



South Melbourne Market 2020-21

Annual Report



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South Melbourne Market
Annual Report
2020-21

Welcome Wominjeka

The South Melbourne area is marked as 'Nerre nerre minum' in one of the earliest maps of Melbourne in the 1840s. Emerald Hill (now South Melbourne) was an important location for the Traditional Owners of the area where they would hold Ngargee events. These events were occasions to honour guests, showcase creativity in song and dance, ensure conciliation after conflict and to tell popular and new stories.

Council respectfully acknowledges the Traditional Owners of this land. We pay our respect to their Elders, both past, present and emerging. We acknowledge and uphold their continuing relationship to this land.



Introduction from our Chairperson

While 2020-21 has provided the Market, our traders and Market team with another year of incredible challenges, what has stood out most to me is the way in which we genuinely cared for each other, deepened relationships, showed leadership and resilience, and embraced new opportunities.

In July 2020, for almost three long months, our General Merchandise traders were required to close, some losing their livelihoods at a moment's notice. During this time our food businesses continued to operate under very challenging conditions, and we should not take for granted the risk they put themselves in daily so our community could continue to access fresh produce.

On behalf on the Committee, I want to thank all our traders for the many sacrifices they have made during this pandemic to keep our community safe. Their resilience never fails to amaze me, and I know that working together we will come back from this stronger than ever before.

I also want to thank the Market Management team. The past eighteen months have put them to the test like never before and they have consistently risen to every challenge. They have worked incredibly hard to support our traders, provide a safe environment, and keep our Market community connected.

We have accomplished so many things to be proud of this year and I am pleased to share them with you in this Annual Report.

We welcomed some fantastic new businesses to the Market family, including plant-based diner, Marko, and German street food eatery, Little Hof, to our Cecil Street restaurant precinct. We launched a new online shopping and home delivery service, South Melbourne Market Direct, allowing our customers to continue to support our traders when they could not visit the Market. We were also fortunate to spend almost six months living the "new normal" and held over 35 free public events and activations for our community during the partial closure of Cecil Street from January to April.

The Market Committee and Management team did some exciting work this year planning the future direction of our Market. We developed a new 2021- 25 Strategic Plan which will help us to deliver an even better experience for our community and a prosperous, financially sustainable future for both our traders and the Market. We also commenced an exciting journey with the NEXT Project, an exploration into the future of the Market asset and how it could be developed to secure the long-term success of our beloved landmark.

The pandemic is not yet over, and we still have some challenges ahead on our road to recovery. What gives me every confidence that we will succeed is our village community; for over 154 years our hardworking traders and loyal customers have been, and will continue to be, a consistent source of strength, resilience and hope for each other.

Often when I talk to people about why they love the Market, they try to explain an almost indescribable something, an essence that cannot be replicated anywhere else; it is almost "magic". We will all be working hard to bounce back from this pandemic, but it's always nice to know we have a bit of magic on our side.



Jo Plummer, South Melbourne Market Committee Chairperson



South Melbourne Seafoods


is loved, trusted
 and connects our customers
and community

Introduction

About the Market

“The South Melbourne Market is a very important public place for social and cultural interaction both for the City of Port Phillip and the wider community.

Established in 1867, the Market is built on land made available under a Crown Grant for a general market. The buildings and associated infrastructure are owned and maintained by Council. It is Council’s intention to retain and enhance the Market’s unique position as a major civic space, one that is a generator of community and social interaction, as well as being one of the Council’s prime infrastructure assets. Council is of the view that it can be developed further as a place for the whole community to visit and belong, as well as a premier shopping destination.

The Market is an integral part of Council’s long term financial sustainability and as such must continue to operate profitably and competitively.”

South Melbourne Market Committee
Charter December 2020

Our Vision

South Melbourne Market, the Quintessential Village Market.

A prosperous, authentic destination that is home to fresh, artisanal and cultural products; creative and joyful experiences; celebrates local; is a leader in sustainability; is loved, trusted and connects our customers and community.

South Melbourne Market will achieve its vision by:

1. Being a trusted destination for quality, value, fresh and extensive offer
2. Being a safe, accessible and inclusive market for the whole community
3. Embracing and curating all that is local, artisanal, emerging, cultural and creative
4. Remaining a loved, happy, quirky and experiential destination – full of moments of surprise and wonder
5. Continuing to be environmentally and economically sustainable – a financially secure urban experience, living and breathing green
6. Being accessible – physically and online.



The Market is an integral part of Council’s long term financial sustainability



Coventry Street community parklet



setting the long-term vision and strategic position of the Market

Yodgee Footwear

Our Governance

Special Advisory Committee

South Melbourne Market (the Market) is owned and operated by the City of Port Phillip (Council). It is overseen by a Special Advisory Committee (Committee) of the Council under the Local Government Act.

Role of the Committee

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

The purpose and objectives of the Committee, as outlined in the Charter, are to provide advice to the Council and Chief Executive Officer to:

- a) 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;
- b) promote the Market and encourage its use by residents, visitors and the community; and
- c) oversee the management and operation of the Market in accordance with the terms of the Charter and Council's Strategic Plan, policies and programs.

The Committee is responsible for providing advice to the Council and Chief Executive Officer on the effective management and operation of the Market, including setting the long-term vision and strategic position of the Market; overseeing the execution of a commercially sustainable retail strategy and successful brand management; and understanding the needs of the Market's traders and customers.

Committee members

The Committee is comprised of five members:

- Three members independent of Council
 - Jo Plummer (Chairperson)
 - Simon Talbot (Deputy Chair)
 - Andrew Danson
- Two City of Port Phillip Councillors
 - Deputy Mayor Marcus Pearl
 - Councillor Heather Cunsolo

The Chairperson of the Committee is appointed by Council and must be a member independent of Council (unless Council determines otherwise).

Independent members are selected based on their expertise in areas relevant to oversee the Market, as well as a strong local association and love of markets.

The current members bring a diverse range of skills to the Committee, including expertise in food supply chains, commercial retail leasing, retail strategy development and implementation, and strong professional governance.

All members of the Committee must have significant understanding and experience at a senior level in corporate governance, risk and financial management.

Committee meetings

Committee meetings are ordinarily held six times per year however due to the impact of COVID-19 restrictions, five meetings were held in 2020-21. The meetings are open to the public to attend and each member of the Committee has one vote on the recommendations put forward by Market Management and Council.

The Market Executive Director and a Senior Council Officer also attend meetings of the Committee to provide advice as required; they are not members of the Committee and cannot vote on any decisions.

Meeting attendance summary 2020/21

Name	Position	Attendance
Jo Plummer	Chairperson	5/5
Simon Talbot	Deputy Chairperson	5/5
Andrew Danson	Committee Member	5/5
Deputy Mayor Marcus Pearl	Committee Member	5/5
Cr Heather Cunsolo	Committee Member	5/5

In addition to the formal meetings held, the members of the Committee meet on a regular basis to provide advice on commercial, social and environmental improvement opportunities, strategy and Council briefings.



Corner Cecil and York Streets

Our Governance

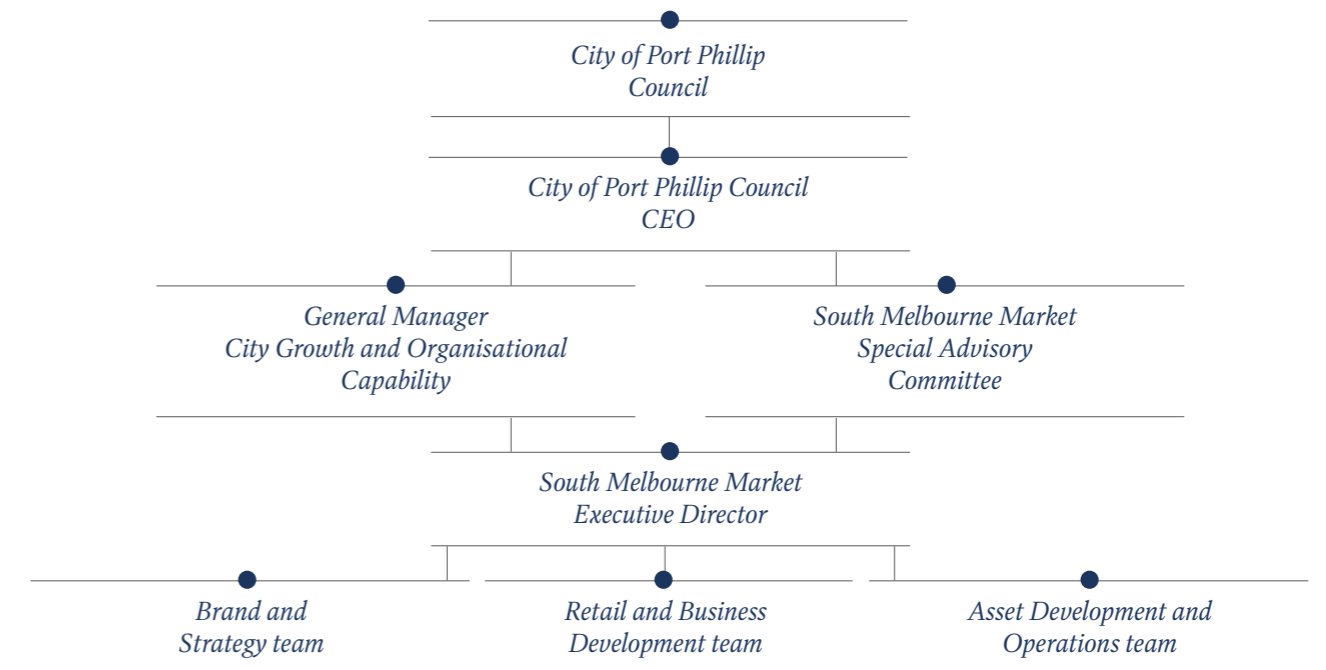
Our Committee



Chair, South Melbourne Market Committee Jo Plummer

South Melbourne Market Committee Members
L-R: Simon Talbot, Andrew Danson, Deputy Mayor Marcus Pearl, Cr Heather Cunsolo

