



Special Advisory Committee Update

**Mid-Year Report
July – December 2025**

southmelbournemarket.com.au



Contents

Introduction	3
Governance	4
2021-25 Strategic Plan	5
2026-30 Strategic Plan	6
Financial Report	7
Our Traders	8
Our Asset	11
Our Brand	14

Introduction



On behalf of my fellow Committee members, I am proud to present the Market’s Mid-Year Report to Council.

The Market continues to achieve the measures of success that have been set to ensure we continue delivering a market experience that our community love and expect and provide a destination where small businesses can thrive.

This period has been a rewarding time to reflect on the achievements of the 2021-25 Strategic Plan, and plan ahead for the future of this Market. We are incredibly proud to present the 2026-30 Strategic Plan, which sets a bold direction for the next five years, centred around the needs of our local community.

We look forward to welcoming you to the Market soon.

Amanda Stevens,

SMM Committee Chair

Measures of Success July – December 2025

	Financial operating profit (\$'000)	Occupancy <i>Under Agreement</i>	Trader satisfaction <i>Somewhat or very satisfied with the Market as the venue for their business</i>	Community satisfaction <i>% Very good or excellent rating for overall view on offer</i> <i>NPS = Net Promotor Score</i>
2024 – 25 YTD – Dec	\$1,230*	99%	94%	97% NPS 79
2025 – 26 YTD – Dec	\$707	100%	94%	96% NPS 80
Target EOY	\$310	98%	90%	90% NPS 80
Status	On Track	On Track	On Track	On Track

*2024-25 does not include notional rent expense; 2025-26 includes notional rent

Governance

The South Melbourne Market Committee Charter (Charter) guides the decisions of the Committee and Market Management.

The purpose and objectives of the Committee are to provide advice to the Council and Chief Executive Officer or delegate to:

- position the Market as the premier Village Market in Victoria, one that is recognised as being vibrant, diverse and unique and that is sustainable for traders and the City of Port Phillip;
- promote the Market and encourage its use by residents, visitors and the community; and
- oversee the management and operation of the Market in accordance with the terms of this Charter and Council's Strategic Plan, policies and programs.

SMM Committee Members

Independents

- Amanda Stevens (Chair)
- Andrew Danson (Deputy Chair)
- Nicola Smith



Councillors

- Cr Alex Makin
- Cr Beti Jay

2021-25 Strategic Plan

This period saw the Market’s 2021-25 Strategic Plan draw to a close. Developed through the COVID pandemic, this Plan aimed to build a strong foundation to support the Market’s future growth and to ensure the Market’s importance and relevance was retained in the community.

Initiatives and actions from the 2021-25 Plan have been developed and implemented and continue to guide decisions across the Market’s operation. Key achievements include the Market’s updated rental model, improved safety and asset upgrades, securing funding and commitment for Project Connect, development of a True North Report to strengthen the Market’s brand, and the launch of the Market’s first Environmental Sustainability Strategy.

-  Completed
-  In progress

Key Strategic Priority Status

Strategic Priority	Actions	Status
Enhance the SMM Brand	Develop Brand Strategy	
	Develop Marketing & CX Strategy	
	Develop Digital Technology Strategy	
	Develop Sustainability Strategy	
Improve SMM Asset	Deliver Compliance Plan	
	Risk and Safety Plan	
	Asset Improvement Plan	
	Explore and deliver on NEXT Project*	
Build financial sustainability	Develop new multi-faceted revenue model	
	Develop new revenue opportunities and minimise costs	
Differentiated retail offer	Retail Strategy	
	Market Precinct Plan	
	Trader Pipeline	
	Retail Support and Continuous Improvement	

*Now Project Connect

2026-30 Strategic Plan

This period saw continued development and the finalisation of the 2026-30 South Melbourne Market Strategic Plan, which was endorsed by Council in February 2026.

The Plan sets a bold and community-driven direction for the next five years, guiding the Market through its 159th to 163rd years of operation. Rooted in its legacy as a cherished public market since 1867, the Plan reaffirms the Market's commitment to being a vibrant, inclusive, and sustainable destination for locals and visitors alike.

Developed through extensive stakeholder engagement, including traders, the Market Committee, and the broader community, the Plan builds on the foundations of the 2021-25 Strategy, embedding financial sustainability and operational excellence into everyday decision-making.

