

Report to the Future Melbourne Committee

Agenda item 6.3

Welcoming back city workers**1 March 2022****Presenter:** Alison Leighton, Deputy Chief Executive Officer**Purpose and background**

1. The purpose of this report is to update Councillors on the Victorian Government's announcement confirming its decision to end work from home advice and ease mask rules.
2. In early January 2022, in response to the latest Omicron variant, the Victorian Government reintroduced strong recommendations that people work from home.
3. COVID-19 has led to a significant reduction in the central city's daily population, crippling many businesses that rely heavily on a transient daily population. With many major CBD employers and public servants following State recommendations, this resulted in up to a 50 per cent decrease in foot traffic across the central city.
4. From 11:59pm Friday, the public health recommendation for Victorians to work or study from home will be removed, while masks will no longer be needed in most indoor settings.
5. The City of Melbourne (CoM) has played a pivotal role in proactively advocating to state counterparts to get people back to the city by ending work-from-home recommendations and mask mandates.

Key issues

6. Four major challenges for sustaining an appetite for a return of workers and visitors to the CBD, include:
 - 6.1. Overcoming perceptions that going into the city, especially by public transport, will expose commuters to COVID.
 - 6.2. Accommodating for entrenched behavioural intent to adopt a 'hybrid' work-from-home model.
 - 6.3. Ensuring travel to the city is affordable and efficient for workers and visitors.
 - 6.4. Highlighting that despite COVID challenges, the Melbourne workers and visitors remember still awaits them – with its many diverse, small businesses and its spontaneity.
7. CoM continues to deliver measures that get more workers and visitors back as quickly as possible. CoM is responding to challenges by building demand through a robust reactivation and marketing program, including, but not limited to, Melbourne City Revitalisation Fund deployment, major events, Shopfront Activation, and welcoming back international students through unique Melbourne experiences. Where CoM responsibilities are not able to directly address a challenge, proactive advocacy is undertaken, such as that seen for public transport concessions and the provision of vouchers.
8. The end of work from home recommendation and removal of masks in office settings will provide a much-needed boost for city traders who have suffered under the shadow lockdown.
9. Melbourne is home to world-class shows, exquisite fine dining experiences, iconic street art and an endless supply of cafes. These experiences alone make the commute worthwhile. It is anticipated they will be even more sought after due to the Victorian Government's recent \$200 million support package in response to Omicron. This support package includes a new \$10 million round of Midweek Melbourne Money, commencing 7th March, enticing diners back to the city by reimbursing part of their bill.
10. After sustained advocacy and engagement with residents, businesses, peak bodies, and government, CoM is thrilled the work-from-home recommendation has been lifted.
11. Management are working with CoM staff that have been working from home to return to the office from Monday 28 February, noting a significant number have continued to work across the city during all lockdowns in frontline service roles. CoM is focused on enhancing opportunities for face to face staff collaboration and optimising the return to office experience for CoM employees.

Recommendation from management

12. That the Future Melbourne Committee:
 - 12.1. Endorses the City of Melbourne's reactivation and marketing activities that maintain a strong value proposition for workers and visitors to return to the city
 - 12.2. Approves the City of Melbourne's Revitalising Melbourne's Economy Summit aimed at discussing with major employers the revitalisation of the economy to create the conditions for businesses to thrive
 - 12.3. Notes the City of Melbourne's advocacy and leadership in returning workers and visitors to the city
 - 12.4. Requests management report back to Council in six months on the key outcomes of initiatives aimed at increasing the number of office workers in the CBD.

Attachment:

1. Supporting Attachment (Page 3 of 3)

Supporting Attachment

Legal

1. There are no legal issues arising from the recommendation from management.

Finance

2. No significant implications arise from the recommendations contained in this 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. Ongoing monitoring of Occupational Health and Safety matters regarding COVID-19 will be required.

Stakeholder consultation

5. Management has had extensive engagement with a range of stakeholders, including residents, businesses, peak bodies, and government.

Relation to Council policy

6. This proposal is consistent with *City of Melbourne Victorian Election 2022 Advocacy Priorities*.

Environmental sustainability

7. In developing this paper, environmental sustainability issues have been considered and no direct issues were identified.