Organisational Structure



The Committee is responsible for providing advice to the Council and Chief Executive Officer on the effective management and operation of the Market



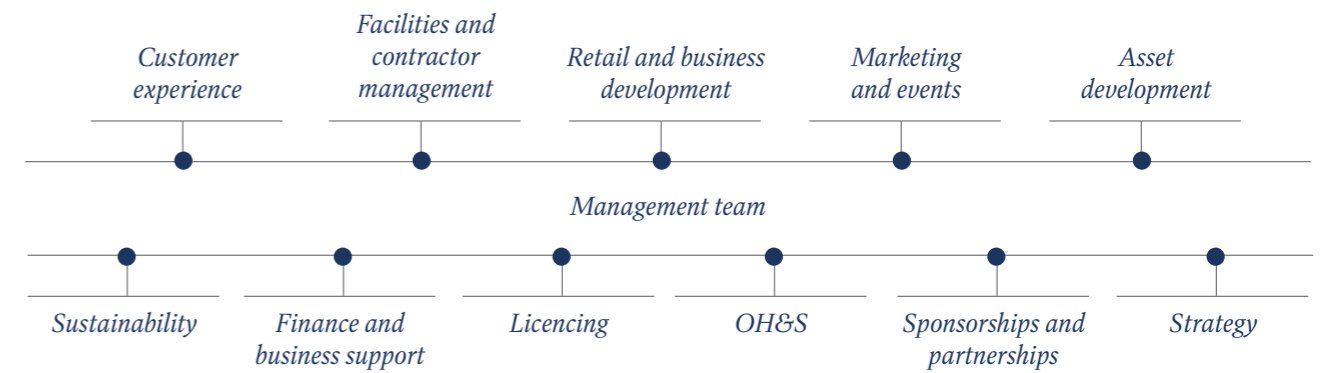
Ba Ba Rolls, Market Food Hall

Our Market Team

The daily operation of the Market is managed by Executive Director, Danielle Bleazby, and a supporting team of 12.1 full time equivalent staff.

The Market team are responsible for managing the core functions of the Market and delivering the Key Strategic Initiatives identified in the Strategic Plan.

Market team responsibilities



Market Management Team

Our Year in Review

Snapshot

July 2020

Stage 3 lockdown restrictions in place. All general merchandise traders required to close (9 July)

August 2020

Stage 4 lockdown restrictions begins – hairdressers and florists required to close and customers are limited to a 5km radius (2 August)

September 2020

SMM Direct launches – the Market’s new online shopping and home delivery service
Electric vehicle charging stations open to public

October 2020

Order & Collect finishes after 29 weeks of servicing our community
Travel restrictions lifted to 25km (19 October)
Lockdown lifted. All Market traders open, but 25km radius for shoppers remains (28 October)
New lighting installed in SO:ME Space

November 2020

Lindsay Nicholas New York and Alison Dominy Designs open in Aisle B and Tri Colour Federation opens in SO:ME Space
Free Community Space opens
Travel restrictions lifted (9 November)

December 2020

German street food eatery Little Hof opens on Cecil Street

January 2021

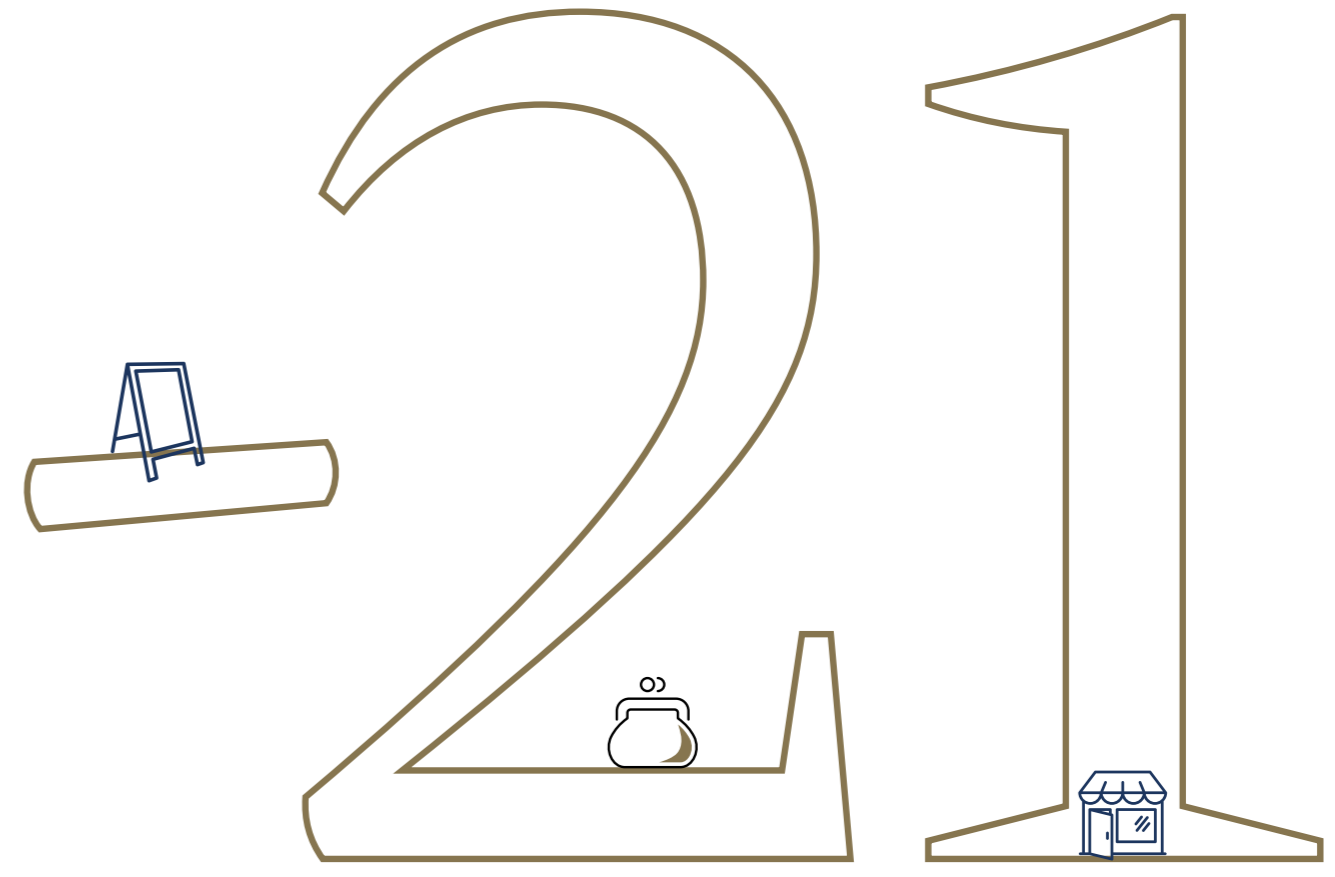
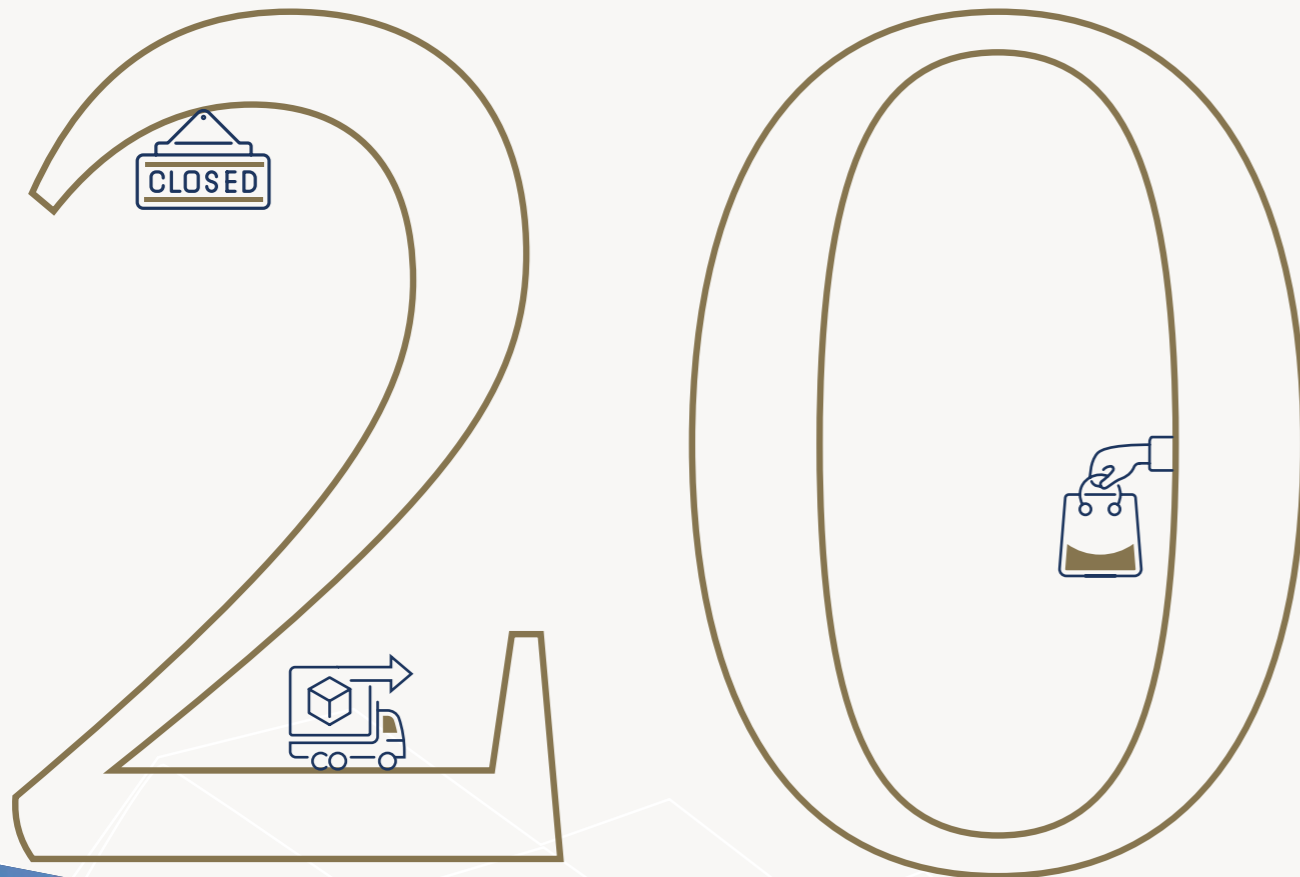
Partial Cecil Street closure for Outdoor Dining

