

South Melbourne Market Section 86 Committee

Meeting no. 187

April 2019

Meeting date and location

Thursday 11 April 2019

St Kilda Town Hall, Ngargee Room 5.30pm

Attending members

Jo Plummer (Chair)

Cr Bernadene Voss

Cr Marcus Pearl

Andrew Danson (Independent member)

Simon Talbot (Independent member)

Attending officers

Kylie Bennetts (Director of the CEO's Office)

Ian Sumpter (South Melbourne Market Manager)

Dennis O'Keefe (Chief Financial Officer)

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1. Apologies

2. Minutes of previous meeting

Recommendation:

That the Committee accept the Minutes of Meeting 186 of the South Melbourne Market Section 86 Committee, held Tuesday 26 February 2019, as a true and correct recording of the meeting.

3. Declarations of conflict of interest

4. Public Question Time

5. Manager's Report

Purpose:

To provide the Committee with an update regarding the Market's activities and to highlight matters of interest.

Recommendation:

That the Committee note the Manager's Report.

The Market's visitor numbers increased in March, finishing 10.4 per cent up on March 2018, while year-to-date, the Market visitor numbers are 7.9 per cent up on 2017-18. The increases are across each Market day, with Sunday continuing to be the busiest day of the week.

In support of this growth, Council is currently conducting a study on traffic and accessibility around the Market in a bid to improve the congestion that the precinct experiences, particularly on weekends. The shoppers and traders have been asked for their feedback via surveys, and we have communicated this to the community through the Market's Enews, and the traders through a direct email.

Council has also established a new team to carry out a 4-year Placemaking Action Plan to achieve Council's placemaking aspirations, outlined in the City's Art and Soul Strategy. Three priority areas have been identified to go through a Placemaking process, one being Clarendon Street and surrounds in South Melbourne which includes the Market. The Market community is therefore being asked for their feedback at a range of workshops. We look forward to working with the Placemaking team, as the Market is an important place anchor in South Melbourne.

The Market's events season has finished, with some positive feedback from the market research conducted, with 95 per cent of Night Market respondents and 88 per cent of Mussel Festival respondents giving the events a score of very good or excellent. Further analysis will be provided in the June 2019 Committee Meeting.

The Market's Solar Project is about to commence with an extra 200kW being installed on the carpark rooftop. This will be a great addition to the Market's already established sustainability initiatives.

The Market Management team warmly welcomes the new committee members to the Market and we look forward to working together; this being the first formal meeting of the new Committee.

Ian Sumpter
South Melbourne Market Manager
5 April 2019

5.1 Performance Scorecard

Purpose:

To provide the Committee with an update on how the Market is tracking against Key Performance Indicators.

Recommendation:

That the Committee note the Market's performance.

Key Performance Indicators

Area	Objective	Measure	Baseline	Target	Actual	Status	Notes
Community	Demonstrate value to our growing community through the effective management, curation and maintenance of this high quality amenity	Achieve an increase in visitor numbers (New people counter will increase this significantly in 2014-15)	3.835m	2% inc annually	10.40%	On Track	March 2019 up 7.9% on 2018 Wed up 3.7% Fri up 1.9% Sat up 4.4% Sun up 3.8% (SMc)
Community	Demonstrate value to our growing community through the effective management, curation and maintenance of this high quality amenity	Number of free community events and activities held at the Market	20	25	67	On Track	31 of the events were the weekly children's entertainer Fairy Petunia

Area	Objective	Measure	Baseline	Target	Actual	Status	Notes
Community	Good governance, engagement and quality advice	Adherence to Section 86 reporting & meeting requirements	90%	90%	NA	On Track	NIL
Community	Good governance, engagement and quality advice	% of Councillor Requests to SMM Resolved Within 5 Days	90%	90%	100%	On Track	NIL
People & Culture	High performing, healthy, values driven culture with a Community First mindset	SMM Staff Turnover	0.00%	0.70%	0.00% (Feb)	On Track	NIL
People & Culture	High performing, healthy, values driven culture with a Community First mindset	SMM Staff Time Lost due to Injuries	TBC	TBC	0 (Feb)	On Track	NIL
People & Culture	High performing, healthy, values driven culture with a Community First mindset	SMM Unplanned Leave (days/EFT)	0.45	0.9	0.25 (Feb)	On Track	NIL

Area	Objective	Measure	Baseline	Target	Actual	Status	Notes
People & Culture	High performing, healthy, values driven culture with a Community First mindset	SMM OHS Delivery On Enterprise Health & Safety Initiative	NCM	TBC	N/A	On Hold	NIL
Internal Process	Efficient & effective organisation	% capacity of Market stalls	100%	100%	100%	On Track	NIL
Internal Process	Effective management of organisational risk and compliance	% capacity of Pop-up stalls	95%	98%	100%	On Track	NIL
Internal Process	Effective management of organisational risk and compliance	#SMM Legislative Breaches (BM)	0	0	0	On Track	NIL
Internal Process	Effective management of organisational risk and compliance	% SMM Audit Actions Completed On Time (BM)	NCM	80%	100%	On Track	NIL

5.2 Governance Report

5.2.1 Financial Performance

Purpose:

To inform the Committee about the Market's financial performance.

Recommendation:

That the Committee note the finance report.

