



12.2 **DRAFT FOOTPATH TRADING FEE POLICY FOR COMMUNITY CONSULTATION**

EXECUTIVE MEMBER: **LILI ROSIC, ACTING GENERAL MANAGER, PLACE STRATEGY AND DEVELOPMENT**

PREPARED BY: **SHONA SEKENE, FOOTPATH TRADING ADMINISTRATOR**
MARC JAY, COORDINATOR CITY PERMITS

1. PURPOSE

- 1.1 To present options for amending the current footpath trading fee structure for implementation in 2019/20, that includes engagement with traders and to present additional outdoor dining incentives to support traders and increase the vibrancy of our streets.

2. EXECUTIVE SUMMARY

- 2.1 Footpath trading includes the placement of items and equipment on the footpath, to be used ancillary to a business. The current footpath trading fee structure for tables and chairs used for outdoor dining was adopted in 2003. Approximately 426 footpath permits for outdoor dining are issued annually.
- 2.2 The fee methodology applies four tiers of fees for outdoor dining (Acland Street, Fitzroy Street, Standard and Discounted). Outdoor dining charges for tables and chairs are currently based on charging 25% of average annual 'internal square metre' rate of the four-tier locations, and an additional 10% is applied (charging 35%) where glass screens are used. Fees are calculated per unit of furniture, (chairs and tables) rather than by the area occupied and adjusted every two years.
- 2.3 The four-tier fee structure tailors the fees charged to Acland and Fitzroy Street traders, (15% of permits issued). The Standard rate is calculated by using an average of all the annual 'internal square metre' retail rents of all the precincts located in this tier. The 'Discounted rate' is based on the annual 'internal square metre' retail rents of Victoria Avenue, Albert Park.
- 2.4 In April 2018, it was identified that 50% of outdoor dining activity was occurring in locations charged at the 'Discounted' rate and only 35% in locations charged at the 'Standard' rate. This indicates that in the last 15 years there has been significant growth in outdoor dining activities outside of the areas previously identified in Acland Street, Fitzroy Street and Standard rated areas. Fees charged no longer reflect the annual 'internal square metre' retail rents for the majority of these businesses.
- 2.5 Options explored and detailed in this report would address inequity of fees and apply a fee structure that considers the annual 'internal square metre' rental rate of individual locations rather than the current four tier method.



- 2.6 Three options are presented in this report including Option 1, which would retain the current 4-tier fee structure, and Option 2 and Option 3 that would amend the fee structure, increasing to twenty-two (22) rated areas.
- 2.7 Option 2 would maintain the current rate of charging 25% of the annual 'internal square metre' retail rents and an additional 10%, (charging 35%) where glass screens are used.
- 2.8 Option 3 (recommended Option) would reduce the rates charged by 5%, to 20% of annual 'internal square metre' of retail rents, and 30% (as opposed to 35%) where glass screens are used.
- 2.9 Option 2 and Option 3 charge more equitable fees for outdoor dining permits in contrast to the current structure, (Option 1) as the 71% of traders would have fees tailored to their location compared to 15% which is currently the case.
- 2.10 Option 3 is the recommended option as this achieves the implementation of the revised precinct-based structure and mitigates the financial impacts on outdoor dining permit holders, with 82.4% (351) receiving discounts and only 17.5% (75) experiencing a fee increase.
- 2.11 New incentives have also been explored to encourage the uptake of outdoor dining to optimise vibrancy and to support outdoor dining permit holders impacted by major streetscape works. These include discounting fees by 50% for the first year where outdoor dining has not previously occurred and providing discounts to outdoor dining permit holders affected by major building works including streetscape upgrades, with discounts based on the duration of the works and applied on a case-by-case basis.
- 2.12 It is proposed that consultation and engagement with outdoor dining permit holders is conducted for a period of 5 weeks on the proposed footpath trading fee structure and new incentives. A further report will be provided to Council regarding the proposed amended fee structure after consideration of submissions.
- 2.13 Any future changes to footpath trading fees within designated placemaking precincts endorsed by Council will need to align with the objectives of the placemaking program. This may include more flexible governance arrangements for footpath trading fees to increase business vibrancy and sustainability.