Our key focus remains the local community, while also encouraging and promoting visitation from destination shoppers, local workers, families, and tourists.

Strategic measures include trader satisfaction, customer satisfaction, financial performance and environmental sustainability performance.

Community Consultation and Engagement

From 25 August until 28 September 2025, we sought community feedback on the draft vision and priorities for the Market for the next five years.

We heard from a broad range of community members including Market traders, workers, shoppers, visitors, residents, and local businesses, who shared their feedback and ideas.

- 419 survey respondents
- Four community engagement pop-ups
- One Trader workshop

Mid-Year Financial Report

At the end of December, the Market recorded a surplus of \$707,000, which was \$313,000 higher than forecast. This result was influenced by some operating expenditure from the first half of the year being processed after December, temporarily improving the year-to-date position.

Revenue performed well and finished 1% ahead of forecast. Operating expenditure was 6 per cent below forecast at the mid-year point; however, this variance is expected to normalise in the new year as first half invoices are processed.

The Market's Capital Program closed the first half of the year \$176,000 underspent. A portion of planned renewal and base build works is scheduled for delivery in the third and fourth quarters, which will bring the program back on track. Project Connect is on track with expenses balancing out in second half of the year.

Capital Program

	Year to date		YTD Variance	
	Actual (\$'000)	Forecast (\$'000)	Actual to Forecast (\$'000)	%
SMM Cecil St Essential Services (Complete)	65	56	(9)	(15%)
SMM Fire Stairs to L1	33	0	(33)	0%
SMM Stall Base Build Changeover	32	63	30	48%
SMM Renewal Works	115	252	137	54%
SMM Project Connect	70	121	50	42%
TOTAL CAPITAL SPEND	315	491	176	36%

South Melbourne Market Income Statement 2025/26

Q2 December 2025

Operating Budget

	Year to date		YTD Variance	
	Actual (\$'000)	Forecast (\$'000)	Actual to Forecast (\$'000)	%
Licence Fees / Stallholders Rent	3,864	3,830	33	1%
Grants Operating	0	0	0	0%
Capital Grant			0	0%
Parking Fees	470	486	(16)	(3%)
Other Income	488	449	39	9%
TOTAL INCOME	4,821	4,765	56	1%
Employee Costs	920	925	6	1%
Materials & Services	30	46	16	35%
Contract Services	1,452	1,536	84	5%
Utilities & Insurance	162	260	98	38%
Financing Costs	8	8	(0)	(5%)
Depreciation	269	249	(21)	(8%)
Congestion Levy	164	165	1	1%
Fire Services Levy	36	19	(18)	(96%)
Land Tax	118	119	1	0%
Bad and Doubtful Debts	0	0	0	0%
Professional Services	55	67	12	17%
Marketing and Advertising	222	275	52	19%
Other Expenses	90	71	(19)	(26%)
Notional Rent*	489	514	24	5%
Internal Head Office Overhead Costs	81	81	0	0%
Operating Projects	17	38	20	55%
TOTAL EXPENSES	4,114	4,370	256	6%
OPERATING SURPLUS/(DEFICIT)	707	395	313	79%

* Note - Notional rent is adjusted at year end and is based on National Competition Policy

Our Traders



Our Traders

The Market connects our customers to over 150 small businesses, with 33 eateries, 39 grocery, 70 general merchandise (inc. five SO:ME Space pop-ups) and 12 services.

The Market maintained a consistently high level of demand for new stalls over the July-December period, introducing five new traders, four sale-of-businesses, nine casual pop-ups, and 34 SO:ME Space pop-ups in Quarters 1 and 2, with a 99% stall occupancy rate.

99%
Occupancy rate
(average)

5
New
business

96%
of customers rated
the Market offer as
Very Good or
Excellent

New traders: July – December 2025

TRADER	DATE	OFFER
Greek'n Out (new owners)	Dec	Ready-to-eat
Mr Bratwurst	Dec	Ready-to-eat
Market Lotto & News (new owners)	Nov	Newsagent
Billie Bespoke	Nov	Clothing and accessories
Hokky	Nov	Sunglasses
Giftfully	Nov	Jewellery and engraving
Metro Photo Booth	Nov	Instant retro photo strips
Remedy Clothing (new owners)	Aug	Clothing and accessories

Stall upgrades

The Market assisted several traders to refurbish their stalls during July – December. These included relocation and new stall fit-outs for existing traders Everything Aussie, Babes Eggs, Annilla Jewellery, and Tomi Art, and new stall fit-outs and a refreshed look for Mister Handsome Barber and Traffic Footwear.