February 2021

Snap, five-day Stage 4 lockdown. All non-food traders required to close (13-17 February)



New plant-based diner, Marko



Order & Collect

March 2021

\$450,000 Government Grant secured for Outdoor Courtyard area
Spotty Dot opens in Aisle B

April 2021

New plant-based eatery Marko opens on Cecil Street
New parklet installed on York Street

May 2021

Community “Little Library” installed outside Simply Spanish
Akana Handcrafts opens in SO:ME Space
Lockdown 5 begins. All non-food traders required to close (28 May)

June 2021

South Melbourne Market Strategic Plan 2021-25 endorsed by Council
Off Your Back coat drive launches
East Aisle improvement works completed
Look at You opens in SO:ME Space
Lockdown 5 lifted (11 June)



Over 35 free
events and activations on
Cecil Street

Little Hof on Cecil Street

Our Achievements

\$ Customer average
SPEND INCREASED
\$76 TO \$80

SOUTH
MELBOURNE
MARKET
DIRECT
GENERATED
\$144,043
in sales to traders

56%
ON
2019/20
water
use

8
NEW
traders

NET
PROMOTER
SCORE OF
+76

100%
renewable
electricity

60%
more
Instagram
followers

★★★★★
+4.5
stars
CUSTOMER
review rating

67%
OF WASTE
diverted
FROM LANDFILL

23,549
FOOD PARCELS
AND MEALS
PACKED for Share
the Food initiative

\$1,764,400
RENT RELIEF
provided to traders

\$450,000
IN FEDERAL GOVERNMENT
funding secured for new
courtyard

2021-25
strategic plan
DELIVERED

*order &
collect*
RAN FOR
29 WEEKS
WITH OVER
15,500
ORDERS
PROCESSED




life at the Market
 progressively returned
 to almost normal

Frank's Quality Fruit and Veg

Our COVID-19 Response

When COVID-19 arrived in Australia in January 2020, few predicted the ongoing impact it would have on the Market, its traders and community.

The extended lockdown from July to October 2020 were some of the most difficult months the Market has experienced. All of the Market's 75 General Merchandise traders were required to close, and with our customer base limited to a five-kilometre radius for much of that period, the Market's usually bustling aisles were subdued.

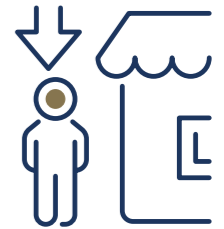
Coming out of lockdown at the end of October 2020, life at the Market progressively returned almost to normal: all traders were open and operating with minimal restrictions, masks came off, entertainment returned for the summer and visitor numbers were edging back toward pre-COVID levels. Despite the snap five-day lockdown in February, the Market and our traders were optimistically planning for a COVID-free year, only for the third wave to arrive, bringing with it another series of lockdowns and restrictions.

Impacts of COVID-19



NON-FOOD TRADERS
 closed for **80 days**

Visitation down
23% ON 2019-20



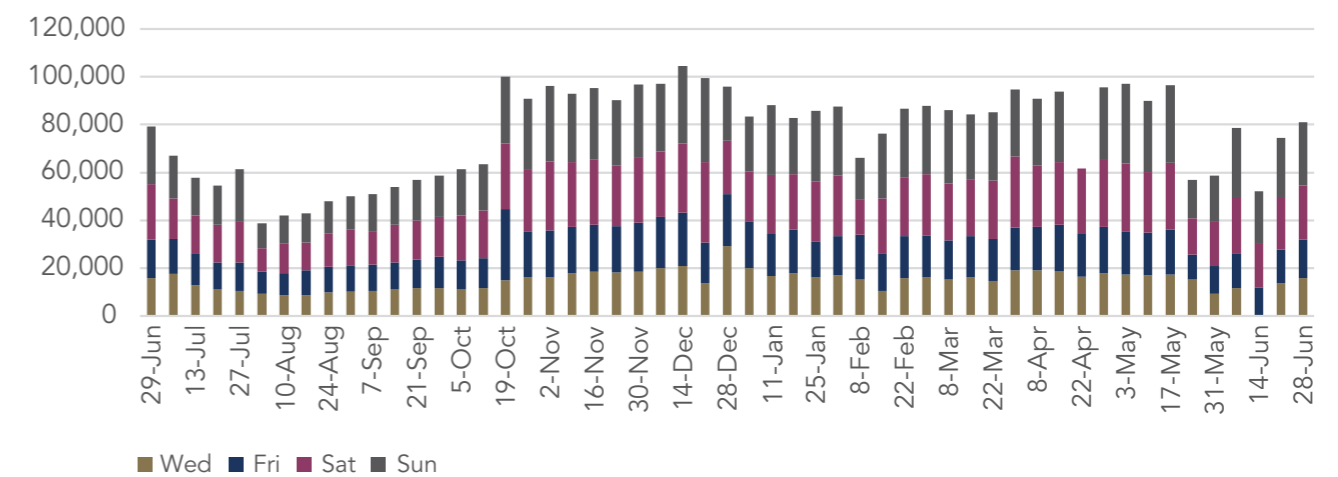
\$1,764,400
RENT RELIEF
 provided to traders



11 WEEKS OF CUSTOMER BASE
limited TO 5KM RADIUS



Visitor numbers by week 2020-21



Our COVID-19 Response

A Stronger Market

Despite the numerous challenges and ever-changing landscape of the pandemic, the Market's response to COVID-19 also brought with it creative solutions, new insights and exciting initiatives that helped us build a stronger, more resilient Market for our traders and community.

We introduced new ways to shop at the Market

On 26 March 2020 the Market launched a contactless *Order and Collect* service, providing customers with an alternative way to access fresh produce and support our traders during COVID-19 restrictions. The service ran for 29 weeks with over 15,500 orders processed.

In response to the popularity of this service, and to provide an option for customers who could not visit the Market, South Melbourne Market Direct was launched in September 2020. The online marketplace allows customers to order from a range of traders in one transaction and then have the items delivered to their door. The service continues to add new traders, new products and expand the home delivery options.

We created new public spaces for our Market community

Forming part of the COVID-19 economic recovery roadmap, the City of Port Phillip closed the northbound lane of Cecil Street (between York and Coventry Streets) from 4 January to 18 April 2021. The closure provided additional space for the restaurants to extend their outdoor dining areas and an opportunity for the Market to create a safe, inviting and accessible space for the local community to enjoy. The area was used for a range of events and activations over the summer months (pg. 31) and was well received by the local community.

The new public space was a driver for attendees to the area with 49.3% of attendees surveyed stating it was solely, or partly, the reason for their visit there that day. Attendees commented on the 'great atmosphere' and that the space provided 'somewhere to relax' and 'somewhere to sit and eat.'

In addition to the Cecil Street closure, the Market installed parklets along Coventry and York Streets providing open, inviting spaces for customers to eat and relax while at the Market.

We provided a safe, accessible place to shop

Working closely with the Department of Health and local police, the Market team quickly implemented multiple changes to ensure it was a safe and accessible place for its shoppers and traders. The Market team enhanced cleaning, installed signage, QR codes and physical distancing markers, and used our multiple communication channels to keep our customers informed. During the extended 2020 lockdown, the Market team reduced entry points into the Deli Aisle to effectively manage the density quotient in this busy area; displays were also removed from the Deli Aisle and moved back off the footpaths on Coventry Street to clear congestion points.

We built stronger relationships with our traders

With COVID-19 restrictions frequently changing and General Merchandise traders unable to trade onsite, communication with our traders became more important than ever. The Market team was in regular contact with traders, providing information and support (pg. 23) to help their businesses adapt to the pandemic. Through the many conversations with traders about how they, and their businesses, were coping, the Market also gained a better understanding of the intricacies of their businesses, who their customers are and what the Market can do to help them prosper.



Cecil Street Summer Outdoor Dining

We were a place of mutual support for our locals

In recent years, the Market has become an increasingly popular destination for interstate and international visitors, but when borders were closed and lockdown restrictions imposed, it was the Market's loyal local customers who supported our traders and ensured their businesses survived. In turn, our customers were able to access fresh produce, groceries and takeaway food and maintain a sense of connection with the community throughout lockdown periods.

We remained a popular, sought-after shopping destination

While other shopping destinations around Melbourne were devastated by the impact of COVID-19, the Market maintained full tenancies throughout 2020-21. Expressions of Interest for new business opportunities continued to attract quality applications from parties who recognised the Market as an ideal location their new business venture.

We were valued and supported by Council

In recognition of the value of the Market's small businesses and the important role it plays in the community, Council provided a generous rent relief package to support our traders. The package went above and beyond the Government mandated Commercial Tenancy Relief Scheme, providing full rent relief equivalent to percentage drop in turnover, rather than 50% deferral. Council also supported the roll out of new initiatives at the Market including the parklets and Cecil Street outdoor dining closure, and provided redeployed staff to help with the Order & Collect and South Melbourne Market Direct services.



