

Report to the Future Melbourne Committee

Agenda item 6.3

Establishment of a City Economy Advisory Committee

11 July 2023

Presenter: Andrew Wear, Director Economic Development and International

Purpose and background

1. On 27 June 2023, Council endorsed the creation of a City Economy Advisory Committee (CEAC) in recognition of the ongoing challenges faced by the city's economy. This report outlines proposed Terms of Reference for the CEAC.
2. Support for the city's economic recovery aligns with Major Initiative 1 in the Council Plan ('Continue to strengthen Melbourne's economic recovery').

Key issues

3. Melbourne's economic recovery has been strong, but it is incomplete. Evening and weekend activity now exceeds pre-pandemic levels, but weekday activity during business hours continues to lag. Inflation adjusted spending during business hours (8am – 6pm) in May 2023 was eight per cent below May 2019. In May 2023, morning commuter activity (6am – 9am) at Flinders Street was about 60 per cent of the May 2019 amount.
4. The CEAC will enable Council to draw on the perspectives of business and industry. By serving as a standing business round table, CEAC will enable exchange and consultation between Council and the business representatives.
5. The draft Terms of Reference (Attachment 2) provide that the role of CEAC is to:
 - 5.1. provide strategic advice to Council on the current opportunities and challenges relevant to the City of Melbourne's economy, and in particular, the city's day time economy
 - 5.2. provide early advice on major Council proposals, projects and initiatives that could impact the city economy
 - 5.3. recommend topics for further examination, that could lend themselves to round table discussions or summits, to explore topics in depth
 - 5.4. integrate perspectives and advice drawn from various existing business networks.
6. CEAC will comprise six to 10 members appointed by Council, in addition to two City of Melbourne Councillors. It will be chaired by one of the City of Melbourne Councillors.
7. Members will have strong connections to industry bodies, small business, major employers and other stakeholder groups. They will have the capacity to offer strategic advice to Council on the challenges and opportunities facing the city economy.
8. CEAC will complement the role of the existing Invest Melbourne Advisory Board, which is focused on reinforcing Melbourne's role as a key investment destination, attracting domestic and foreign direct investment and opportunities of capital city significance.
9. Following an expression of interest process, CEAC members will be appointed by Council through to the end of the 2020–24 Council term.
10. A potential work program for CEAC could include:
 - 10.1. provision of strategic advice on interventions that could accelerate the recovery of the City of Melbourne's day time economy

- 10.2. provision of advice on the positioning of Melbourne as a vibrant place to do business, through improved programs and online promotion. This is a key activity within Major Initiative 3 of the Council Plan ('implement the Economic Development Strategy')
- 10.3. recommendation of priority topics suitable for the first business round table discussion, to be delivered before the end of the calendar year.

Recommendation from management

11. That the Future Melbourne Committee:
 - 11.1. Ratifies the establishment of the City Economy Advisory Committee (CEAC).
 - 11.2. Adopts the Terms of Reference for the CEAC (Attachment 2 of the report from management).
 - 11.3. Authorises the General Manager City Economy and Activation to make any further minor editorial changes to the Terms of Reference prior to publication.
 - 11.4. Requests that management provide a report with the proposed CEAC membership, following the completed expression of interest process.

Attachments:

1. Supporting Attachment (Page 3 of 6)
2. Terms of Reference (Page 4 of 6)

Supporting Attachment

Legal

1. Whilst no direct legal implications arise from the recommendation from management, legal advice will be provided as required in respect to the CEAC.

Finance

2. There are no substantial financial implications arising from the recommendation from management. Expenses related to the delivery of the CEAC meetings will be accommodated by Council's Budget 2023–24.

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. In developing this proposal, no occupational health and safety issues or opportunities have been identified.

Stakeholder consultation

5. Discussions with Night Time Economy Advisory Committee members have informed the recommended approach of establishing a CEAC.

Relation to Council policy

6. The establishment of the CEAC follows a decision of Council on 27 June 2023. The CEAC will assist City of Melbourne to deliver on multiple Major Initiatives, such as Major Initiative 1: 'Continue to strengthen Melbourne's economic recovery' and Major Initiative 3: 'Implement the Economic Development Strategy'.

Environmental sustainability

7. Environmental sustainability issues and opportunities are not relevant to the proposal at this stage. They can be considered at a later stage if applicable to CEAC activity.

Terms of Reference – City Economy Advisory Committee

TERMS OF REFERENCE

City Economy Advisory Committee

Background

In accordance with established best governance practices, Council is committed to ensuring its decision-making processes are timely, informed, considered and consistent with the best interests of the city's stakeholders, residents, businesses, workers and visitors.

The City of Melbourne is responsible for the effective discharge of its duties under the Local Government Act and other relevant legislation. In upholding these duties, the Council is supported, where necessary and appropriate, by support from advisory committees.

