



Markets Committee

Date: WEDNESDAY, 20 SEPTEMBER 2017
Time: 11.30 am
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members:

James Tumbridge (Chairman)	Tim Levene
John Scott (Deputy Chairman)	Deputy Edward Lord
Rehana Ameer	Alderman Professor Michael Mainelli
Tom Anderson	Andrew Mayer
Adrian Bastow	Deputy Robert Merrett
Matthew Bell	Andrien Meyers
Peter Bennett	Deputy Brian Mooney
Nicholas Bensted-Smith	Deputy Joyce Nash
Chris Boden	Stephen Quilter
John Chapman	Ruby Sayed
Richard Crossan	Ian Seaton
Deputy Kevin Everett	Oliver Sells QC
Sophie Anne Fernandes	Deputy Dr Giles Shilson
John Fletcher	Deputy Tom Sleigh
Angus Knowles-Cutler	Deputy John Tomlinson
Gregory Lawrence	Michael Welbank

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Lunch will be served in the Guildhall Club at 1pm
N.B. Part of this meeting could be the subject of audio or visual recording

John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **PUBLIC MINUTES**
To agree the public minutes of the meeting held on 19 July 2017.
For Decision
(Pages 1 - 10)
4. **BUSINESS PLAN UPDATE**
Report of the Director of Markets & Consumer Protection.
For Information
(Pages 11 - 34)
5. **MARKETS COMMITTEE RISK UPDATE**
Report of the Director of Markets & Consumer Protection.
For Information
(Pages 35 - 42)
6. **CHRISTMAS 2017 - SMITHFIELD MARKET TRAFFIC MANAGEMENT PLAN**
Report of the Superintendent of Smithfield Market.
For Decision
(Pages 43 - 58)
7. **SUPERINTENDENTS' UPDATES**
The Superintendents to be heard.
For Information
8. **SMITHFIELD MARKET CONDENSER WATER COOLING SYSTEM - UPDATE**
Report of the City Surveyor.
For Information
(Pages 59 - 62)
9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
11. **EXCLUSION OF THE PUBLIC**
MOTION - That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

Part 2 - Non-Public Agenda

12. **NON-PUBLIC MINUTES**
To agree the non-public minutes of the meeting held on 19 July 2017.
For Decision
(Pages 63 - 66)
13. **ADVERTISING HOARDINGS, BILLINGSGATE MARKET**
Report of the City Surveyor.
For Decision
(Pages 67 - 74)
14. **CONCESSIONARY PARKING AT SMITHFIELD MARKET DURING THE CHRISTMAS PERIOD 2017**
Report of the Superintendent of Smithfield Market.
For Decision
(Pages 75 - 78)
15. **DEBT ARREARS**
Report of the Director of Markets & Consumer Protection.
For Information
(Pages 79 - 90)
16. **TENANCIES AT WILL AND ASSIGNMENTS**
Report of the Director of Markets & Consumer Protection.
For Information
(Pages 91 - 94)
17. **POULTRY MARKET MAJOR REPAIRS PROJECT**
Report of the City Surveyor.
For Decision
(Pages 95 - 108)
18. **STRATEGIC MARKETS REVIEW**
Report of the Director of Markets & Consumer Protection (TO FOLLOW).
For Information
19. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
20. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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MARKETS COMMITTEE

Wednesday, 19 July 2017

Minutes of the meeting of the Markets Committee held at Committee Room - 2nd Floor West Wing, Guildhall on Wednesday, 19 July 2017 at 11.30 am

Present

Members:

John Scott (Deputy Chairman)	Andrew Mayer
Adrian Bastow	Deputy Robert Merrett
Matthew Bell	Deputy Joyce Nash
Peter Bennett	Ruby Sayed
Nicholas Bensted-Smith	Ian Seaton
John Chapman	Deputy Dr Giles Shilson
Gregory Lawrence	Deputy John Tomlinson
Deputy Edward Lord	Michael Welbank
Alderman Professor Michael Mainelli	

In Attendance

Officers:

Gemma Stokley	-	Town Clerk's Department
Julie Zhu	-	Media Officer
Julie Smith	-	Chamberlain's Department
Debbie Howard	-	Chamberlain's Department
Clem Harcourt	-	Chamberlain's Department
Paul Hickson	-	Comptroller and City Solicitor's Department
Mark Lowman	-	City Surveyor's Department
Nicholas Sommerville	-	City Surveyor's Department
Steven Chandler	-	City Surveyor's Department
David Smith	-	Director of Markets and Consumer Protection
Donald Perry	-	Markets and Consumer Protection Department
Mark Sherlock	-	Superintendent, Smithfield Market
Ben Milligan	-	Superintendent, New Spitalfields Market
Malcolm Macleod	-	Superintendent, Billingsgate Market

1. APOLOGIES

Apologies for absence were received from James Tumbridge (Chairman), Rehana Ameer, Chris Boden and Andrien Meyers.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations.

3. **PUBLIC MINUTES**

The public minutes of the meeting held on 10 May 2017 were considered and approved as a correct record.