The Market's Deli Aisle

our traders
the heart and soul of
the Market



"I love interacting with people and seeing the excitement on their faces when I am able to help them find a pair of shoes I can tell they really like."

I enjoy being able to bring happiness to people with the products I am selling especially at the present time. I love the collective feeling in the SO:ME Space - it's almost like a feeling of friends or family."

Ejaz Ahamed
Lost In Seasons

"My first pop-up stall at the market was in 2015 and I was so nervous!"

But I loved it from day one –the dynamic of the customers, the characters and charisma of the stallholders and the enthusiasm of the other pop-ups who were also at the beginning of their retail careers.

I really don't think that any other market in Melbourne has quite the same community vibe, especially the SO:ME Space. I've been a local now for over 12 years and will forever shop here. "

Catherine Evans
Ruby & Sky



"My business has been in South Melbourne Market since 1995. The area has undergone many changes since I commenced my work here, but open-minded and chic people have always remained its heart and soul."

For me, working with clients is much more than just business. I try to get to know each customer more than just superficially, so I can better tailor the styling to their individual needs and personality. That is why I like working with the lovely people of South Melbourne Market."

Gila Chabat
Cavalli Leather Goods and Fashion



"We both loved the vibrancy of South Melbourne Market, and felt this would be an ideal location for our business."

I had also been a customer at the market for many years, so I knew what a great market it was from the customer perspective. I used to love coming on the mad Sunday afternoons

with the spruikers all going full tilt – never imagining one day I would be one of them! We didn't know for sure when we started, but we also hoped it would be a great market for traders which it has been for us. We've been trading at the market now for five years."

Caroline Jennings
South Melbourne Market Organics



Our Market Traders

About the Market

South Melbourne Market is home to some of the best fresh produce, renowned eateries, and unique retail shopping in Melbourne.

The Market has 147 permanent stalls on offer, falling broadly into the categories of 39 fresh food, 30 eateries, 68 general merchandise and seven services.

Traders vary from generational family-run businesses, to new start-up ventures, and everything in between; all make an important contribution to the Market village.

Welcome

In 2020-21 the Market licenced a diverse range of stallholders to join the family:

- **Lindsay Nicholas New York (November 2020):** Australian designed and made women's clothing.
- **Alison Dominy Designs (November 2020):** locally made and designed plus-size women's clothing.
- **Tri Colour Federation (November 2020):** sustainable, locally made and designed denim for men and women.
- **Little Hof (December 2020):** authentic German street food and beverages.
- **Marko (January 2021):** plant-based restaurant specialising in burgers, pitas and salads.
- **Spotty Dot (March 2021):** quality wooden toys and boutique baby goods with a focus on Australian brands.
- **Akana Handcrafts (May 2021):** handmade leather shoes and accessories utilising ancient artisan techniques.
- **Look at You (June 2021):** photographs of customer's irises used to create unique artworks.

Farewell

The Market said goodbye to some beloved traders this year:

- Gianna Molinaro
- Elementary Skin Care
- The Pet Grocer

Trader achievements

- **Spotlight fabric range:** In collaboration with Spotlight, Suki McMaster launched a range of fabrics featuring her colourful and whimsical designs. Her fabrics are sold in Spotlight stores nationwide, a huge achievement for the designer and talented artist who creates all her own designs in Melbourne.
- **Online delivery services:** COVID-19 lockdowns required many of our traders to rethink their business approach and find ways to adapt to the ever-changing retail landscape. Rod's Fruit and Veg and Hagen's Organics are examples of two traders who delivered hugely successful online services this year ensuring their businesses could continue to thrive during the lockdowns.

Trader anniversaries

10 years

- The SuperCool
- Georgie's Harvest
- Everything Aussie

15 Years

- Yakey Yak

20 Years

- The Soap Shop
- Tony's Meats
- Cavalli Leather Goods and Fashion

30 Years

- Zarifa's Collection



Little Hof

"Little Hof joined the Cecil Street restaurant precinct in December 2020. Created by the team behind Hofbräuhaus (Melbourne CBD) and The Hof Downtown (Docklands), the idea behind Little Hof was to make much loved German food more accessible in a street food format."

While the idea of bringing German street food to Melbourne had been on the table for quite a while, it took the 2020 COVID-19 lockdowns to finally get the ball rolling; the team finally had time to plan the concept, refine a menu, and bring the idea to life.

When the opportunity came up at South Melbourne Market, owner Philipp Hockenberger knew they had found the right location: "We all love South Melbourne Market and a lot of us spend a lot of time here as visitors, so we'd always had our eye on it. It's a great place which offers a community feeling combined with an urban look and most importantly, a great culinary landscape. When we heard about the Cecil Street opportunity, we didn't hesitate to apply and are super proud that we were selected to be a new member of this great community."

In addition to their renowned rotisserie pork knuckle, customers can also choose from bretzels, a range of sizzling German sausages and buttery corn on the cob.



Lockdowns required many of our traders to rethink their business approach



Akana Handcrafts, SO:ME Space



SO:ME Space
has supported over 340 small
businesses over ten years

SO:ME Space

The Market's popular SO:ME Space celebrated its 10th anniversary this year.

SO:ME Space is an innovative precinct that supports the incubation and development of emerging small businesses and locally designed products. Over these ten years it has supported over 340 small business entrepreneurs.

The space hosts a mix of businesses at different stages of development, from four to eight-week pop-ups, to more established brands ready to take the next step in a longer-term tenancy.

Our Market Traders

Pop-ups

SO:ME Space is an ideal location for emerging brands to test and develop their business without the restrictive outlays of traditional rent. Priority is given to businesses that focus on sustainable, innovative, and locally made and/or designed products.

This year SO:ME Space hosted a diverse range of business including:

- **Windsor Clothing:** menswear designed and handmade in their Brunswick studio using Italian cotton.
- **Green Valley Timber:** sustainable camphor laurel chopping boards and platters made in Australia.
- **Bali Bags:** colourful bags handwoven by local Java artisans using 100% recycled plastic made from ocean waste.

The next step

In addition to the five short-term pop-ups, SO:ME Space also incorporates permanent tenancies and long-term pop-ups for businesses who are ready to further develop their brand and establish a relationship with Market customers.

The majority of these businesses began as SO:ME Space pop-ups, a testament to the success of the incubation concept. Businesses who established themselves in SO:ME Space have also moved into the wider Market.

2020/21 pop-up success stories

- **Akana Handcrafts:** moved into SO:ME Space Stall 226
- **Look At You:** moved into SO:ME Space Stall 137
- **Sarah Urban:** moving into Stall 222
- **Dyad Artisans:** moving into Stall 87

Looking forward

After ten successful years, SO:ME Space underwent a review this year to ensure it continues to provide an innovative and dynamic retail environment.

Changes include:

- A focused, seasonal approach to stall curation
- The development of a new, modern design that will improve flow through the space and better showcase the products on offer.

Market Mix Strategy

The Market has developed a new differentiated retail mix strategy. The framework provides direction on the balance of stalls in each category, identifies gaps in the current offer and provides a targeted approach to filling tenancies. The strategy will help the Market to continue to provide a relevant offer and deliver the best experience for our customers.

Supporting our traders through COVID-19

With the support of the Committee, Council provided a generous support package to help our traders during the pandemic crisis. A total of \$1,764,400 in rent relief was provided: \$1,629,035 from July 2020 through to the end of March 2021 and an additional \$135,365 in June 2021 when restrictions returned with the fourth Victorian lockdown. All traders received rent relief for a full day in June when the Market was identified as an exposure site and required to close for deep cleaning.

Excluding the June full-day closure due to the Market closing because it was a COVID-19 exposure site, rent relief went to the following traders.

- 75 (all) General Merchandise traders
- 19 of 39 Fresh Food
- 30 of 30 Eateries

In addition to rent relief, the Market provided support to our traders through:

- Regular updates on COVID-19 and its impact on the Market via emails, SMS, online trader meetings and the online trader portal.

- Phone calls and one-on-one online meetings with traders to check on their wellbeing and business support requirements
- Advice and assistance on:
 - compliance with regulations, including COVIDSafe plans, signage and QR codes;
 - government support packages and business mentoring available to traders.
- Webinar: Navigating COVID-19: Support & Opportunities for Small Business. This was part of a series of webinars that commenced in May 2020 to help our traders prepare for the "new normal".
- A two-day working bee to help General Merchandise traders prepare their stalls for a COVIDSafe reopening after the extended lockdown closure.