3. RECOMMENDATION

That Council:

- 3.1 Notes the contribution of outdoor dining to the vibrancy of our streets and the opportunity to support business by reviewing the current 4-tier footpath trading fee structure adopted by Council in 2003.
- 3.2 Endorses engagement and consultation to be conducted with traders with outdoor dining permits, the Port Phillip Business Association and trader associations on Option 3, which proposes the introduction of a 22-tier precinct-based fee structure, charging a rate of 20% of average retail rents and a rate of 30% for the use of glass screens.
- 3.3 Endorses the following outdoor dining incentives to support businesses and encourage vibrancy including:
 - a) Discounting fees by 50% for the first year for new businesses at properties where outdoor dining has not previously occurred.
 - b) Providing discounts to outdoor dining permit holders affected by major building works including streetscape upgrades, with discounts based on the duration of the works and with the discounts applied on a case-by-case basis.
- 3.4 Receives a future report on the outcomes of the consultation on Option 3.
- 3.5 Notes any future changes to footpath trading fees within designated placemaking precincts endorsed by Council will need to align with the objectives of the placemaking program. This may include more flexible governance arrangements for footpath trading fees to increase business vibrancy and sustainability.

4. KEY POINTS/ISSUES

- 4.1 Footpath trading includes the placement of items and equipment on the footpath, to be used ancillary to a business. This includes tables, chairs, removable screens, umbrellas, planter boxes, gas heaters, A-boards and displays of goods ancillary to the business. This report only considers the fee structure for tables and chairs used for outdoor dining. Approximately 426 footpath trading permits have been issued for outdoor dining.
- 4.2 The current methodology for charging fees for tables and chairs based on valuation data was adopted in 2003. Valuation data on average retail rents is obtained every two years based on new, signed leases. This data is gained via commercial leasing agents and a general valuation questionnaire.
- 4.3 Outdoor dining charges are currently based on charging 25% of average annual 'internal square metre' rate and an additional 10% (charging 35%) where glass screens are used.
- 4.4 This fee structure was introduced in 2004/2005. In August 2015, as part of the Fitzroy Street Action Plan, Council approved a temporary reduction in footpath trading fees to both Fitzroy Street and Acland Street for 2015/16, 2016/17 and 2017/18.



- 4.5 In 2018/19 a further reduction in footpath trading fees was provided to Acland Street where charges would be equivalent to the 'Standard rate' of \$588.95 per setting, (1x table + 4x chairs). The footpath trading fees charged to Fitzroy Street traders in 2018/19 is less than the 'Standard rate', charging \$548.30 per setting as shown in Table 2.
- 4.6 Outdoor dining is currently categorised into a four-tier fee structure based on locations consisting of Acland Street, Fitzroy Street, Standard and Discounted areas, Table 2. Attachment 1 includes maps of the current Acland Street, Fitzroy Street and Standard rated areas based on the current fee structure. Table 1 includes the number of outdoor dining permits issued (for tables and chairs). Four hundred and twenty-six (426) outdoor dining permits were issued, with the highest percentage (50%) of activity occurring in the 'Discounted' tier areas, and 35% in the 'Standard' tier areas. There has been significant growth in outdoor dining activity on the fringes of the precincts defined in 2003.
- 4.7 Table 1 – April 2018 Outdoor dining charges by tier

Tier	Permits	Current Fee Structure %
Discounted	214	50%
Standard	150	35%
Acland Street	28	8%
Fitzroy Street	34	7%
Totals	426	100%