MATTERS ARISING

Members' Declarations under the Code of Conduct in Respect of Items on the Agenda (page 2) – The Deputy Chairman reported that, since the last meeting of the Markets Committee, Greg Lawrence had applied for a dispensation from the City's Standards Committee to enable him to speak/vote on any matters that he might be considered to have a disclosable pecuniary interest in in the context of this Committee's business going forward. The Committee were informed that the Standards Committee had granted Mr Lawrence a dispensation 'until the ward elections in 2021 to speak on all matters concerning the London Central Markets, other than those in which he has a disclosable pecuniary interest as a shareholder or director of any company which holds a tenancy in the market, and which would affect only him personally or his business interests as opposed to the generality of the tenants within the market'. The request for a dispensation to vote on such matters was refused.

Billingsgate Market Seafood School (page 4) – In response to questions, the Superintendent of Billingsgate Market reported that there had been no formal meetings between the City of London Corporation and the Seafood School regarding their future to date but that the City continued to offer the School rent-free use of accommodation/facilities at the market. He added that he was kept well aware of the School's finances as he also served as a Trustee of the charity.

The Superintendent went on to report that market tenants remained adamant that they would not be contributing any further to the running costs of the School.

The Deputy Chairman requested that the Committee be kept regularly updated on this matter going forward.

Departmental Business Plan: Markets and Consumer Protection (page 7) – Members thanked the Chamberlain for the circulation of the additional financial information circulated to all after the last meeting of the Markets Committee.

New Spitalfields Market – Heads of Term (page 9) – The Superintendent of New Spitalfields Market reported that the vast majority of Heads of Terms had now been signed and returned with approximately eight of these still outstanding. He acknowledged that certain individuals were now unlikely to sign these and that this would result in the matter progressing to Court.

Billingsgate Market – Chairman of the Tenants Association (page 9) – It was with regret that the Superintendent of Billingsgate Market reported that the Chairman of the Tenants Association had sadly passed away since the last

meeting of the Markets Committee. He, and many of the market's staff and tenants had attended the Chairman's funeral.

Billingsgate Market – Crossrail construction land (page 10) – The Superintendent of Billingsgate Market reported that land previously handed to Crossrail for the construction of a Canary Wharf station was still on track to be returned to the Market by the end of this month.

Billingsgate Market – HSBC Window (page 10) – The Superintendent of Billingsgate Market reported that the Market had now reported the incident which occurred as result of 'Storm Doris' back in February to the Health and Safety Executive themselves.

4. **REVENUE OUTTURN 2016/17**

Members received a joint report of the Chamberlain and the Director of Markets and Consumer Protection comparing the 2016/17 revenue outturn for the services overseen by the Markets Committee with the final budget for the year.

In an amendment to the written report regarding 'Local Risk Carry Forward to 2017/18', the Chairman reported that it was now the Director's intention to carry forward £137,000 (as opposed to £120,000) for consultancy services to complete a report on the Strategic Review of Markets. The additional £17,000 referred to within the report as being carried forward to employ 1 apprentice Support Officer would now be met from the Director's existing budget and not from any underspend.

In response to questions around the likely total cost of the Strategic Review and the Summit Group's rejection of funding from the Transformation Fund for this, the Director reported that the Transformation Fund had been set up from City's Cash and was overseen by the City's Summit Group which was a Chief Officer group chaired by the Town Clerk and Chief Executive. The Group were aware of the Director's underspend when a bid for Transformation Funds was made and felt that it would be preferable to make use of the underspend for this purpose as opposed to funds from this 'pot'. The Director undertook to update the Committee on the total estimated cost of the Strategic Review within the non-public session.

With regard to Appendix B1 and the Comparison of the 2016/17 Operating Statement with the Operating Budget for each market, a Member questioned why one market seemed to be effectively cross financing another and how they might look to move away from this practice going forward. With regard to Smithfield Market, the Director reported that the site was operating at a deficit due to the fact that they were operating service charges on a 'cap' at present, as previously agreed by this Committee. This cap was set to remain in place until 31 March 2018 when the full service charge was to be implemented after a five year phasing-in period. The Director went on to report that the service charge covered the operational costs of each market. At Smithfield Market, Historic maintenance works, such as the Poultry Market, were not covered and, as part of the lease negotiations, a list of items not 'in repair' was drawn up and agreed between the City of London Corporation and the Market's Tenants

Association where it was agreed that such items would not be charged for until such time as they were 'in repair'.

In response to a question regarding sinking funds, the Director reported that such a thing did not exist for Smithfield Market but that there were equivalents to this for both New Spitalfields and Billingsgate.

In response to further questions regarding the Poultry Market site, the Director reported that, as this was a listed building, the City Corporation would be required to undertake the necessary repairs and maintenance work regardless of whether or not the meat market continued to be sited here.

Finally, the Director reported that it was not the case that both New Spitalfields and Billingsgate were profitable and Smithfield was not given that the Markets were not entitled to make a profit on service charges. He added that the consolidated surplus to the City of London Corporation in 2016/17 was £1.96m as detailed within the written report. The Chamberlain clarified that money received from rent at the Markets covered the costs of Capital Charges and was all included within the total income figure.

RESOLVED – That, the revenue outturn report for 2016/17 and the proposed carry forward of under spending to 2017/18 are noted.