Rent Relief July 2020 – June 2021

Month	Amount
July	\$254,509
August	\$333,196
September	\$324,828
October	\$286,907
November	\$83,387
December	\$68,342
January	\$63,760
February	\$102,997
March	\$111,109
June	\$135,365
Total	\$1,764,400

Rent Relief Criteria

Turnover Impact	Rent Relief
0 to <30%	Not eligible
30% to <40%	40%
40% to <60%	60%
60% to <80%	80%
80% or more or closed	100%



the Market

welcomed 3,969,340 visitors from
July 2020 to June 2021

Visitors enjoying the Market

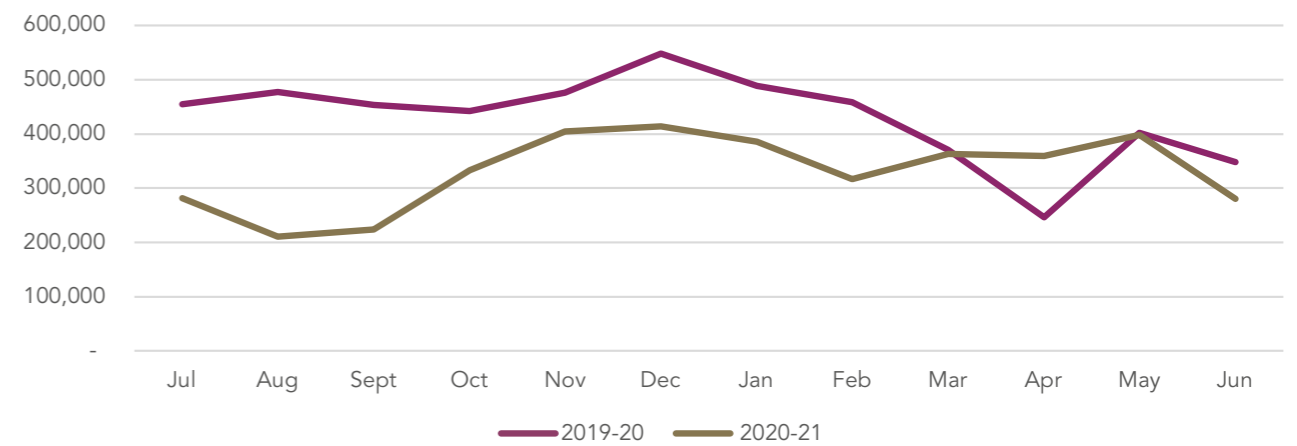
Our Customers

Market Visitation

Market visitation is measured using infrared sensors that count the number of people entering and walking around the Market.

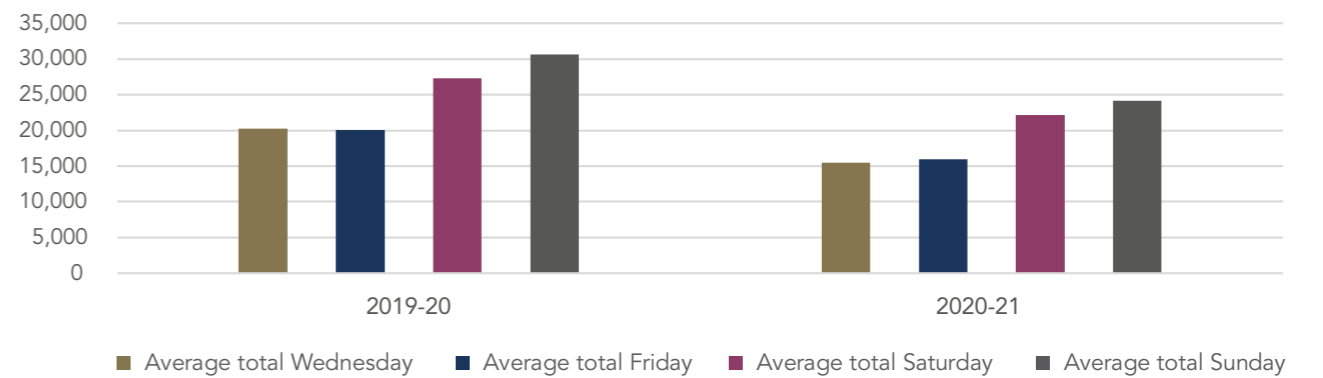
The Market welcomed 3,969,340 visitors from July 2020 to June 2021, a 23% decrease on 2019-20 visitor numbers, driven by the impacts of COVID-19 restrictions and general consumer uncertainty.

Visitor Numbers



As the number of trading days per month varies, the average visitor numbers by trading day (Wednesday, Friday, Saturday and Sunday) is also measured. Visitation on each Market day decreased by an average of 21% from 2019-20 to 2020-21.

Average Visitor Numbers by Market Day





Reviews from Google, Trip Advisor and Facebook



the Market continues to receive exceptional ratings from customers

La Central on Coventry Street

Our Customers

Customer and community insights

The Market regularly surveys visitors to better understand our customer demographics and changes in consumer behaviour.

Due to COVID-19 the Market was unable to undertake a survey in 2020, however the May 2021 survey undertaken compared with 2019 results provided an insight into pre- and post-COVID-19 worlds and its impact on customer behaviour.

The Market continues to receive exceptional ratings from customers on their overall experience at the Market. The net promoter score of +76 exceeded standard business benchmarks, with almost no shoppers falling into a 'detractor' category.

"I love visiting the South Melbourne Market. Market stallholders are friendly and remember you. Produce is fresh and I love having a coffee and massage whilst I am there. It is like visiting with family every week."

"Everything and anything - my local for the past 57 years and I wouldn't have it any other way!"

"So much choice and such high quality. If not the best markets in Australia, I'd love to know what is. The food was fresh, the smell was fantastic, the service first class. An absolute must for anyone coming to Melbourne."

"Amazing 'local' market. Represents Melbourne well in terms of multiculturalism!"

2019 vs 2021

★★★★★
95%
of shoppers rate the Market VERY GOOD OR EXCELLENT

INCREASE in local shoppers

Increased average spend
\$76 to \$83

↑
41 visits per year to 44

NET PROMOTER SCORE OF
+76

AVERAGE visit time
64 to 55 MINUTES





*it's my coffee go-to
the village market*

Pieno di Grazia in the Market Food Hall

Connecting with our Community

Marketing

Brand

South Melbourne Market continues to position itself as The Quintessential Village Market – the local’s place to shop, eat, drink and meet. The creative and communications aim to capture the breadth of cultural and demographic diversity, as well as the myriad of reasons that our community is drawn to the Market.

Various campaigns throughout the year aim to drive visitation, build brand awareness, promote the Market as a one-stop-shop and showcase our traders and their wares. Campaigns during the 20-21 period included the Festive Season, Lunar New Year, Easter, Mother’s Day, a Village Market campaign utilising a new photographic series shot at the Market and the Market to Table video content series featuring local Melbourne chefs and personalities.

Digital Channels

Websites

As part of the City of Port Phillip Customer Transformation Program, the Market underwent a new website build project, with the refreshed website launching in February 2021. The website continues to receive consistently high traffic, with people primarily sourcing opening day/hour information, trader details, the Market map and up to date COVID-19 information.

During the 2020-21 period, the Market also launched South Melbourne Market Direct, a multi-vendor ecommerce website built on the Omnyfy platform. The new online shopping and home delivery service was supported by several marketing campaigns throughout the year to build brand awareness and increase sales with participating Market traders.

EDM

The Market sends monthly electronic direct mail (EDM) to promote upcoming events and news to a Market database of over 55,000 subscribers. EDM is an integral part of the marketing plan as the database is owned by the Market. The Market audience has a higher than industry average open and click-through rate.

Social media

Social media continues to be an important marketing tool for the Market. Our following and engagement on both Instagram and Facebook continue to grow and provide us with an insight into our visitors’ experiences. The platforms are also used for targeted advertising campaigns, competitions and brand awareness.



Competitions

Competitions are utilised by the Market to further engage with shoppers and the community, drive visitation and to assist in the growth of the Market database.

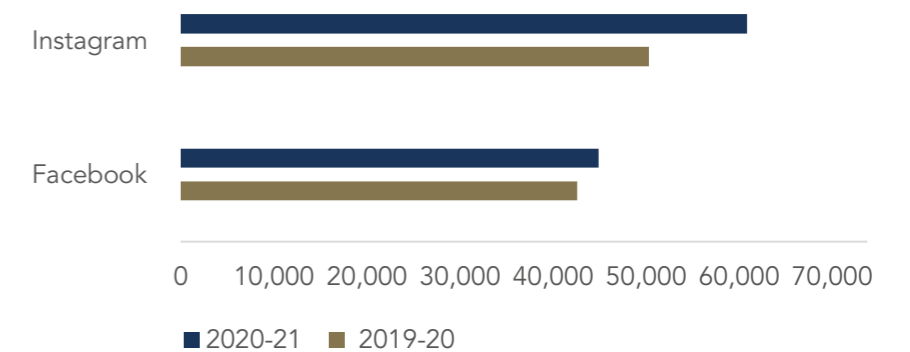
Competitions were hosted in line with Lunar New Year (Win an Asian feast for you and five friends) and Mother’s Day campaigns (Win a pamper experience for Mum).

Media coverage

The Market regularly pitches news stories to media titles with a focus on new stall openings, events and celebrations, seasonal produce, small, local businesses and sustainability. Media coverage highlights during the 2020-21 period included:

- Postcards, Channel Nine
- Better Homes and Gardens, Channel Seven
- Sunrise Weather, Channel Seven
- The Today Show, Channel Nine
- Broadsheet, Concrete Playground, Good Food and Time Out – Marko opening
- Herald Sun, Broadsheet editorial – SMM Direct

Social media followers



Wurli Band performing on Cecil Street



the Cecil Street event programme was a highlight for the Market

Connecting with our Community

Events and Activations

The Market adopted an agile approach to events and activations this year, focusing on small events that would attract shoppers and provide them with an enjoyable experience in a COVIDSafe environment.

Major events

Farewell to the Night Market

In September 2020 the Market made the decision to end its summer Night Market series. Running for twelve seasons, the event had grown from a small, twilight fashion and craft market to a highlight on Melbourne's summer event calendar.

While an incredibly successful and loved community event, the Night Market had reached a point where future growth was limited and costly due to physical space constraints and it was providing few benefits to our permanent traders.

The Market has developed a new events strategy and is looking forward to introducing a range of new events that align with the objectives and priorities of the Market and its traders.

The Port Phillip Mussel & Jazz Festival on hold for 2021

Due to concerns about managing numbers and COVIDSafe event requirements, the Market team made the difficult decision to cancel the 2021 Port Phillip Mussel and Jazz Festival. In tribute to this much-loved event, the Market held a Jazz and Soul music program over the Labour Day long weekend.

Cecil Street Summer Entertainment (January – April 2021)

The closure of Cecil Street for outdoor dining from January to April (pg. 18) provided an open space for programming and activation.