SO:ME Space

The SO:ME Space business incubation pop-up precinct has continued to be highly sought-after, with spaces booked up to six months in advance, and an increasingly high return rate. During this period 34 new businesses were featured in the SO:ME Space pop-up precinct, with a focus on new, innovative, and locally-designed wares.

Trader Highlight

Everything Aussie

Stall 185, Aisle D

Earlier this year, Everything Aussie relocated into a larger stall in Aisle D, allowing the business to expand their popular range of authentic souvenirs and gifts.

Quoc's journey to becoming a small business owner began years ago while working part-time at a souvenir stall at another market during his university days. *"I realised most souvenirs were made overseas, and it was really hard to find Australian-made gifts,"* he says. *"That's when I had the idea to create my own store - one that supports local makers and offers meaningful souvenirs."*

Everything Aussie is exactly that: a celebration of Australian culture, heritage, and craftsmanship. From plush toys and boomerangs to coasters, keyrings and tees, the stall champions ethical, authentic, and proudly local products. Among the bestsellers are their genuine returning Murra Wolka boomerangs - crafted and hand-painted by Indigenous artists, and made to fly (yes, they really come back!).

Quoc is particularly proud to support Murra Wolka, a social enterprise under Gidarjil Development Corporation, a not-for-profit dedicated to caring for Indigenous families and the environment. *"These are real returning boomerangs,"* Quoc says. *"Customers are always shown how to throw them - it's a joy to see their surprise when it really works."*



Our Asset



Our Asset

In the first half of 2025-26, the Market delivered a range of infrastructure upgrades and operational improvements that enhanced the efficiency, sustainability and security of the Market, creating a better experience for both traders and visitors.

SMM Projects Update

Project	Overview	Status	Update
1. Cecil Street Essential Services	Installation of services to make the outdoor kitchens on Cecil Street compliant including gas, hydraulic, electrical and exhaust.	Complete	The scope of work including the installation of additional fire sprinklers was completed in November 2025.
2. Level 1 External Stairs (Fire Egress Stair)	A compliance requirement involving construction of an external stairwell from the Level 1 carpark to the York Street ground level carpark to provide safe passage in the event of fire.	Off track	There have been delays in finalising the design. Construction is now planned to commence in April 2026 with the project expected to take six weeks.
3. Asset Renewal / Stall Base Build	Annual program of asset renewal and stall base build works to ensure the Market asset is maintained and updated as required for environmental and operational sustainability.	On track	This period included the installation of a new Loading Bay roll fast door; a new camera as part of the licence plate recognition carpark system, refurbished floor areas to mitigate slip and trip hazards, enhanced lighting and electrical infrastructure and several significant stall base builds.

4. Project Connect

Overview: Project Connect is a critical capital works program required to upgrade and enhance South Melbourne Market, ensuring it alignment with contemporary operational, regulatory, and community expectations while facilitating long-term sustainability.

Status: On Track

Update: Following Council endorsement in October, NH Architecture was appointed as the Principal Design Consultant for the project. The project initiation meeting with NH Architecture and their sub-consultants was held in December, with the design phase now underway.

Environmental Sustainability

The Market continued to see improvements in its environmental sustainability outcomes in 2025. Highlights from this period included:

- replacement of fluorescent bulbs with LED, contributing to a significant reduction in electricity use.
- a comprehensive audit of all trader and mains water meters and monitoring infrastructure. The findings provide a clearer picture of water usage patterns, which will help inform future initiatives aimed at reducing overall consumption.

Highlight: New eWater System for Market Traders

In Quarter 2, the Market installed an eWater System that produces environmentally friendly cleaning products, reducing harmful chemicals in our waterways and reducing business costs for Market traders.

The eWater System is a unit that produces food-safe cleaning and sanitising solutions through a process known as electrolysis. This technology uses water, salt, and electricity to create two effective, safe, and environmentally friendly cleaning agents: eWater Clean and eWater Sanitise.