5. **STRATEGIC REVIEW OF MARKETS**

The Committee received a report of the Director of Markets and Consumer Protection bringing Members up-to-date on the Strategic Review of the Markets and providing a synopsis of the work that will be conducted by the consultants.

The Deputy Chairman reported that, as Members of the Review Steering Group, he and the Chairman were to meet with the appointed consultants in September, October and December of this year.

A Member commented that his view of the appointed consultants was that they were very property/technically focused. He therefore questioned what process was in place to consult existing and potential customers of the Wholesale Markets to ensure that there would continue to be an 'appetite' for such offerings. The Member went on to comment on the importance that the Steering Group would play in the Review process and questioned why this would only include two Members of the Markets Committee alongside a number of Officers.

The Director confirmed that all stakeholders/relevant expertise would be engaged at different stages of the review process as appropriate and as detailed within the written report. With regard to Officer membership of the Steering Group, Members were informed that this would include the Director, the Markets and Consumer Protection Head of Business Performance, one representative of the Chamberlain's department, and one representative of the City Surveyor's Department.

In response to further questions, the Director confirmed that the appointed consultants did have a recognised Markets Consultant expert on their Board.

A Member questioned whether the final report would cover issues such as the phased move of all 3 Wholesale Markets versus moving all three simultaneously would be covered if the re-location of these was a recommended outcome. He also highlighted that the co-operation of Tower Hamlets would be critical with regard to any proposals around the future of Billingsgate Market and went on to question whether this would also be factored into the final report. The Director stated that he was confident that all issues such as these would be covered within the final report where appropriate.

A Member stated that, from the written report, it appeared to be a foregone conclusion that Stage 2 of the process would be a 'progression of suitable relocation options' as opposed to a possible re-development of the existing sites. He asked that this be amended going forward.

A Member commented that wholesale reviews of the markets had been carried out on previous occasions and questioned whether the appointed consultants were aware of these. The Director stated that they were.

A Member formally proposed that an additional three members of the Markets Committee be added to the membership of the Steering Group alongside the Chairman and Deputy Chairman. The Deputy Chairman stated that, subject to any views the Chairman might have on this, he had no objections to expanding the membership of the Group in this way.

RESOLVED – That:

- i) Members receive the report; and
- ii) Peter Bennett, Deputy Edward Lord and Deputy John Tomlinson be added to the membership of the Steering Group.

6. HEAVY GOOD VEHICLE (HGV) UNLOADING RISK AT SMITHFIELD MARKET - BANKS-MAN ACTIVITIES

The Committee received a report of the Director of Markets and Consumer Protection updating Members on the progress made on reducing the HGV unloading risk at Smithfield Market since the Committee report of January 2017.

The Deputy Chairman congratulated the Superintendent of Smithfield Market and the SMTA on the progress made in this area to date. He added that this would, however, remain a red risk that was closely monitored and regularly reported to Committee for the time being.

RESOLVED – That, Members note the report.

7. MARKETS COMMITTEE RISK

The Committee received a report of the Director of Markets and Consumer Protection produced to provide Members with assurance that risk management

procedures in place within the Department of Markets and Consumer Protection are satisfactory and that they meet the requirements of the corporate Risk Management Framework.

The Deputy Chairman, on behalf of the Committee, wished to publicly congratulate the New Spitalfields Market team for being highly commended in the Operational Award for their 'Controlling workplace traffic risks' initiative at the National 2017 Alarm Risk Awards (Recognising Risk Excellence) held on 26 June, which was the first time that the City had achieved such an award.

RESOLVED – That, Members note the report and actions taken in the Department of Markets and Consumer Protection to monitor and manage effectively risks arising from their operations.

8. **SMITHFIELD MARKET - CONDENSER WATER COOLING SYSTEM - UPDATE**

The Committee received a report of the City Surveyor bringing Members up to date with recent developments on Smithfield Market's refrigeration condenser water.

The Committee noted that new East Market pumps had now been installed and were operational.

RESOLVED – That, Members note the contents of the report.

9. **SUPERINTENDENTS ORAL UPDATES**

The Committee received oral updates from each of the Market Superintendents as follows:

Billingsgate Market

- **Fire Risks** – The Superintendent began by reporting that there had recently been a review of fire risk assessments and procedures at the Market which had, overall, shown that fire risks on the site were well managed and that sound practices were in place.

He informed Members that the site's current system had been installed two years ago at a cost of approximately £175k and so was relatively new. He reported that the system was tested monthly with fire drills/evacuations also scheduled to take place every six months.

The Superintendent went on to state that the sprinkler system covering the markets buildings were also regularly tested. He added that the building was just two-storeys high with many escape routes.

Members were notified that some concerns around cladding/insulation used within the many containers situated on site had been raised and that the Superintendent was now awaiting recommendations on how this risk might be managed going forward.

- **Crossrail Construction Site** – As previously reported as a matter arising from the minutes of the last Markets Committee meeting, the Superintendent reported that the land handed to Crossrail for the construction of a Canary Wharf station would be returned to the Market by the end of this month as planned following some remedial/repair works. He added that the Market and the Comptroller and City Solicitor were already in discussions with four existing tenants regarding the future use and development of this area of land.

