

Management report to Council

Agenda item 6.5

Update on the Extended Outdoor Dining initiative

Council

Presenter: Roger Teale, Acting General Manager, Infrastructure and Design

Tues 30 March 2021

Purpose and background

1. The purpose of this report is to provide an update on the extended outdoor dining program and the Urgent Notice of Motion resolved on Tuesday 2 February 2021.
2. The Extended Outdoor Dining Program commenced in October 2020 as a key initiative to support Melbourne's hospitality industry during the COVID-19 pandemic. The program is being delivered in partnership with the Victorian Government through the \$100 million Melbourne City Recovery Fund (MCRF).
3. On Tuesday 2 February 2021, Council considered an Urgent Business Notice of Motion requesting management to present a report to the 30 March 2021 Council meeting containing economic analysis and recommendations for the future of the program.

Key issues

4. In response to the Urgent Notice of Motion, a comprehensive evaluation of the Extended Outdoor Dining (EOD) initiative has been commissioned, comprising economic analysis as well as sentiment research from permit holders, businesses and the community.
 - 4.1. This evaluation will inform recommendations for the future of the program. Considerations that will need to be strategically analysed to inform the future of the program include: the recommendations outlined in the evaluation report, the overall scope and cost of the program and various funding mechanisms, how to manage underutilisation of parklet spaces, how this initiative could be integrated back into City of Melbourne's existing outdoor café permit process and communications and engagement with community.
5. Additionally, on Tuesday 16 February 2021 at Future Melbourne Committee, Council endorsed an extension to the current program until 30 June 2021. This extension is currently being finalised with permit holders, resulting in the following outcomes:
 - 5.1. 332 businesses were invited to extend their existing extended outdoor dining permit for a further three months
 - 5.2. 275 businesses have accepted the extension, 10 have declined the extension (four parklets), and as at Tuesday 23 March, 39 businesses have yet to respond and are being contacted by business concierge to confirm interest in extending (as at 23 March 2021).
6. As the EOD program extension was agreed to continue for three months (until end of June 2021) providing certainty to businesses, rather than two months as indicated in the original Notice of Motion, this allows for additional time to complete a more comprehensive evaluation of the program and consideration of next steps.

Recommendation from management

7. That Council:
 - 7.1. Notes the outcomes of the Extended Outdoor Dining extension process.
 - 7.2. Notes that a Management Report addressing the Urgent Notice of Motion dated Tuesday 2 February will be presented for consideration at Council on Tuesday 27 April 2021.

Attachments:

1. Supporting Attachment (Page 2 of 2)

Supporting Attachment

Legal

1. There are no legal implications relating to this Management Report.

Finance

2. There are no financial implications relating to this Management Report.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.'

Health and Safety

4. No Occupational Health and Safety issues or opportunities have been identified in relation to this Management Report

Stakeholder consultation

5. Stakeholder consultation is being undertaken as part of the Extended Outdoor Dining program evaluation and will be outlined in the Management Report in April 2021.

Relation to Council policy

6. This program is a COVID-19 recovery initiative outlined in the COVID-19 Reactivation and Recovery Plan.

Environmental sustainability

7. *Environmental sustainability issues or opportunities are being considered* as part of the Extended Outdoor Dining program evaluation and will be outlined in the Management Report in April 2021.