Comprehensive Income Statement Converted to Cash - February 2019								
	Year to date		YTD Variance		Full Year		Variance	
	Actuals \$000	Forecast \$000	Actuals to Forecast \$000	%	Forecast \$000	Budget \$000	Forecast to Budget \$000	%
Income								
Licence Fees	4,209	4,153	56	1%	6,081	6,032	49	1%
Parking Revenue	390	400	(10)	(3%)	600	600	0	0%
Cooking School Income	190	171	19	11%	220	220	0	0%
All Other Fees & Charges	204	244	(40)	(16%)	362	347	15	4%
Total Income	4,993	4,968	24	0%	7,263	7,199	64	1%
Expense								
Employee Costs	1,049	1,032	(17)	(2%)	1,549	1,534	(15)	-1%
Advertising, Events and Publicity	394	398	4	1%	648	648	0	0%
Contract Payments	1,226	1,233	6	1%	1,860	1,860	0	0%
Professional Services	398	471	73	16%	964	979	15	2%
Utilities, Insurance, Taxes & Levies*	386	379	(7)	(2%)	880	880	0	0%
Depreciation and amortisation	757	757	0	0%	1,297	1,297	0	0%
Bad and doubtful debts	13	0	(13)	0%	0	0	0	0%
Borrowing Costs	0	0	0	0%	0	0	0	0%
Head Office Costs	74	74	0	0%	126	126	0	0%
Other Expenses	66	70	4	6%	140	140	0	0%
Total Expense	4,364	4,414	50	1%	7,464	7,464	0	0%
Operating surplus/(deficit) for the year	629	555	75	13%	(201)	(265)	64	-24%
*includes the congestion levy, land tax and FSL.								
Adjustments for non-cash operating items								
Add back depreciation	757	757	0	0%	1,297	1,297	0	0%
Adjustments for investing items								
Less capital expenditure	(483)	(567)	84	(15%)	(1,321)	(1,718)	397	(23%)
Current Cash surplus/(deficit) for the year	903	745	159	21%	(225)	(686)	461	(67%)
Opening balance carry forward surplus	1,169	1,169	0	0%	1,169	1,169	0	0
Accumulated Cash Surplus	2,072	1,914	159	8%	944	483	461	96%

5.3 Items for Noting

5.3.1 Project Delivery Update

Purpose:

To provide the Committee with an update on project delivery at the Market

Recommendation:

That the Committee note the project delivery update.

SMM projects:

Stage	Project Title	Project Number	Status	Comments	Completion Date
Current	Building Compliance Assessment Work Scoping (BCAWS)	PJ159057	On Track.	NIL	19/5/19
Current	Stall Changeover refits	(PJ178524	On track.	NIL	30/6/19
Current	Renewal Works	PJ179061	At Risk.	The RFQ for the Outdoor Food hall upgrade works has been released to consultants for fee proposal submission.	28/6/19
Current	Strategic Business Case	PJ176535	At Risk	Project has been re-scoped to focus on the delivery of an <i>Existing Conditions and Opportunities Analysis</i> for the South Melbourne Market in 2018/19.	30/6/19
Current	Compliance Works	PJ175805	On track.	NIL	28/9/18
Current	Solar Panel Installation Project	PJ178347	At Risk	The project is at risk of being completed beyond the financial year.	30/7/19
Current	Traffic Study	PJ187150	On track.	NIL	30/6/19

Stage	Project Title	Project Number	Status	Comments	Completion Date
Proposed	Cecil Street- Essential Services connection to Outdoor Cooking Stations	PJ180275	N/A	For submission in the 19/20 works program. Early investigative works regarding service/utility mapping to be undertaken in 18/19.	TBC
Proposed	South Melbourne Market Stall Changeover Refits 2019-20	PJ 189227	N/A	For submission in the 19/20 works program.	TBC
Proposed	South Melbourne Market Renewal Works 19-20	PJ189811	N/A	For submission in the 19/20 works program.	TBC
Proposed	South Melbourne Market Compliance Works	PJ185826	N/A	For submission in the 19/20 works program.	TBC

6. South Melbourne Market Reports

6.1 Items for Discussion

NIL

6.2 Items for Decision

NIL

7. Urgent Business

NIL

8. Confidential Matters

Recommendation:

That in accordance with Section 77(2)(a) of the Local Government Act 1989 (as amended), the meeting be closed to members of the public in order to deal with the following matters, that are considered to be confidential in accordance with Section 89(2) of the Act, for the reasons indicated:

8.1 Confidential Items for noting

The information in this report is considered to be confidential in accordance with the Local Government Act 1989 (as amended), as it relates to: (d) contractual matters; (f) legal advice; (h) any other matter which the Council or special committee considers would prejudice Council or any person; (g) matters affecting the security of Council or property.

8.2 Confidential Action Items

The information in this report is considered to be confidential in accordance with the Local Government Act 1989 (as amended), as it relates to: (d) contractual matters; (f) legal advice; (h) any other matter which the Council or special committee considers would prejudice Council or any person.

8.3 Confidential Items for Discussion

The information in this report is considered to be confidential in accordance with the Local Government Act 1989 (as amended), as it relates to: (d) contractual matters.

8.4 Confidential Items for Decision

The information in this report is considered to be confidential in accordance with the Local Government Act 1989 (as amended), as it relates to: (d) contractual matters.