On 27 June 2023, Council endorsed the establishment of the City Economy Advisory Committee (CEAC). The committee's primary role will be to provide advice to Council on challenges and opportunities facing Melbourne's economy. The committee will also inform the development of major Council proposals, projects or initiatives that would impact the city economy.

Purpose and objectives

The purpose of the CEAC is to provide Council with strategic advice on the city economy, and in particular, advice that will shape the city's economic recovery.

The CEAC will enable Council to draw on the perspectives of business and industry. By serving as a standing business round table, CEAC will enable exchange and consultation between Council and the city economy representatives and experts. In this way, it will support the economy and advance the Council plan and its agreed goals.

CEAC will have an express focus on the city's day time economy. In particular, it will consider ways in which visitors, office workers, residents and students can be further encouraged to participate in the city economy.

CEAC will complement the role of the existing Invest Melbourne Advisory Board, which is focussed on reinforcing Melbourne's role as a key investment destination, attracting domestic and foreign direct investment and opportunities of capital city significance.

Role and responsibilities

The role of the CEAC is to:

- Provide strategic advice to Council on the current opportunities and challenges relevant to the City of Melbourne's economic recovery, and in particular, the day time economy
- Provide advice on major Council proposals, projects and initiatives that could impact the city economy

- Recommend topics for further examination, that could lend themselves to round table discussions or summits, to explore topics in depth
- Integrate perspectives and advice drawn from various existing business networks

The CEAC has no binding decision making authority or executive function in the context of City of Melbourne activities, operations or obligations.

Members of the CEAC are expected to act with due care, however they are not fiduciaries charged with fiduciary duties and responsibilities.

Membership

CEAC will comprise six to 10 members appointed by Council, in addition to two City of Melbourne Councillors.

Members will have strong connections to industry bodies, small business, major employers, and other stakeholder groups. They will have the capacity to provide advice in relation to participation by visitors, office workers, residents and students in the city economy. CEAC members will have the capacity to offer strategic advice to Council on the challenges and opportunities facing the city economy.

CEAC will be selected following a public expression of interest and management nomination process.

CEAC will be chaired by one of the City of Melbourne Councillor representatives. The Chair's role is to officially open, facilitate and close meetings. In the absence of the Chair from a meeting, the meeting shall appoint an acting Chair from the members present.

The composition of the CEAC will be consistent with the requirements of Council's Diversity Policy.

Tenure

Members of the CEAC will be appointed through to the end of the 2020-2024 Council term.

Any member not able to attend two consecutive meetings will be deemed to have resigned from CEAC.

If the Council proposes to remove a member from CEAC, it must give written notice to the member of its intention to do so and provide that member with the opportunity to be heard if that member so requests.

In the event of a resignation of any member from CEAC, a replacement member can be appointed if required, with approval authority delegated to City of Melbourne management.

Conflicts of interest

In the event of a conflict of interest arising for any member of the Committee, the matter must be immediately disclosed.

Confidential and sensitive information

Members are expected to comply with the confidential information provisions contained in sections 3(1) and 125 of the *Local Government Act 2020*.

Members must treat information they receive as confidential unless otherwise advised. The documents presented to the CEAC will often be in draft format and not ready for wider community distribution.

Members must not use confidential information other than for the purpose of performing their function as a member of the CEAC.

Draft documents cannot be referred to or used in any grant applications, presentations or in the private working roles of members.

Public comment

Where CEAC members are invited to provide public comment, they will need to ensure they engage with Council beforehand, to ensure alignment with Council's position. Failure to provide an opportunity for review would mean that the CEAC member would be in breach of their role.

Meeting frequency

CEAC meetings will take place at minimum three times per year.

Agenda, minutes and other papers

Documents will be sent to members with a minimum of five business days in advance of a Committee meeting. This will include the following:

- Agenda for upcoming meeting
- Minutes of previous meeting
- Any other documents/information/attachments to be considered at the meeting.

Quorum requirements

A meeting quorum will be the majority of committee members.

Amendment, modification or variation

These Terms of Reference may be amended, varied or modified in writing after consultation and agreement by CEAC members and management.

Evaluation and review

City of Melbourne will evaluate the CEAC's performance and report to Council within four weeks of the end of the term on the outcomes of its activities.

Insurance

Members of the CEAC will be covered under the Council's insurance program and will not be responsible for any cost or liability incurred by Council as a consequence of Council acting on the advice of the CEAC.

Expenses

No member of the CEAC will incur any expense in relation to his or her activities as a member of the CEAC, without the prior approval of Council's nominated officer.

Costs

Council will indemnify the members of the CEAC against any claim or cost that arises from their activities as a member of the CEAC, providing such activities are in accordance with these Terms of Reference and have been approved by Council or Council's nominated officer.