

CITY OF PORT PHILLIP REPORT

ORDINARY MEETING OF COUNCIL
29 SEPTEMBER 2009

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| 1. | APPOINTMENT OF INDEPENDENT MEMBER TO SOUTH MELBOURNE MARKET MANAGEMENT COMMITTEE |
| LOCATION/ADDRESS: | CECIL STREET, SOUTH MELBOURNE |
| GENERAL MANAGER: | GREG WOOD, ACTING GENERAL MANAGER CITY AND INFRASTRUCTURE |
| PREPARED BY: | CLAUDE BAXTER, MANAGER, SOUTH MELBOURNE MARKET |
| FILE NO.: | |

1. EXECUTIVE SUMMARY

1.1 With the resignation of the South Melbourne Market Management Committee's independent chairperson, there is a need to appoint an independent member to the Section 86 Committee so that the Committee can continue to operate in accordance with its Charter.

1.1.1 Felicity Giuliani has been assisting the SMM Management Committee as a co-opted member of the Committee. She has appropriate skills for the role of independent expert on the Committee.

1.1.2 The arrangements for the governance of the South Melbourne Market require review to be considered by Council before July 2010. Felicity Giuliani's appointment to the Committee would be highly appropriate in terms of providing continuity given that she has been involved with the Committee over the past three years.

2. RECOMMENDATION

That Council:

2.1 Records its appreciation for the years of service provided by John Lewisohn to the South Melbourne Market.

2.2 Appoints Felicity Giuliani as independent member of the Section 86 South Melbourne Market Management Committee until 31 December 2010.

2.3 Appoints the General Manager City Infrastructure Services or delegate as the Senior Officer on the South Melbourne Market Management Committee.

2.4 Requests a report of a detailed review of the Market's governance arrangements by June 2010.

3. BACKGROUND AND CONTEXT

- 3.1 The South Melbourne Market Management Committee is a Section 86 Committee of Council.
- 3.1.1 The Committee operates under a delegation of Council and within the terms of a Charter adopted by Council.
- 3.1.2 Section 4.2 of the Charter defines the membership: *The Management Committee shall consist of a maximum of six members (including appointed and co-opted members). Council may appoint up to six members and must appoint a minimum of three members, including at least one Councillor and one Senior Officer of Council and either an external member or an additional Senior Officer, for any period of up to three years each. No more than four appointed members may be Councillors or Senior Officers of Council. The Management Committee may co-opt up to three members for any period of up to twelve months each. Each member appointed by Council shall have one vote; co-opted members shall not have a vote.*
- 3.1.3 There are three Councillors, one Senior Officer and, until the resignation of John Lewisohn, one independent appointed to the Committee. In addition, the Committee has one non-voting co-opted member, Felicity Giuliani.
- 3.1.4 With the resignation of John Lewisohn, the Committee requires, as a minimum, one further independent appointed by Council. Felicity Giuliani, who has been a co-opted member for some years, would be a suitable appointment until such time as a charter could be redeveloped and nominations called.
- 3.1.5 The change in organizational structure also requires a change in the appointment of the Senior Officer. The appropriate Committee member would be John Hicks, General Manager City Infrastructure Services or his delegate.
- 3.1.6 There are aspects of the Governance arrangements for the Market, including whether a Section 86 Committee remains the best vehicle for policy setting and management, which merit consideration and review. A report reviewing the Market's governance context is proposed for presentation to Council by June 2010.

4 CONSULTATION AND STAKEHOLDERS

- 4.1 The SMM Management Committee is concerned to see that a governance review takes place within twelve months.
- 4.2 In terms of Committee membership, the SMM Management Committee has a long term view that a full and open appointment procedure against known selection criteria is the most appropriate way of identifying experts from the community.

- 4.3 In the context of the immediate membership situation, the Committee members have confidence in the contribution made by Felicity Giuliani as a suitable independent member of the committee on an interim basis.

4. DISCUSSION

5.1 OPTIONS

- 5.1.1 It is likely that the Market would benefit from continued guidance and input from experts in fields such as retailing, marketing and property management. Identifying suitable experts would best be achieved in a publicly advertised process, a process that would take some months to complete.

5.2 ALIGNMENT TO COUNCIL PLAN

- 5.2.1 While the Market pursues a wide range of objectives under the Council Plan, the immediate issues relate primarily to:

5.2.2 *Engaging and Governing the City –*

- **Value and utilise skills and knowledge in the community** – the involvement of expert advisors is desirable in a competitive and dynamic retail environment; these advisors can be drawn from the Port Phillip community.
- **Governing** – the Market is an interesting business, requiring expert input and a distinct performance and accountability context.
- **Managing for the longer term** – the quality of expert independent advice has a direct bearing on the market's ability to manage the asset and the business of the South Melbourne Market for the wider community over the longer term.

5.3 POLICY IMPLICATIONS

- 5.3.1 Replacement of the independent member of the Committee will allow a period of time within which the Committee and Port Phillip management can consider appropriate governance arrangements for the Market.

5.4 FINANCE / RESOURCE IMPLICATIONS

5.4.1 None. A budget for Committee representation already exists.

5.5 LEGAL & RISK IMPLICATIONS

5.5.1 In the absence of a duly constituted Committee, the record of meeting has been forwarded to the Chief Executive Officer who has exercised her delegations under the Local Government Act to approve any specific actions of the Committee.

5.5.2 In the absence of a duly constituted membership, the Market's decision-making and advice structures are impeded. The Market has commenced a period of change for the Market; policies are being documented, procedures standardized and the Market made generally compliant with legal and risk requirements. This is a period of considerable change with the Market Management benefitting from and being guided by a Committee with continuing and close involvement with Market Management.

6. IMPLEMENTATION STRATEGY

6.1 TIMELINE

6.1.1 A Council appointment of an independent member of the Committee would have immediate effect.

6.1.2 A further report will be presented to Council by June 2010. This report will deal with a long term proposal for the governance of the Market and can be expected to make comment regarding the most suitable governance, accountability and expert advice arrangements. The report would also address any required changes to the delegation, charter and Local Law No 3.

6.2 COMMUNICATION

6.2.1 News of Council's decision would be relayed to Market stallholders via the fortnightly newsletter from Market management to the Market.

7. OFFICER DIRECT OR INDIRECT INTEREST

7.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.