The eWater system is available for all traders and staff to use at no cost, and is located in the East Aisle Trader Kitchenette.

YTD Performance (July – December)

	Waste Diversion ¹	Potable water (KL)	Electricity [^] (kWh) ²
2024-25 <i>(Mid-Year)</i>	70.6%	13,180	242,837
2025-26 <i>(Mid-Year)</i>	82.4% ¹	14,641	427,841 ²
2027 target <i>(Annual)</i>	85%	23,180 <i>(10% reduction on 18-19 baseline)</i>	714,577 <i>(25% reduction on 18-19 baseline)</i>
	On track	On track	On track

Notes

1. Waste diversion now includes quarterly grease trap recycling
2. Electricity usage in Q1 and Q2 this year was entirely grid-supplied as the Market's solar board was not operational. In January 2026, the solar board and data monitoring were reinstated, so the annual figure is expected decrease considerably, in conjunction with the extensive LED lighting upgrades.
3. Internal reporting also includes per capita monitoring, noting that the number/type of stalls and visitation to the Market impact this data (higher numbers = higher consumption).

Our Brand



Our Brand

The Market continues to position itself as the Quintessential Village Market – the local’s place to shop, eat, drink and meet. Key highlights in this period included A Foodie Affair: Cultured & Cured, growth of the Market’s Ride2Work Day, and Australia’s first Burrata Festival, presented by That’s Amore on the Market’s rooftop carpark. The Market also experienced its busiest lead up to Christmas in recent years, and its highest ever New Year’s Eve visitation.

80

Net Promoter
Score

4.6

Google
Rating

2.8

Million
Visitors

Our Customer

Customer exit surveys are conducted twice a year, with the most recent wave completed in October. Key findings included:

- Shopper demographic continues to skew female
- 29% of shoppers reside within Port Phillip
- There is an upward trend of visitors from interstate and overseas
- Grocery shopping remains the key reason for visiting the Market
- On average, shoppers visit the Market 34 times per year.

Key initiatives and activity

Programming: The Market delivers a calendar of events and celebrations that drive visitation and encourage exploration, dwell time and spend to support our traders. Key highlights in this period included a free live music program for NAIDOC Week, Ride2Work Day, Bastille Day entertainment, the launch of Market Explorers Volume 2 (food education program for children), and another instalment of the popular Foodie Affair series; Cultured & Cured.

Market Tours: The Market continues to deliver a regular program of tours in partnership with Flavourhood Tours. The program continues to expand, with weekly Foodie Tours, corporate tours, private tours and primary, secondary and VCE curriculum aligned school tours.

Christmas: The Market ran an eight-week promotional campaign in the lead up to Christmas to encourage Melbournians to support small business and shop local. Advertising ran across radio, outdoor, print and digital and positioned the Market as a one-stop-shop for produce and gift shopping. There was also a program of roving entertainers, live music, Santa’s Mailbox, visits from Santa and his Elf and expanded theming and decorations onsite.

Community Space: The Market hosts a free community pop-up space that is available for local charities, not-for-profit organisations and community groups to book free-of-charge. This period, this space hosted groups including Port Phillip Men’s Shed, RSL Victoria, Oxfam, Ambulance Victoria (Shocktober), Vic Police (Coffee with a Cop) and SES Port Phillip.

Event Highlight

Ride2Work Day

South Melbourne Market hosted a full day of free entertainment and activities on Cecil Street for Ride2Work Day on Wednesday 15 October.

The free community event included a complimentary breakfast and coffee for riders, free bike tune-ups courtesy of Back2Bikes, bike engraving by Victoria Police and bike activations, giveaways and stalls by Port Phillip Bicycle User Group (PPBUG), Bicycle Network, Kieser Physio, the Heart Foundation and Council's Sustainable Transport team.

Throughout the day there were cooking demonstrations by A Better Choice! and Veg Ed, cooking classes with Foost, free facepainting and games for the kids plus yoga classes, crochet and jewellery making workshops and live music.

The event targeted local residents, workers and shoppers and promoted healthy living, wellness sustainability and community connection.





322-326 Coventry Street, South Melbourne 3205
Open from 8am every Wednesday, Friday, Saturday and Sunday

southmelbournemarket.com.au