The Market took advantage of this opportunity to drive visitation, heighten customer experience, help the Cecil Street restaurants, and support local musicians, community groups and performers who had all faced a challenging year.

The Cecil Street event programme was a highlight for the Market in 2021, with over 35 free activations aimed at a wide range of age groups in our community.

Cecil Street Outdoor Dining – Program Highlights

- Yaluk-ut Weelam Ngargee Festival presented free performances by two First Nations artists. The performances by Amos Roach (son of Archie Roach) and Aaron B were popular with Market crowds on a sunny March weekend.
- Free February Fitness Sessions presented by Market trader, Luna & Soul, with morning yoga, pilates and kids yoga sessions.
- City of Port Phillip Summer Music Program saw several live performances by local talent including The Shuffle Club, One Spirit Africa, Brazaman, STAV, Bumpy and Justine Jones.
- Jazz and Soul music program on the Labour Day long weekend featuring Wurli Band, Elissa Rodger and Ultrafox.
- The Sydney Swans AFL team hosted an activation for Heritage Week, celebrating the clubs heritage establishment in South Melbourne in 1874 with their connection with the local community

Monthly Activations

The Market teamed up with City of Port Phillip's Sustainable Transport Team and Back2Bikes to offer free bike tune-ups and spread the word about upcoming bike infrastructure projects and events in City of Port Phillip. The workshops took place on the fourth Saturday of each month, when COVID-19 restrictions permitted.



Events and Activations

July – November 2020

All planned events and activations between July – November 2020 were cancelled or put on hold due to COVID-19. Cancelled events included:

- Father's Day entertainment
- Ride2Work Day
- Seniors Festival Tours
- Back2Bike workshops

December

- **Christmas:** Shoppers were entertained with roving jazz and a performance from acoustic trio Malcura. While Santa couldn't visit due to COVID-19 restrictions, kids could still get their wish list to him through Santa's Mailbox.

January – April

- **Cecil Street:** A diverse range of performances and activities on Cecil Street kept customers entertained through the summer and autumn months
- **Easter:** Given COVID-19 restrictions a visit from the Easter Bunny and the popular egg hunt were put on hold this year. The Jazz Jokers performed a roving set on 1 and 4 April to entertain Easter shoppers.
- **Mobile Hearing Van:** offered free 15-minute hearing checks to shoppers and traders.
- **Sydney Swans Heritage AFL Round:** the Swans activation kept fans entertained with games and giveaways, including free match tickets for a lucky few "bloods" fans.

May

- **Mother's Day:** The Grubby Urchins performed for Mum's spending their special day at the Market.




to help those in need
 Market traders donated excess produce
 to Share the Food initiative

Port Phillip Community Group's Share The Food initiative

Connecting with our Community

Education

With tours on hold for most of the year, 2020-21 provided an opportunity to review and redevelop the Market's popular school tour program.

Primary School groups that are too large to take part in guided tours now have the opportunity to explore the Market on a school-led Market Discovery Tour. The tours are a fun, engaging way to help students gain information and develop understanding about food systems, environmental sustainability in practice and a range of other Victorian curriculum assessment criteria such as numeracy, history and critical thinking. The resource pack includes a question sheet designed to guide students to explore a variety of stalls, and a teacher pack with answers, leading questions, discussion points and suggested pre- and post-tour activities.

Market tours

Market tours are a great way for long time locals, new locals and visitors to get a behind the scenes look at the Market, meet the dynamic and fun traders and get a better understanding of where your produce comes from.

Market tours are run monthly when COVID restrictions permit and can be booked on the Market website.

Supporting our community

Food Relief

COVID-19 resulted in an increase in demand for food relief for vulnerable and isolated members in the local community.

Eager to avoid waste and help those in need, Market traders donated their excess produce to Port Phillip Community Group's *Share The Food* initiative, which provides food and staples to vulnerable residents.

Produce is collected from the Market every Sunday by volunteers from Hare Krishna Melbourne. The food parcels are then prepared in a warehouse in Fisherman's Bend by volunteers and distributed by City of Port Phillip employees. From April 2020 to March 2021, 23,549 food parcels and meals were packed and distributed to residents facing financial hardship from COVID-19.

"Obviously everyone is struggling during this pandemic and we thought it was a good way to give back to the community because they've supported our small business over the last 25 years."

Sherif Balla, Sherif's Quality Fruit & Vegies

Community Space

As a part of its commitment to supporting the local community, the Market has a free pop-up stall available for community groups, not-for-profit organisations and charities.

From May to June, SisterWorks held a pop-up stall selling a unique collection of crafts made by women from migrant, refugee and asylum seeker backgrounds. The program improves their confidence, mental wellbeing, sense of belonging and economic outlook.

The space was also used by local community groups for fundraising including the Clarendon Children's Centre and Powerhouse Junior Hockey Club.

Winter Coat Drive

South Melbourne Market once again partnered with the Off Your Back coat drive this winter to collect donations of pre-loved coats and jackets to provide warmth and comfort to around 115,000 homeless Australians in need.





the Market
is passionate about
sustainability

Two electric vehicle charging stations were installed in the Market's rooftop car park

In 2020-21



241,255 kWp
SOLAR POWER
GENERATED equivalent
to powering 52 average
homes for a year



260.5 tonnes
of CO₂-e
avoided =
PLANTING
3,256 TREES



\$28,202
in savings in
2020-21



13,359KL
potable water
used in 2020-21



56%
decrease on
2019-20
equivalent to
saving 17,540,000
BOTTLES OF WATER

Our Environmental Responsibility

South Melbourne Market is passionate about sustainability and has built a reputation as a leader in its field. The Market has implemented a range of initiatives to reduce its impact on the environment and help its traders and community make a difference.

Electricity

100% of the Market's electricity is generated from renewable sources.

Solar Power

In October 2019 the Market completed the installation of an additional 612 solar panels, increasing the existing 32kw system to 200kw.

The amount of solar generated, and associated savings in both carbon emissions avoided and financial benefits, has increased dramatically since the upgrade was completed.

Wind Power

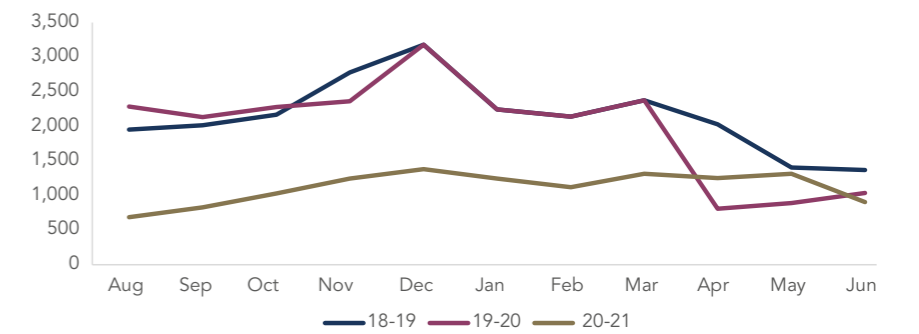
The remainder of the electricity used by the Market is generated by wind farms at Crowlands, a small agricultural community north of Ararat. The power is purchased through the Melbourne Renewable Energy Project (MREP) a local government-led collaboration between public and private sectors to deliver electricity cost certainty while driving investment in renewable energy projects.

Water

Potable Water

The potable water used at the Market has decreased significantly in line with the reduced attendance due to lockdown.

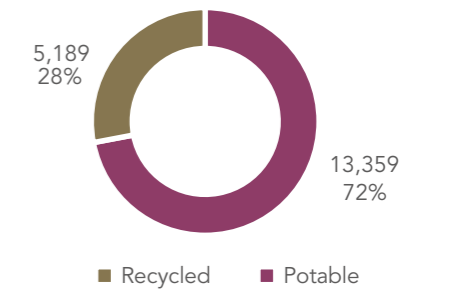
Potable water use (KL)



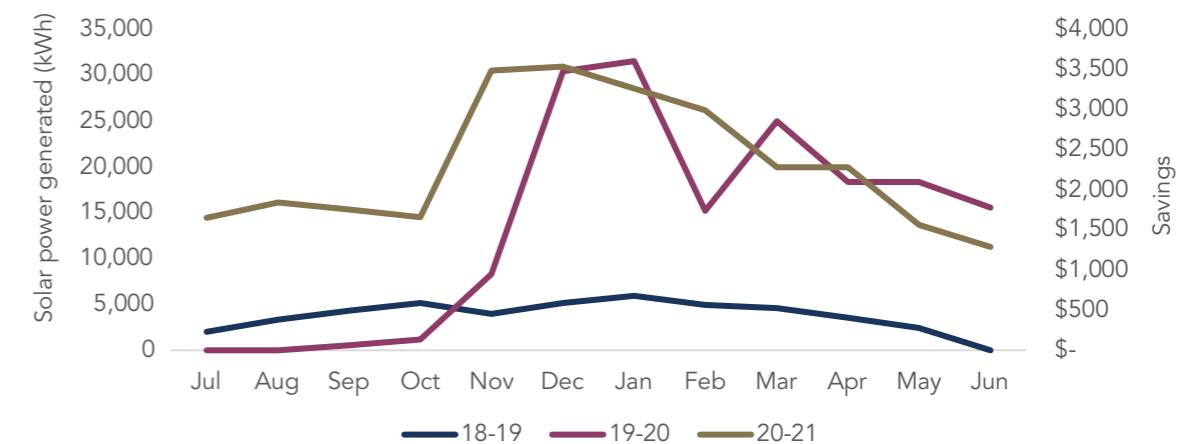
Recycled Water

The Market has a 500,000 litre rainwater tank that collects water from the rooftop car park. The water is solar treated and then used for wash-down applications, by florists and to flush the toilets.