Standard Tier

- 4.8 In the precincts defined within the 'Standard rate', the gap between the lowest and highest average retail rents charged per square metre has increased from \$95 in 2006, to \$350 in 2018, however the outdoor dining fees are the same for all traders within the Standard area regardless of this disparity.
- 4.9 The Standard Tier includes businesses located in the following areas:
- Albert Park - Bridport St - between Merson St and Ferrars St
 - Dundas Pl - between Montague St and Merton St
 - Balaclava - Carlisle St - between Brighton Rd and Carlisle Ave
 - Elwood - Glenhuntly Rd - between Ruskin St and Goldsmith St
 - Ormond Rd - between Glenhuntly Rd and Byrne Ave
 - Ormond Rd - between Beach Ave and Pine Ave
 - Middle Park - Armstrong St - between Canterbury Rd and Neville St
 - Port Melbourne - Bay St - between Spring St South and Graham St
 - South Melbourne - Clarendon St - between Park St and York St
 - Coventry St - between Clarendon St and Cecil St
 - St Kilda - Barkly St - between Carlisle St and Blessington St



Discounted Tier

- 4.10 The 'Discounted rate' is used for all businesses with outdoor dining that are not located in either the Acland Street, Fitzroy Street or Standard Tier areas.
- 4.11 The 'Discounted rate' has to-date been determined by the average of annual 'internal square metre' retail rents of Victoria Avenue (between Richardson Street and Beaconsfield Parade), Albert Park. While this may have been appropriate when the footpath trading fee structure was first introduced, this approach does not reflect retail rents for businesses outside of the identified core precincts across the municipality.
- 4.12 Locations where outdoor dining is currently charged at the 'Discounted rate' include:
- Albert Park – Victoria Avenue between Bridport Street and Beaconsfield Parade.
 - Port Melbourne – Bay Street between Beach Road and Graham Street.
 - Ripponlea – Glen Eira Road between Glen Eira Avenue and Hotham Street.
 - South Melbourne – Clarendon Street between Ballantyne Street and York Street, and between Park Street and Albert Road.
 - St Kilda – Blessington Street and Shakespeare Grove.
- 4.13 Businesses in these locations are either on the fringe of an existing activity centre or in the example of Glen Eira Road, Ripponlea, is an activity centre in its own right.
- 4.14 Outdoor dining activities have expanded into locations adjacent to the areas identified by the current fee structure and fees charged for the occupation of these areas should be reviewed.

Benchmarking Inner Melbourne

- 4.15 For comparison, Council officers investigated how outdoor dining fees are determined at the Cities of Melbourne, Stonnington and Yarra and includes the following three methods:
- 4.15.1 Correlating its footpath trading fees against unimproved capital value of land within each precinct in 2002 and have continued this approach. Fees are charged by the square metre of space occupied and must be paid upfront every two years with no instalment plan available;
 - 4.15.2 Charging a premium rate per square metre/annum for main precincts and 50% less per square metre/annum for all other areas. Fees charged do not correlate with retail rents or land values and there is no instalment plan available; and
 - 4.15.3 Charging a fee per item of furniture, applying a premium to licenced premises. Fees charged do not correlate with retail rents or land values and there is no instalment plan available.
- 4.16 In comparison with the above Council methods, the current and proposed City of Port Phillip model of charging is based on the following:
- Directly relating fees charged to the most recent valuations of retail rents within each precinct.

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- Charging per item of furniture, instead of by square metre supports traders who choose to reduce furniture quantities to lessen business outgoings.
- Supporting seasonal businesses activities and hardship with interest-free instalment plan options.

Options

Option 1 – No Change

- 4.17 Council could choose to retain the existing fee structure (Option 1) as shown in Table 1 and 2. Currently, median retail rents can be directly linked to the fees charged to only 62 traders in Acland Street and Fitzroy Street, accounting for only 15% of outdoor dining that occurs in the city.
- 4.18 The outdoor dining fees charged to the remaining 364 traders (in the Standard and Discounted tiers) is based on a collection of average retail rents. As outlined previously, there is a growing disparity with the Standard and Discounted rates applied and this could be perceived as inequitable.
- 4.19 The estimated income from outdoor dining permits, which has been based on this current fee structure in 2018/2019 is \$752,764 and included in the approved Council Budget.

