Annual and triennial funding is available for non-government art organisations.

**Industry Service  
Organisation**

This program aims to support organisations that develop the arts industry, strengthening leadership and encouraging best practice in their art form. Annual and triennial funding is available for non-government arts organisations.

**Music for the Future**

This program encompasses all contemporary music, including orchestral and is designed to support organisations which will make a critical difference to the music scene in Victoria. Funding can be either annually or for a discrete project, and can be for development, recording and touring purposes.

**Leading Schools  
Program**

Potential funding should be investigated through the State Government's new *Leading Schools Program* which aims to create centres of excellence in particular secondary schools. The Centre's synergies with schools in the region could develop an additional regional competitive advantage.

**VICTORIAN GOVERNMENT  
CAPITAL GRANTS  
PROGRAMS**

**Community Support  
Fund, Department of the  
Premier and Cabinet**

The CSF was established to support new projects in the areas of sport, recreation, tourism and the arts and is probably the key grant program to target for the Centre.

**Regional Arts  
Infrastructure Fund,  
Arts Victoria**

Is designed for projects of a capital nature, which supports the improvement and development of arts facilities in regional and rural Victoria. Funds are specifically for projects only in rural and regional areas.

**Cultural Precincts  
Projects**

This program is intended to support major investments in arts infrastructure focusing on the integration of cultural facilities into activities precincts to stimulate urban and regional growth and renewal.

**Arts Infrastructure**

This program supports small and medium arts organisations through investment in facilities and resources and projects to improve arts facilities to increase the access and participation of existing and potential users.

**Rural Community  
Capacity Building  
Program**

The Rural Community Capacity Building Program aims to empower rural people to harness opportunities for country towns. Local people identify the actions required to implement their vision and capacity to implement change, with a view to creating a more vibrant rural community.

A SELECTION  
OF SUITABLE  
CAPITAL AND  
OPERATIONAL  
FUNDING  
SOURCES

**Country Victoria Events Program: Country Victoria Tourism Council**  
Funds events which have the potential to develop into significant regional events able to attract large numbers of intrastate and interstate visitors

**Rural Community Infrastructure Allocation**  
Provides an opportunity regional Councils to identify and prioritise the revitalisation and development of socioeconomic infrastructure.

The allocation provides the financial support and initiative for projects that are linked to the development of socioeconomic infrastructure for small rural towns, providing the basis for future social and economic growth and activity.

Funding is on a dollar-for-dollar basis and provides grants of up to \$200,000.

**FEDERAL GOVERNMENT OPERATIONAL GRANT PROGRAMS**

**Australia Council for the Arts: Community Cultural Development Grants**  
Community Cultural Development Grants program.

**Australia Council for the Arts: Major Performing Arts Program**  
Seed Funding category

**Australia Council for the Arts: Music**  
Presentation and Promotion, Skills and Arts Development, Partnerships and National and International Pathways in Partnership with Audience and Market Development Division grant categories

**Australia Council for the Arts: Government Initiatives Program**  
Youth and Emerging Arts Initiative, Community Cultural Development and Music programs.

**Community Cultural Development Fund**  
This program is designed for communities to work closely with professional artists to maintain and reclaim their culture.

**Regional Arts Fund**  
The Regional Arts Development Program combines state and federal funding to increase the profile of arts in regional areas.

**Regional Assistance Program**  
Is designed to generate employment in regional and remote Australia by encouraging business and communities to take action to boost business growth and create sustainable jobs. It provides seed funding for innovative, quality projects of value to the community.

An amount of \$30 million is available annually to fund RAP projects nationally. This includes an amount for community-based projects.

**FEDERAL GOVERNMENT CAPITAL GRANTS PROGRAMS**

**Regional Solutions Program**  
Provides funding of \$90 million over four years for disadvantaged rural and regional communities. It will provide funding to enable communities to put into action development projects that will lead to stronger local economies.

**Regional Tourism Program**  
Aims to develop the tourism potential of regional Australia through tourism infrastructure development and market promotion. Grants are between \$25,000 and \$75,000 and generally on a dollar-for-dollar basis.

Grants are provided for infrastructure projects, for product development, including initiatives to promote best practice, and to help build special interest markets which can satisfy the international demand for distinctly Australian experiences.

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A SELECTION  
OF SUITABLE  
CAPITAL AND  
OPERATIONAL  
FUNDING  
SOURCES

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PHILANTHROPIC  
SOURCES

**Foundation for Rural  
and Regional Renewal**

Is a partnership between philanthropy, government and business to stimulate rural and regional renewal in Australia.

The program aims to:

- Provide seed funding
- Assist in the establishment of regional community foundations
- Fund innovative projects
- Commission research projects
- Support leadership training
- Rural development program.

**Trusts**

There are a number of Trusts and Foundations which can be accessed which includes the BHP Trust, Esso Australia Grants, Ian Potter Cultural Trust, Sidney Myer Fund etc.