Smithfield Market

- **Safety Management/Banksmen** – The Superintendent reported that a third audit had now taken place over four nights beginning on 9 July 2017. During the audit, no incidents of unguided backups had been witnessed. The Superintendent wished to place on record his thanks to the Chairman of the SMTA for his input into this work. He went on to report that a formal meeting to discuss the FTA Action Plan had taken place with the SMTA on 12 July and that banksmen training had also taken place at the end of June.

Letters regarding banksmen duties had now been circulated to all tenants and all freight transport companies accessing the site together with site maps and site rules. Members were informed that there would be an ongoing review of the Action Plan alongside the SMTA.

- **Facilities Management** – The Superintendent reported that Skanska had now replaced MITIE in terms of facilities management at all three of the City's wholesale markets. Skanska were currently carrying out an Asset Verification Programme and it was hoped that this would lead to greater transparency and improved service delivery going forward.

The Superintendent went on to report that all repairs and maintenance issues on site were now also being logged on the City Corporation's central 'MICAD' system.

- **Fire Risk** – The Superintendent reported that fire risks on site and associated procedures were regularly reviewed. Members were informed that two annual evacuations of the site took place. Fire Risk Assessments had also been discussed at the most recent quarterly Markets Health and Safety Review meeting.

The Smithfield Market Constabulary Team had also recently held a briefing for all fire marshalls on site so that practices and procedures were adequately filtered down.

- **Contractors** – The Superintendent reported that it was felt that a better permit to work system was needed for contractors working on the Market. The Department was therefore looking to review the Corporation's existing control of contractors policy with the City Surveyor to ensure stronger control over this going forward.

New Spitalfields Market

- **Site Access/Layout** – The Superintendent was pleased to report that there had been no accidents on site since January 2017 following various improvements made. Officers were now beginning to look at issues on external roadways around the site in the hope of making further improvements. There were now plans to move the staff car park to the end of the site in order to enable better control of HGVs on site and create pedestrian walkways across the whole site.
- **Entry Barrier** – The Superintendent reported that, following delays and a lack of communication to date, this matter was still with Waltham Forest Planning Department to progress. Following requests made to the Mayor and Chief Executive of Waltham Forest, the Market had been assured that it was now hoped that a certificate of lawful use would be issued shortly, with a decision expected by the end of this week.

The Chief Executive and Leader of Waltham Forest were also due to visit the Market at the end of August 2017.

- **Fire Risk** – The Superintendent reported that the site had a well-established premises compliance and risk assessment system in place. Escape provisions were regularly reviewed and equipment such as fire extinguishers were visually checked and serviced at regular intervals too.

The Superintendent went on to report that the cafes on site had a separate scheme for inspection which also involved checks on ventilation systems and the like which were particular to them.

Any inspection failures were categorised as either critical or non-critical with penalties served where appropriate. If a tenant was seen to have failed an inspection on three occasions, the Market sought to carry out the remedial works required 'in-house' and subsequently charged the tenant for this.

Members were informed that the London Fire Brigade's recent inspection of the site had indicated that they were content that all potential fire risks on site were adequately covered. The Superintendent went on to report that there were composite panels used on the site but that these had been looked at in 2003 when the Market had been informed that they met the required regulations. In any case, the market Catering Supplies buildings were only two storeys high.

- **Head of Terms** – In response to a question, the Superintendent confirmed that 143 tenants had now signed and returned these and that he could not see there being any ongoing problems due to the handful of tenants who had not. Some of the tenants yet to return heads of terms were now being guided through the process and those who were refusing to sign the documents would continue to be pursued with the matter being referred to the Courts if necessary.
- **Committee Visit** – The Deputy Chairman wished to thank the Superintendent, the Tenants Association and market staff for the recent Committee visit to the site. He stated that he was disappointed to see such a small turnout from

members of the Committee on the day and encouraged all to visit the City's Wholesale Markets wherever possible.

10. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

11. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no additional, urgent items of business for consideration.

12. EXCLUSION OF THE PUBLIC

RESOLVED – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Local Government Act as follows:-

Item No(s).	Paragraph No(s).
13	1, 2 & 3
14	3

13. NON-PUBLIC MINUTES

The non-public minutes of the meeting held on 10 May 2017 were considered and approved as a correct record.

14. POULTRY MARKET, MAJOR REPAIRS

The Committee considered and approved a report of the City Surveyor regarding the Poultry Market Major Repairs project.

15. NON PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions raised in the non-public session.

16. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

There were no additional, urgent items of business for consideration in the non-public session.

The meeting ended at 12.36 pm

Chairman

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Agenda Item 4

Committee:	Date:
Markets Committee	20 September 2017
Subject: Markets Business Plan Update Period 1 2017/18 (April – July)	Public
Report of: Director of Markets and Consumer Protection	For Information
Report author: Don Perry - Department of Markets and Consumer Protection	

Summary

This report provides an update on progress for Period 1 (April-July) of 2017-18 against key performance indicators (KPIs) and objectives outlined in the Markets' Business Plan.

The report consists of:

- Performance against the key performance indicators (KPIs) and progress report on the business plan – Appendix A
- Matters of general interest to the Committee – Appendix B
- Financial information – Appendix C
- Debt Information – Appendix D
- Sickness statistics – Appendix E

Key points from the report are that:

General

- GVA (formerly GVA Grimley) were awarded the contract for the Strategic Review of Markets on 1 June 2017. Members will receive an Interim Report setting out the findings of stage one.
- All three Markets are now operating common systems to control forklift truck use.