Table 2 – Footpath Trading Charges 2018/19

Applications			Fee
Applications, amendments, transfer of ownership and renewals			\$120.00
Applications for fixed items - Glass screens, retractable awnings & fixed heaters			\$250.00
Items	Acland Street & Standard Areas	Fitzroy Street	Discounted Areas
Table:	\$85.15	\$92.10	\$48.60
Chair:	\$125.95	\$114.05	\$75.60
Total Cost Per Setting (1x table + 4x chairs)	\$588.95	\$548.30	\$351.00
Table with glass screens	\$114.30	\$125.00	\$65.90
Chair with glass screens	\$170.30	\$152.90	\$102.60
Total Cost Per Setting with Glass Screens (1x table + 4x chairs)	\$795.50	\$736.60	\$476.30
A-board			\$329.45



Display of goods	\$394.00
Free standing heaters	\$132.45
Planter boxes	\$113.55
Removable screens	\$200.35
Miscellaneous items - Menu boards, waiter stations, newspaper stands	\$183.75

Proposed fee structure options

- 4.20 The principles that underpin any fee structure should include equity, transparency and simplicity of its application. Any amended fee structure should also demonstrate a fair return to Council (and hence the community), acknowledging the financial benefit gained from the occupation of public (Council) land.
- 4.21 The proposed fee structure explored in Options 2 and 3 has been determined based on the current locations of outdoor dining permits and the latest valuation data on average retail rents within each precinct.
- 4.22 Businesses located within the core of a premium (primary) area with a higher valuation would be charged a higher rate than those in a secondary or tertiary area. Each proposed precinct is detailed in Table 3 and shown as a map in Attachment 2.
- 4.23 'Primary' and 'Secondary' areas are defined as follows:
- Primary – The core part of a precinct where retail rents are more expensive.
 - Secondary – The areas adjacent to a core part of a precinct where retail rents are lesser.
- 4.24 A 'Tertiary' rate would be applied to all businesses not located within a Primary or Secondary area. This rate has been informed by a wide sample of retail rents across the municipality.

Table 3: Proposed rated locations

Location	Rates
Acland Street, St Kilda	Primary and Secondary
Armstrong Street, Middle Park	Primary only
Barkly Street, St Kilda	Primary and Secondary
Bay Street, St Kilda	Primary and Secondary
Bridport Street, St Kilda	Primary and Secondary
Carlisle Street, St Kilda	Primary and Secondary
Clarendon Street, South Melbourne	Primary and Secondary
Coventry Street, South Melbourne	Primary only
Fitzroy Street, St Kilda	Primary and Secondary



Glen Eira Road Ripponlea	Primary only
Glenhuntly Road, Elwood	Primary only
Ormond Road, Elwood	Primary only
Tennyson Street, Elwood	Primary only
Victoria Avenue, Albert Park	Primary only
All other locations	Tertiary

4.25 The amended fee structure proposed by Option 2 and Option 3 would improve equity amongst outdoor dining permit holders by tailoring the fees charged within identified precincts. from the current 62 traders (15%) in Acland and Fitzroy Streets, to 300 traders (71%) across the municipality.

4.26 Option 2 continues the current rate of charging 25% of the average annual 'internal square metre' rate and an additional 10%, (charging 35%), where glass screens are used. Option 3 considers reducing these rates by 5% and charging 20% and 30% respectively, where glass screens are used.

Option 2: Revised precinct-based fee structure at 25% of valuation rates

4.27 If the proposed 22-tier structure (as per Attachment 3) were to be fully implemented at the current rates of 25% (and 35% for the use of glass screens), fees would increase for approximately 209 outdoor dining permit holders or 49%.

4.28 Eighty (80) outdoor dining permit holders would see an increase greater than 20%, with 38 impacted by increases greater than 50% in the proposed Acland Street Primary and Acland Street Secondary precincts. Refer Attachment 3.

4.29 The estimated income to Council from Option 2 would be \$784,851 per year, which is \$32,087 more than the Option 1 (no change) approach.