Potable vs recycled water use (KL)



Solar power generated and savings





in 2020-21
272.4 tonnes of organic waste was processed

SoilFood is made from dehydrated food waste produced by the Market's gaia machine

Our Environmental Responsibility

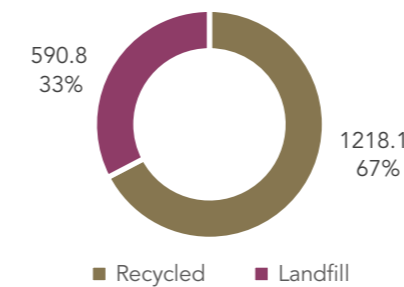
Waste

The Market's waste is sorted into 14 different recycling streams in order to divert as much waste as possible from landfill.

As expected with the decrease in visitor numbers, the amount of waste produced has decreased across nearly all waste streams:

- Total waste decreased by 13% compared to the previous year
- 67% of the Market's waste was diverted from landfill

Waste diversion from landfill (t)



Where possible, the Market works directly with innovative local businesses who turn waste into valuable new materials, including *Simply Cups*, Australia's first coffee cup recycling program and *HighHeat* who create environmentally friendly fire lighters.

Waste Diversion Highlights

Helping our veggies grow

The Market's green waste is collected twice a week and taken to a worm farm on the outskirts of Melbourne where it is transformed into vermicompost. A range of garden products made from the compost are sold at the Market office for customers to use on their home gardens.

The rest of the Market's organic waste (with the exception of meat offal) is processed through the Market's onsite 1,200 litre gaia

Waste diverted from landfill

Waste stream	2020-21	2019-20	Difference
Organic waste input to gaia machine (t)	272.4	274.8	-1%
Commingle waste recycling (t)	68.0	64.5	5%
Green waste to vermicompost (m3)	166.3	166.3	0%
Glass (t)	10.5	14.8	-29%
Cardboard (t)	209.1	258.3	-19%
Oil waste (l)	10.9	15.0	-28%
Polystyrene (t)	14.1	40.1	-65%
Milk bottles (t)	3.3	3.4	-3%
Oyster shells (t)	37.7	78.6	-52%
Coffee cups (t)	1.0	0.6	61%
Waxed cardboard (t)	32.5	10.6*	206%
Hard plastic (t)	7.2	6.0	20%
Soft plastic (t)	1.4	1.4	0%

New resources created from Market waste

Our waste product	Becomes
Organic waste (fruit and vegetables, coffee grounds, fish offal etc)	Garden fertilisers
Cooking oil	Biodiesel
Polystyrene boxes	Housing slab insulation and plastic piping
Milk bottles	Decking boards and outdoor furniture
Coffee cups	Reusable coffee cups and road surfacing
Waxed cardboard	Environmentally friendly firelighters
Soft plastic packaging	Garbage bins and flooring
Oyster, mussel and scallop shells	Reefs in Port Phillip Bay

machine. This machine activates a fast fermentation and dehydration process, turning the waste into a dry fertiliser called SoilFood in just ten hours and reducing its volume by 85%.

In 2020-21 272.4 tonnes of organic waste was processed through the gaia machine. While some of the SoilFood is sold at the Market office, the vast majority is used by local farmers to grow vegetables – a perfect example of closed loop recycling.

Shuck don't chuck

In collaboration with The Nature Conservancy, the Market is helping to rebuild the lost shellfish reefs of Port Phillip Bay. Oyster and mussel shells are collected from the Market and used to re-establish mussel and oyster reefs at Wilson Spit Reef (Geelong Arm) and Margaret's Reef (Hobsons Bay). This year the Market provided 37.7 tonnes of oyster shells to help rebuild the reefs. Since the program began in 2015 they have restored six hectares of shellfish reefs – equivalent to the size of almost three MCGs.



the Market

has installed parklets on
York and Coventry Streets

York Street Parklet

Improving our Market

Ongoing investment in the Market asset ensures it can continue to operate efficiently and provide a safe, accessible and enjoyable environment for its traders and the community.

The NEXT Project

In 2020 the Market Committee and Management Team commenced work on the NEXT Project, a two-stage plan to create a compelling vision for the future of the Market that will ensure a sustainable, safe and inclusive experience for years to come.

The NEXT project is a key priority in the 2017–27 Council plan and is designed to address:

- Changing compliance regulations
- Significant growth in visitation with the need to address capacity and functionality
- Rapid change within the retail sector and associated customer expectations, requiring a future focused plan that enables the Market to maintain relevance, and be operationally and financially sustainable in the future
- Recognition of the important role markets can play as part of local economies and as community spaces.

Lead consultant Woods Bagot were engaged to undertake a review of the existing infrastructure and constraints at the South Melbourne Market and developed a range of initial options for the site.

Working with Council officers, the Market Committee and Management team have reviewed the initial options to determine which would best achieve key outcomes and will present their Stage One recommendations to Council in late 2021.

Renewal Works

The South Melbourne Market Renewal Works are part of an annual rolling program comprising multiple projects that relate to safety, essential services, accessibility and renewal of ageing infrastructure.

Stall improvements

Base-build standards

In 2020-21 the Market developed new standards for base-build prior to a trader taking occupancy of a stall. The standards have been developed to improve accessibility for the general public, ensure building code compliance, improve the presentation of the space, and ensure new traders are provided with a fit-for-purpose base for their business.

Refurbishments

The refurbishment of existing stalls is part of the Market-wide program of re-investment. The key objective has been to ensure changes are aligned with the current expectations of the South Melbourne Market customer while keeping the Market feel.

This year new fit-outs were completed for Marko, Little Hof, Spotty Dot, Tri Colour Federation, Look at Me, South Melbourne Seafoods and Terrarium Laboratory. The Market also provided an opportunity for an additional small business to join the Market, dividing Stall 78 into two new tenancies for Lindsay Nicholas New York and Alison Dominy Designs.

SO:ME Space lighting

The Market installed a new, multipurpose lighting system into the SO:ME Space. The new system features adjustable track lighting to better highlight traders' products on offer and can be re-configured to transform the popular location into a multi-purpose events space.

Cecil Street essential services works

The Market has developed plans to install essential services (gas, drainage, water, electricity, exhaust extraction) to the popular outdoor cooking stations on Cecil Street. The project will future-proof the electrical capacity in preparation for a gas phase-out and connect services to an additional two tenancies to provide for outdoor kitchens. Construction works are expected to commence late 2021.

Public space and facilities

The Market has made a number of improvements to public facilities, providing a safer, more enjoyable experience for the wide variety of customers who visit the Market

East Aisle refurbishment

The East Aisle has been upgraded with light coloured, slip resistant paint on the floor and new, bright and welcoming lighting.

Parklets

The Market installed parklets on York and Coventry Streets, providing COVIDSafe outdoor dining options for Market customers.

Outdoor Food Hall

New furniture, umbrellas, grass, planter boxes and a marquee were installed to create a more inviting outdoor space.

Cecil Street closure public seating

In addition to the extended outdoor dining installed by the Cecil Street restaurants, the Market provided seating, umbrellas, furniture and astro turf for the community to use. With a lack of green space in the area, the tables also proved a popular option on non-Market days for local workers to enjoy their lunchbreaks in the sun.

Aptus Seafoods eating area

The Market developed and designed an inviting space opposite the Aptus Seafood Grill to create additional seating for customers.

The Courtyard

In March 2021, the Market secured \$450,000 in Federal Government funding for the Market to redevelop the outdoor dining area on the York Street side of the Food Hall. The redevelopment will increase seating from 50 to 175 providing a more appealing entrance into the Food Hall, and a significant undercover area, provide an all-seasons option for Market customers. The project is expected to be completed in late 2021.



it's my weekend wander
the village market

The Merchant of Fairness

Managing our Risk and Safety

Risk Management

Managing risk and safety is a key priority of the Market Committee and Management team. This year the Market has continued to undertake significant work to improve its risk management processes and has implemented a range of procedures to further develop its risk maturity.

Committees

Risk Committee

In January 2021 the Market established a Risk Committee. The Committee is comprised of the Market's Executive Director, the Market's leadership team and a member of the Council's Audit and Risk Committee (ARCO). The Committee meets on a monthly basis and is responsible for ensuring that risks are identified, appropriately managed by the Market and if required, escalated to the ARCO.

Emergency Planning Committee

The Emergency Planning Committee (EPC) was established in April 2021. The EPC meets on a quarterly basis and is responsible for establishing and implementing emergency plans and procedures, appointing and training Emergency Control Organisation personnel and conducting evacuation exercises. The EPC reports to the Council's Safety Project Control group on a quarterly basis.

Health and Safety Committee (HSC)

The Market has appointed two Health and Safety representatives (HSR), with one member attending bimonthly HSC meetings. The aim of the Committee is to facilitate cooperation between management and employees in identifying and promoting controls and initiatives, to improve standards of health and safety performance within Council.

OH&S Actions and Improvements

The Market has implemented a number of new processes and procedures to better manage OH&S at the Market:

- Integration into Council Safety Management System, including weekly onsite meetings with a Council Safety Business Partner.
- Monthly safety audits to identify and remedy hazards.
- Enhanced contractor management, including approval process for trader appointed contractors and onsite monitoring of works conducted at the Market.

COVID-19

Numerous measures were implemented and improved to protect the health of the Market's traders, staff and community:

- Increased sanitisation of high touch points across the Market;
- Daily deep cleans for offices and Market common areas;
- Installation of hand sanitiser dispensers and QR code stands around the Market
- Appointment of a COVID-19 Officer to monitor COVIDSafe compliance

Public Safety Improvement Project

The Market and Council have undertaken a detailed vulnerability assessment to consider the risks of hostile vehicles entering the Market and a holistic design approach for high and low risk locations has been developed. Plans and tender documentation for the project are complete and construction is expected to commence end of September 2021.