Billingsgate

- A replacement waste compactor that compresses waste has been purchased with the aid of 75% EU Fishing grant.
- Due to a high turnover in car-park customers the annual income is approximately £20k below the 2017/18 full year budget of £450k.
- The LFMA is to hold a members meeting on 21 September to elect a new Council and Chairman.

Smithfield

- The working manual has been amended and the Superintendent is waiting for a response from the SMTA.

- A strategy for increasing the usage of the car park has been revised and an action plan is being implemented.
- Banksmen training for tenants' staff was completed in June and an audit in July indicated 100% guided movements of HGVs using the lock-ons; another audit will take place in September.

Spitalfields

- The team at New Spitalfields Market were successful at the Alarm 2017 Risk Awards on 26 June. The team was highly commended in the Operational Award for their 'Controlling workplace transport risks' initiative. This is the first such National award that the City has achieved.
- The cleaning and waste contract goes live on 2 Oct. The new contract will encourage segregation at source and maximise recycling.
- AECOM are providing a RIBA 3 design for the entry barrier to assist the CoL in being granted planning permission from Waltham Forest. Once permission has been approved a tendering exercise will be carried out for the installation of the approved plans.

Finance

At the end of July 2017, the Department of Markets & Consumer Protection was £56k (19%) over spent against the local risk net budget to date of (£296k), over all the services now managed by the Director of Markets & Consumer Protection covering the Markets Committee. Appendix C sets out the detailed position for the individual services covered by this department.

Overall the Director of Markets & Consumer Protection is currently forecasting a year end overspend position of £181k (13%) for his City Fund and City Cash services.

Main Report

Background

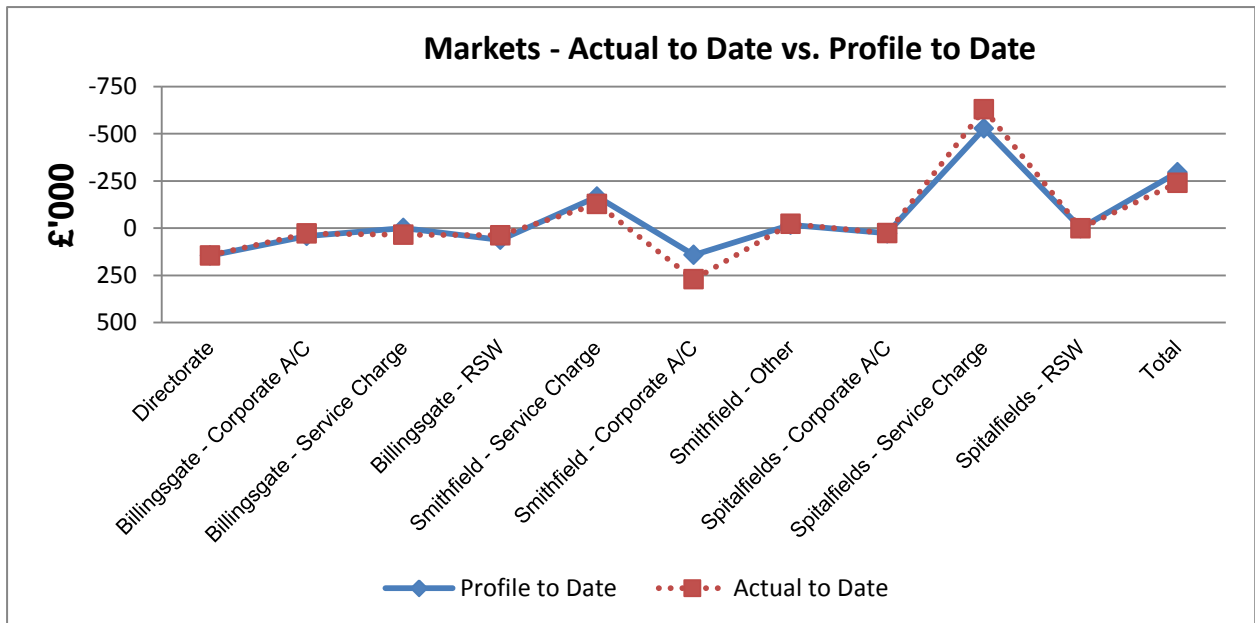
1. The 2017-18 Markets Business Plan sets out five Key Performance Indicators (KPIs) and 23 Key Improvement Objectives against which the Markets performance will be measured throughout the year.
2. The KPIs and objectives are updated in Appendix A.

Current Position

3. To ensure that your Committee is kept informed of progress against the current business plan, progress against KPIs (Appendix A) and matters of general interest (Appendix B), financial summary (Appendix C) are reported on a periodic (four-monthly) basis, along with sickness statistics (Appendix E). New for this period is Debt Information (Appendix D) that shows debts graphs of aged debts over 90 days.
4. This approach allows Members to ask questions and have a timely input on areas of particular importance to them. Members are also encouraged to ask the Director for information throughout the year.
5. Periodic progress is also discussed by Senior Management Groups (SMG) to ensure any issues are resolved at an early stage.