4.30 There are concerns that this scale of change could negatively impact on businesses, outdoor dining activities and the desired levels of vibrancy currently occurring.

Option 3: Revised precinct-based fee structure at 20% of valuation rates

4.31 To achieve a cost-neutral outcome for the majority of traders, officers have investigated reducing the current rates by 5% to reduce the impacts where increases would occur.

4.32 If Council were to charge at a rate of 20% of average retail rents, (and 30% for the use of glass screens):

- 351 (82.4%) traders would receive discounts of up to 38.9%.
- 75 (17.5%) traders would receive increases.

4.33 Of the traders that would be impacted by increases, 27 would have increases of less than 10%.



Table 4 – Proposed increases by area / setting (1x table + 4x chairs)

Precinct	# traders	Fees charged 2018/19	Proposed charge	Increase %
Acland Street Secondary	11	\$351.00	\$520.00	48.1%
Acland Street Primary	27	\$588.95	\$800.00	35.8%
Bridport Street Secondary	10	\$351.00	\$400.00	14%
Bridport Street Primary	9	\$588.95	\$640.00	8.7%
Clarendon Street Secondary	4	\$351.00	\$380.00	8.3%
Barkly Street Secondary	14	\$351.00	\$360.00	2.6%

- 4.34 The permit fees for 11 outdoor dining permit holders located in the ‘Acland Street Secondary’ area are based on the ‘Discounted rate’ which is well below the latest valuation data for this location. Under this option, the businesses will be charged on the latest valuation data, resulting in an increase of 48.1% as shown in Table 4.
- 4.35 The 27 outdoor dining permit holders in the ‘Acland Street Primary’ area already have their own rate. These outdoor dining permit holders were provided with a reduction in 2018/19 and were charged equivalent to the ‘Standard rate’, which explains the proposed increase of 35.8% shown in Table 4.
- 4.36 To assist businesses in Acland Street (primary and secondary areas), the proposed fee structure could be introduced over two financial years.
- 4.37 In the Acland Street Secondary Areas, the fee would increase by 24% each year, equating to increases of \$84.50 per setting in 2019/20 and 2020/2021, Table 5.

Table 5 – Acland Street Secondary Area – Option 3 Proposed Increments

Year	Tier	Charge per setting (1x table + 4x chairs)
2018/2019	Discounted	\$351.00
2019/2020	Acland Street Secondary	\$435.50
2020/2021	Acland Street Secondary	\$520.00

- 4.38 In the ‘Acland Street Primary’ area, the proposed footpath trading permit fee would increase by 17.9% (or \$105) over two financial years, Table 6.

Table 6 - Acland Street Primary Area – Option 3 Proposed Increments

Year	Tier	Charge per setting (1x table + 4x chairs)
2018/2019	Acland Street	\$588.95
2019/2020	Acland Street Primary	\$694.48
2020/2021	Acland Street Primary	\$800.00



- 4.39 For the remaining locations and 37 outdoor dining permit holders where increases of between 2.6% and 14% occur, it would be proposed to fully implement the increases in 2019/2020.
- 4.40 The proposed 'Tertiary' rate would be \$240 per setting compared to the current 'Discounted' rate of \$351 per setting. The reduced rate for tables and chairs may act as an additional incentive to encourage outdoor dining opportunities at neighbourhood milk bars and other 'out of centre' business locations.
- 4.41 The estimated income to Council from Option 3 would be \$624,766 per year, which is \$127,998 less than Option 1 (no change), and \$160,085 less than Option 2.
- 4.42 Table 7 compares the changes to the footpath trading permit fees in Option 2 and Option 3 (22 tier structure).