Spotty Dot

Our Strategic Plans

2015-20 Strategic Plan

The 2015-20 Strategic Plan outlined the Market's vision and commitments and determined the strategic priorities that guided our business for the past five years. The Market successfully achieved the majority of the plan's strategic priorities.

Strategic Priorities 2015-20

Priority	Details	Status					Comments
		15-16	16-17	17-18	18-19	19-20	
York Street Redevelopment	Redesign and activate York St so traders can operate onto the street and extend hours		●				On hold: Redesign was developed but project was postponed due to prioritisation of required compliance works. It will now form part of the NEXT Project
Food Hall Redevelopment	Upgrade the Market's Food Hall to attract more shoppers and diners, trigger significant tenant improvements and higher quality fit outs, and overall attract more people to this part of the Market			●			Completed: Food Hall furniture and façade upgraded. Seating and heating installed on Coventry Street
York Street car park strategic plan	Prepare a strategic vision		●				On hold: Strategic vision was put on hold due to prioritisation of required compliance works. It will now form part of the NEXT Project
150th Anniversary Celebrations	Plan and implement a Calendar of Events to celebrate our 150 Year Anniversary		●				Completed: Events included exhibition, history walks and free 150th Big BBQ
Sustainability Program	Reduced water usage; Increase solar panel system to run neutral; introduce closed loop recycling			●			Completed: Solar panels upgrade completed in August 2019. Gaia machine installed in 2016
DDA Compliance	Enhance current OH&S practices and manage current DDA requirement to provide well maintained and safe environment			●			Completed: Enhancements to OH&S and DDA compliance an ongoing priority

Priority	Details	Status					Comments
		15-16	16-17	17-18	18-19	19-20	
Mix Policy	Continual review of stall mix, increase specialists, offer assistance in visual merchandising and design and create final vision for 2020			●			Completed: Market Mix Policy completed in 2018 Mix percentage changed from 55/45 (General Merchandise vs Food) to 48/52. New licence renewal policy implemented requiring submission of business plan; ongoing program of stall refurbishments
Placemaking	Implementing key placemaking recommendations to further enhance our shoppers experience at the Market					●	Completed: Includes Village Market branding, experiential retail, pop-up culture and night-time economy (Night Market), revisiting Market history
Sponsorship	Secure financial support for signature events	●	●	●	●	●	Incomplete: Sponsorship secured in 15/16 for both major events and for Port Phillip Mussel & Jazz Festival only in 2019. Sponsorship for cooking school secured for 2015-20.
Improved Governance Structure	Delivered new Market Charter and Governance model					●	Completed: Charter adopted 2018. New Committee commenced 2019

● Completed ● On hold/partially complete ● Incomplete





*a differentiated curated
retail offering caters to a diverse
range of customers*

Inside The Looking Glass

Our Strategic Plans

2021-25 Strategic Plan

Building on the Market's ongoing success as a shopping destination, meeting place and community hub, the Market Management team and Committee developed a new strategic roadmap for the next five years.

The new strategy outlines four key strategic priorities for the Market that, alongside its business as usual activities, will help to achieve the Market's vision (pg. 5) and secure a bright and prosperous future for the Market, its traders, the local economy and the community.

As part of the development process the Market's traders and local community provided important insights and feedback during a broad community consultation program. Their feedback was reflected in the final draft, which was endorsed by Council on 16 June 2021.

Key Strategic Priorities

Enhance the South Melbourne Market Brand

By 2025 this will mean: Improve market penetration, increase visitation and basket size and recognise loyalty, set brand promises and strengthen brand awareness and alignment to promises. It will also mean that the Market continues to reduce its environmental impact against a sustainability strategy.

Through our digital platforms customers around the globe will be able to easily engage and access the stories, experience and products of the Market, and the Market will have implemented digital technology solutions to support growth across all aspects of the business.

Improve the South Melbourne Market Asset

By 2025 this will mean: Improved visitor and trader comfort and safety; increased public space; reduced congestion; protected essence of 'happy place'; supported visitation growth and a financially sustainable market operation that contributes both economically and socially to its community.

The Market will be a safe venue, comfortable to move around, accessible for the whole community and a productive and prosperous location for the traders. There will be a best practice risk and safety plan and management tool that will ensure hazards and near misses are dealt with immediately and there is a culture of OH&S throughout the whole Market.

The NEXT Project, a long-term asset improvement plan, is underway to futureproof the Market.

Build Financial Sustainability

By 2025 this will mean: The Market is operating profitably and reinvesting profits into the asset to enable a thriving place of business for all traders and a prosperous commercial operation for Council. From 2022-23 the Market will be operating at a surplus.

Differentiated Retail Offer

By 2025 this will mean: The Market will house a diverse and exciting retail mix that will differentiate us from other retail, give new and existing shoppers a reason to return more regularly and increase spend per visit. The Market has a curated retail mix that is aligned to our Vision and Mission, exceeds our customers' expectations and provides a memorable shopping experience.

Council Plan 2021-31

Proudly Port Phillip: A liveable and vibrant City that enhances the wellbeing of our community

In June 2021 Council adopted Year One of the Council Plan 2021-31.

The plan identifies investment in the Market as one of the key initiatives required to deliver the *Vibrant Port Phillip Strategic Direction*.

Vibrant Port Phillip

Port Phillip has a flourishing economy, where our community and local business thrive, and we maintain and enhance our reputation as Melbourne's cultural and creative heart.

Key initiative:

Investment in the South Melbourne Market to deliver the quintessential village market experience. This will be achieved by implementing the 2021-25 South Melbourne Market Strategic Plan, which includes moving towards financial sustainability, improved customer experience and an enhanced and safer public asset for our City and its visitors.

The Market Management team has a wide range of key performance indicators (KPIs) designed to track and measure adherence to the Strategic Priorities. These measures of success include:

Measures of success	Visitor numbers	Financial operating profit	% Occupancy	Trader satisfaction	Community satisfaction
	Baseline (2019-20)	5,164,368	-\$1,933,000	93%	90%
Target (2021-22)	4,300,000	\$0	96%	90%	93%

2020-21 Financial Report

Finances of the Market were again under significant strain in 2020-21 due to COVID-19. The Market froze rental fees at 2019-20 levels and the City of Port Phillip generously supported traders with rent relief. Due to low visitation parking revenue was also significantly down.

The Management team managed to reduce expenses, even when there were increased requirements for cleaning and security due to COVID-19; this has assisted significantly with the financial results.

Depreciation has been treated differently this year. The Enterprise Resource Planning implemented on 1 July 2020 enabled a full review of asset data and adjusted useful lives, seeing a reduction in depreciation expenses, particularly buildings. Previously, when there was a re-valuation the building's useful life could not be updated, resulting in accelerated depreciation in prior years. The new system has been able to reflect the updated useful lives from the last valuation, extending useful life and hence reducing the Market's depreciation costs.

All of this contributed to the Market making a small operating surplus and a small cash deficit as below and opposite.

Capital and operating projects

	2020-21 \$000	2019-20 \$000
Capital Projects		
Building Compliance Works	196	55
Stall Fit Outs	141	215
Public Safety Improvements	65	69
Renewal Works	56	280
Cecil Street Essential Services Connect	35	-
South Melbourne Market Solar PV	-	593
Dynamic Parking Signs	-	7
Total Capital Projects	493	1,219
Operating Projects		
SMM Strategic Business Case NEXT	171	-
Total Operating Projects	171	-

South Melbourne Market Financial Report 2020-21

	2020-21 \$000	2019-20 \$000	Change	% Change
Income				
Licence Fees*	6,063	6,060	2	0%
Less COVID-19 Rent Relief Package	(1,604)	(780)	(824)	(106%)
Council Funding for COVID-19 Rent Relief*	1,604	780	824	106%
Parking fees	235	435	(200)	(46%)
Cooking School Income	-	107	(107)	(100%)
Other Income	698	857	(158)	(18%)
Total Income	6,995	7,459	(463)	(6%)
Expenses				
Employee Costs	1,617	1,594	(23)	(1%)
Advertising, Events and Publicity	309	529	220	42%
Contract Payments	2,861	2,910	49	2%
Professional Services	222	368	146	40%
Utilities, Insurance, Taxes and Levies*	867	944	77	8%
Bad and doubtful debts	19	64	45	71%
Depreciation	273	1,267	994	78%
Depreciation - Right of Use Assets	32	-	(32)	(100%)
Loss on Disposal of Assets (Non-cash)	-	222	222	100%
Capital Reclassified as Operating Expenses	-	139	139	100%
Financing Costs	2	-	(2)	(100%)
Head Office Costs	139	136	(3)	(3%)
Other expenses	93	261	168	64%
Additional COVID-19 related expenses	240	178	(62)	(35%)
Operating Project	171	-	(171)	(100%)
Total Expenses	6,846	8,612	1,767	21%
Operating Surplus/(Deficit) for the year	150	(1,154)	1,303	113%
Income Statement Converted to Cash				
Operating Surplus/(Deficit) for the year	150	(1,154)	1,303	113%
Adjustments for non-cash operating items:				
Add: Depreciation	305	1,267	962	76%
Add: Written-down Value of Asset Disposals	-	222	222	100%
Adjustments for investing items:				
Less capital expenditure	(493)	(1,219)	726	60%
Adjustments for financing items:				
Less Right of Use Lease Principal Repayments	(32)	-	(32)	(100%)
Cash Surplus/(Deficit) for the Year	(70)	(884)	814	92%

* Indicates adjustment to 19-20 results to enable comparison with new reporting structure in 20-21

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Fri 8am – 5pm South Melbourne, Victoria 3205
Sat 8am – 4pm 9209 6295
Sun 8am – 4pm smm@portphillip.vic.gov.au