Financial and Risk Implications

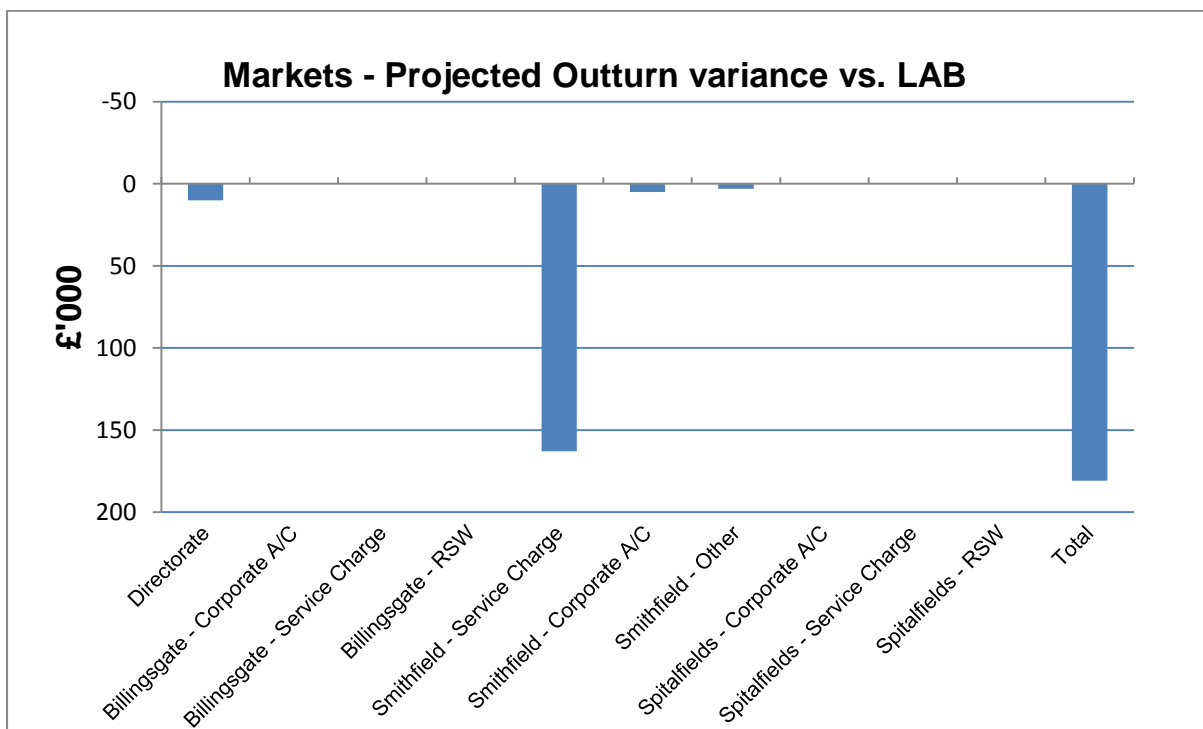
6. The end of July 2017 monitoring position for Department of Markets & Consumer Protection services covered by Markets Committee is provided at Appendix C. This reveals a net overspend to date for the Department of £56k (19%) against the overall local risk budget to date of (£296k) for 2017/18.



Notes:

1. Graph shows the actual local risk net position against the profiled budget to date for each Division of Service.
2. The Markets total actual to date spend of (£240k) is currently £56k above the profiled budget to date of (£296k).

7. Overall the Director of Markets & Consumer Protection is currently forecasting a year end overspend position of £181k (13%) for the City Fund and City Cash services under his control.



Notes:

1. Zero is the baseline latest approved budget for each Division of Service.
 2. Graph shows projected outturn position against the latest approved budget.
 3. A variance above the baseline is favourable i.e. either additional income or reduced expenditure.
 4. A variance below the baseline is unfavourable i.e. additional expenditure or reduced income.
 7. Overall the Department is forecasting an overspend of £181k at year end.
-
8. The reasons for the significant budget variations are detailed in Appendix C, which sets out a detailed financial analysis of each individual division of service relating to this Committee, for the services the Director of Markets & Consumer Protection supports.
 9. The worse than budget position at the end of July 2017 relates mainly to Smithfield Market rate increases paid in advance, for which a rates appeal will be made by the CoL. These payments in advance will be reimbursed by tenants by year end. This unfavourable variance to date is partly offset by underspends on Spitalfields Service Charge account due to current salary vacancies and some ad-hoc additional income received, any over/under recovery will be netted off against tenants service charge bills at year end.
 10. The Director of Markets & Consumer Protection anticipates this current worse than budget position will continue to year end, mainly as a result of reduced service charge income at Smithfield Market due to delays in completing the additional premise lets.

Recommendation:

11. It is recommended that your Committee notes the content of this Report and its appendices

Appendices

Appendix A - Performance against the key performance indicators (KPIs) and progress reports on the business plan

Appendix B - Matters of general interest to the Committee.