Table 7 – Increase/decrease comparisons between current fees charged and Option 2 and Option 3

	Option 2 Rate - 25%		Option 3 Rate - 20%	
% fees change	# outdoor dining permit holders	% outdoor dining permit holders	# outdoor dining permit holders	% outdoor dining permit holders
Reduced fee	217	50.9%	351	82.4%
1% - 10% increase	79	18.5%	27	6.3%
11% - 20% increase	50	11.7%	10	2.3%
21% - 30% increase	19	4.5%	0	0%
31% - 40% increase	13	3.1%	27	6.3%
41% - 50% increase	10	2.3%	11	2.6%
51% - 60% increase	0	0%	0	0%
61% - 70% increase	27	6.3%	0	0%
71% - 80% increase	0	0%	0	0%
81% - 90% increase	11	2.6%	0	0%
91% - 100% increase	0	0%	0	0%

Outdoor dining incentives

- 4.43 Recognised as a key element, outdoor dining positively contributes to the vibrancy of our streets. Currently officers support existing and new businesses and endeavour to achieve an appropriate balance between opportunities to maximise patron numbers and the safety and access needs of the community.
- 4.44 Council also supports traders with interest-free, part-payment plans, acknowledging the seasonal cash-flow challenges that hospitality businesses experience.
- 4.45 In recognition of the down-turn in business for traders affected by building works including tram and streetscape upgrades, it is proposed that discounts be applied on a



case-by-case basis, comparable to the duration of the impact. This would be equivalent to the discounts implemented to assist traders impacted by recent streetscape works such as the Acland and Carlisle Street upgrades and Moray Street bike path.

- 4.46 An additional initiative for new businesses where outdoor dining has not previously occurred, permit fees could be discounted by 50% for the first year. This initiative will likely encourage new outdoor dining opportunities and assist with the financial challenges faced by new businesses.

Summary

- 4.47 The proposed footpath trading permit fees for outdoor dining (tables and chairs) were reviewed. Three Options are presented for consideration.
- 4.48 Option 1 is no change to the current fee structure and is based on 25% of average annual 'internal square metre' rental rates, reviewed every two years. This option does not consider the variations in retail rents for traders in the Standard and Discount areas and needs review.
- 4.49 Option 2 is also based on 25% of the average annual 'internal square metre' rental rates, reviewed every two years. However, it is applied to outdoor dining permit holders within 22 individually rated locations, making it a more tailored and equitable approach. Option 2 would result in significant fee increases for 49% of outdoor dining permit holders where fees are much lower than the average retail rents for their locations and this maybe unviable for these businesses.
- 4.50 Option 3 improves equity for outdoor dining permit holders by reducing the charge to 20% of the annual 'internal square metre' rental rates, reviewed every two years. This option would achieve the implementation of the proposed 22-tier fee structure and mitigates the financial impacts on businesses with 82.4% (351) receiving discounts and only 17.5% (75) experiencing a fee increase.
- 4.51 It is proposed that Option 3 is implemented over two years to the 38 outdoor dining permit holders in the Acland Street Primary and Secondary areas (Attachment 2), with the most significant proposed fee increases to assist in the transition to the new fee structure.
- 4.52 Option 3 would reduce Council's estimated income from outdoor dining by \$127,998 per year. This reduction may be countered in the longer-term by:
- encouraging outdoor dining activity to existing businesses, particularly in areas that would be defined as 'Tertiary'.
 - providing discounts of 50% in the first year of trialling outdoor dining in any new location.
- 4.53 Option 3 is the recommended option.
- 4.54 Any future changes to footpath trading fees within designated placemaking precincts endorsed by Council will need to align with the objectives of the placemaking program. This may include more flexible governance arrangements for footpath trading fees to increase business vibrancy and sustainability.