Appendix C – Financial Information

Appendix D – Debt Information

Appendix E – Sickness Graph

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KPI	Target 2017/18	Period 1 Target	Period 1 1 st April – 31 st July 2017				
				Target	Period 1	Period 2	Period 3
MKPI 1	Achieve an overall sickness absence level of no more than 6 days per person by 31 March 2018, and a total of no more than 684 days across all markets.	<228 days per period	Billingsgate	76	53		
			Smithfield	80	110		
			Spitalfields	60	107		
			Directorate	12	39		
			Total	228	309		
Comments: Sickness absence is 81 days over the target figure of 228, and is especially high at Spitalfields, Smithfield and the Directorate. The cause is several long-term cases. Appendix E illustrates the sickness trend over the period.							
KPI	Target 2017/18		Period 1 1 st April – 31 st July 2017				
				Period 1	Period 2	Period 3	
MKP 2	a) 90% of debts to be settled within 60 days.	Billingsgate	90%	95%			
		Smithfield		98%			
		Spitalfields		96%			
	b) 100% of debts settled within 90 days.	Billingsgate	100%	100%			
		Smithfield		100%			
		Spitalfields		97%			
Comments: Appendix D illustrates Aged Debt over 90 days.							
KPI	Target 2017/18		Period 1 1 st April – 31 st July 2017				
				Period 1	Period 2	Period 3	
MKP 3	Divert 90% of waste from landfill at the Markets	Billingsgate	100%				
		Smithfield	100%				
		Spitalfields	100%				
KPI	Target 2017/18		Period 1 1 st April – 31 st July 2017				
				Period 1	Period 2	Period 3	
MKP 4	Achieve 95% occupancy of all lettable space at Billingsgate, Smithfield and New Spitalfields Markets.	Billingsgate	99%				
		Smithfield	91%				
		Spitalfields	100%				
Comments: Letting of the remaining available vacant premises in the Poultry Market has taken longer than expected while work is planned to bring the individual premises up to the standards required by the Food Standard Agency.							

Appendix A

KPI	Target 2017/18		Period 1 1 st April – 31 st July 2017		
			Period 1	Period 2	Period 3
MKP 5	Improve the standard of incident reports, ensuring all information and evidence is gathered thoroughly and documented. All reports to be completed within 3 days following the reporting of an incident.	Billingsgate	100%		
		Smithfield	100%		
		Spitalfields	100%		

Progress against Markets key improvement objectives 2017-2018

Period1. April2017 – July 2017

Period2. August2017 – November 2017

Period3. December2017 – March 2018

Ref:	Objective	Progress to date
1	<p><u>Billingsgate Market</u> Improve cleaning standards A site where all stakeholders, particularly our tenants, have no cleaning complaints.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●For period one there have been no written or formal verbal complaints made about cleaning. ●A replacement waste compactor has been purchased with the aid of a 75% EU fishing industry grant. The compactor compresses the waste (all waste except for wood, cardboard, polystyrene and fish waste) that is collected from site, which is then sent to a waste-to-energy plant. ●The Canal and River Trust has agreed that the dock side adjacent to Billingsgate Market will be cleared of the unsightly pontoons by end September.
2	<p><u>Smithfield Market</u> Review the Working Manual and have an updated copy agreed and signed by the SMTA and Col. A fully implemented Working Manual that clearly sets out the responsibilities of the landlord, tenants and market workers in the safe and efficient running of the market.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●The Superintendent has amended and updated the working manual. This was sent to the Smithfield Market Tenants' Association on 21 June. The Association's response is expected by end of September.
3	<p>Carry out a comprehensive strategic review of the three wholesale markets, including transport needs and location. A clear statement of the proposed way ahead for the City's Markets.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●Following approval by the Markets Committee in November 2016 of the specification for the Strategic Review of Markets, a formal procurement exercise was carried out and GVA (formerly GVA Grimley) were selected. A contract for the work was signed on 1 June. ●The initial output will be an interim report that will be taken at the September Markets Committee, separately to this report, setting out the findings of the Stage 1 Element of the project.

Ref:	Objective	Progress to date
4	<p><u>New Spitalfields Market</u> Ensure the successful implementation of the new waste and cleaning contract. Being more effective at segregating waste leading to improving recycling. Better standard of cleaning across the site. Introduce a 'polluter pays' policy.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●The cleaning contract goes live on 2 Oct 2017. Mobilisation for the contract is being finalised. ●The new contract will follow the "polluter pays" principle. Bins will be issued to each individual tenant for a range of different waste types to encourage segregation at source and maximise recycling. These bins will be identifiable to individual tenants, who will be charged according to the weight of waste they produce.
5	<p><u>New Spitalfields Market</u> Investigate opportunities for the installation of paid advertising hoardings. An understanding of the feasibility of installing the advertising hoardings and the possible income that could be generated.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●A soft Market test was carried out for installing advertising hoardings but was deemed uneconomical as there would be a Business Rates liability, which would off-set any income generated from the scheme.
6	<p><u>Smithfield Market</u> Implement Service Based Review (SBR) proposals for:</p> <ul style="list-style-type: none"> ● increased car park usage ● letting the 7 currently vacant premises in the Poultry Market. <p>Increase in car park revenue. Reduction in cost to the City for the service charge voids on the premises.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●A revised strategy has been developed for increasing car park usage. A revised action plan with monthly reviews and inputs to improve the usage of the carpark and maximise its revenue is now in use. ● Letting of the remaining available vacant premises in the Poultry Market has taken longer than expected while work is planned to bring the individual premises up to the standards required by the Food Standard Agency.
7	<p><u>Smithfield Market</u> Being ready to implement the full service charge on 1 April 2018.</p> <p>A smooth transition into the full service charge agreement with the SMTA.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●The Joint Specification Committee is nearing completion of its role as the Security and Administrations functions are finalised. ●The Joint Review Group meetings are being held with SMTA to progress and agree costs towards full service charge implementation.