5. CONSULTATION AND STAKEHOLDERS

Proposed Community Engagement and Next Steps

- 5.1 The mailout of footpath trading renewal invoices for 2018/19 was used to alert traders of the policy review and engagement to take place over the next year. Key messages included:
- Council recognises the valuable contribution of outdoor dining to the vibrancy of our precincts.
 - Over the next 12 months the footpath trading fee structure will be reviewed.
 - Current outdoor dining permit holders will have the opportunity to provide feedback on proposed changes to the structure later this year. If endorsed by Council the changes would be implemented in 2019/2020.
- 5.2 In September/October 2018 consultation information would be mailed to approximately 420 outdoor dining permit holders to outline the proposed changes to the fee structure and incentives. Consultation will also be provided through:
- Face to face meetings offered to the 38 outdoor dining permit holders within the proposed Acland Street Primary and Secondary areas impacted by the greatest increases.
 - Face to face meetings with the Port Phillip Business Association and local trader associations.
 - Online submissions would be encouraged via 'Have Your Say', including the opportunity to make suggestions on potential incentives for existing and future outdoor dining.
- 5.3 The closing date for submissions would be five (5) weeks from mailout.
- 5.4 It is anticipated that the matter would be reported to Council with a summary of the submissions from the engagement process.
- 5.5 The Footpath Trading Fee Structure would be considered at a future Ordinary Meeting of Council.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 If Council did not amend its footpath trading fee structure to the proposed precinct-specific model this could lead to criticism of the inequitable footpath trading fees charged, particularly in precincts within the current 'Standard' tier, and where lower retail rents are charged.

7. FINANCIAL IMPACT

- 7.1 Under the recommended Option 3, 351 (82.4%) of traders would receive a reduction in their outdoor dining fees.



- 7.2 Where fees would increase by more than 21%, it is proposed to introduce such an increase over two years.
- 7.3 The 2018/2019 budgeted income for outdoor dining activities is \$752,764.10.
- 7.4 If Option 3 were to be implemented, the estimated income for 2019/2020 from outdoor dining activities would be \$624,766, being a reduction of \$127,997.68.

8. ENVIRONMENTAL IMPACT

- 8.1 Nil

9. COMMUNITY IMPACT

- 9.1 European style, alfresco dining is a key ingredient to achieving vibrancy within our local shopping precincts. The preferred Option 3, and the new incentives proposed aim to ensure traders maximise outdoor dining opportunities.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

10.1 Strategic Direction 4 - We are growing and keeping our character

Outdoor dining adds to the vibrancy and safety of our villages that continue to evolve in response to a growing population. The proposed amendments to the footpath trading fee structure would reflect the changes that have occurred in our municipality since its initial introduction in 2003, while continuing to support the on-going use of public land for commercial purposes.

10.2 Strategic Direction 5 - Our Commitment to you

The proposed amendments would ensure the fee structure for outdoor dining is fair and equitable. The additional incentives would encourage outdoor dining trials to be undertaken and outdoor dining permit holders where impacted by major streetscape works would be appropriately discounted.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

- 11.1.1 September/October 2018 - Consultation information would be mailed to approximately 420 traders with outdoor dining permits to outline proposed changes and improvements to the current fee structure, including a map relevant to each trader's location as shown in Attachment 2.
- 11.1.2 Meetings would be offered to the 38 businesses within the proposed Acland Street Primary and Secondary areas where the largest increase in fees would occur.
- 11.1.3 A report would be presented incorporating all feedback at a future Ordinary Meeting of Council to consider whether to adopt the amended footpath trading fee structure.

11.2 COMMUNICATION



- 11.2.1 In late June 2018 the footpath trading renewals for 2018/2019 informed all current permit-holders that the current footpath trading fee structure would be reviewed which would include an engagement process.
- 11.2.2 The Port Phillip Business Association and local trader's associations would also be engaged through the consultation process.
- 11.2.3 Community submissions would be encouraged to occur online, utilising Council's 'Have Your Say' service, with the closing date for submissions five (5) weeks after the mailout has occurred. However, all submissions received, including any outside of the 'Have Your Say' process would be accepted.

12. OFFICER DIRECT OR INDIRECT INTEREST

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

TRIM FILE NO: 13/01/04

ATTACHMENTS

1. Maps - Current Footpath Trading Structure
2. Maps - Proposed Footpath Trading Structure
3. Option 2 - 25% Footpath Trading Fee Structure Comparison
4. Option 3 - 20% Footpath Trading Fee Structure Comparison