Ref:	Objective	Progress to date
8	<p><u>Billingsgate Market</u> Pursue opportunities to increase income from commercial car parking.</p> <p>Current levels of income to be sustained and options for growth in income generation to be identified and evaluated.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> At the end of the period, pro rata annual income is approximately £20k below the 2017/18 full year budget of £450k. There continues to be a high turnover of customers caused by employment issues such as relocation and redundancy. With the exception of the Mirror Group corporate account, the car parking customers are individual Canary Wharf based commuters. <p>In addition to the City website, parking availability is being promoted through external websites such as parkopedia and yourparkingspace.</p>
9	<p><u>Smithfield Market</u> Continue with the project to refurbish the Poultry Market roof.</p> <p>Continue with the project to refurbish the Poultry Market roof.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> The latest project board reports indicate a start date for main construction works (scaffold erection) on 5 October with subsequent main roof and internal MEP works starting in January 2018. This is subject to Gateway 5 Approval by Markets and Project Sub Committees once the final contract bid price is received from Keepmote.
10	<p><u>Smithfield Market</u> Implement the action plan, agreed with the SMTA, to control the risks associated with HGV Banksmen duties.</p> <p>The currently 'red', health and safety risk associated with Banksmen duties will be fully controlled and the target risk status 'amber' achieved.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> The action plan agreed with the SMTA has been progressed and the training of tenant HGV banksmen has been completed. A July audit of the operation across 4 nights indicated 100% guided movements and another 4 night audit will take place on 11th September to review performance. The Superintendent has now initiated a review of the risk with the Corporate H&S team to achieve the target risk of amber. Ongoing quarterly reviews of the action plan have been scheduled with the Tenants' Association.
11	<p>Complete the formal annual review of our property holdings with City Surveyors Department to ensure that we do not occupy buildings and land in excess of our identified operational need, in accordance with Standing Order 55.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> Markets property holdings are reviewed annually with the City Surveyor as part of the business planning process. The Strategic Review of Markets could lead to significant long term changes to the Markets property holdings.

Ref:	Objective	Progress to date
12	<p>Review the CCTV requirements of each market site and assess whether current systems are sufficient and best value.</p> <p>Fit-for-purpose, effective CCTV systems in place at all three markets.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●A CCTV Operational Requirements document has been produced for New Spitalfields Market. The Counter Terrorism Security Advisory Group have reviewed the document and made recommendations based on threat of a terror attack. ●AECOM will now undertake a review at New Spitalfields Market against the minimum counter terrorism standard and provide 4 options for the site (including a best value option). ●Reviews of Billingsgate and Smithfield Market will follow and this will enable a common specification document to be drafted for the three markets.
13	<p>Support the City Surveyor's Department with the mobilisation and implementation of the new BRM contract.</p> <p>Influence and improve the standard of planned maintenance and the speed of reactive maintenance at the markets.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●Asset validation work is currently being carried out at Smithfield Market as part of setting up the asset database. ●Billingsgate and Spitalfields Market will be scheduled for asset validation once Smithfield has been completed.
14	<p>Review current practices and produce a report recommending common principles for the management of fork lift trucks (FLT) at each of the three markets.</p> <p>Consistent approach to FLT management across all three markets.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●All three Markets are now implementing comparable systems to control forklift truck use in order to ensure that; <ul style="list-style-type: none"> • only trained and certified operators use forklift on the common parts of each market, • operators are insured to the required level, • forklifts are well maintained in accordance with current standards and inspected prior to use. ●In addition, penalty schemes have been implemented to ensure that operators who engage in unsafe acts are sanctioned accordingly and banned from driving in the common parts upon receiving a certain number of penalty points.

Ref:	Objective	Progress to date
15	<p><u>New Spitalfields Market</u> Procure an entry barrier system for the market.</p> <p>Improved access and traffic management at the Market.</p> <p>Increased ability to enforce Market rules.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●A two-stage design and build procurement is now underway. ●AECOM will be involved to provide a RIBA 3 design to enable the City to gain planning permission from Waltham Forest for the entry barrier. ●Once planning permission has been granted there will be a tender exercise carried out for the installation of the approved plans.
16	<p><u>New Spitalfields Market</u> Explore opportunities for increased sustainability in our operations:-</p> <p>Rainwater harvesting</p> <p>A Biomass Boiler</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●A representative from Cass Business School has approached the Superintendent to suggest that Business Masters students use Rainwater harvesting and Biomass Boiler projects as case studies. ●It is hoped this work will start in Sept and will provide free in-depth analysis of the various options as a starting point for feasibility studies. ●A visit to large scale biomass boiler has taken place. Options for obtaining fuel are now being considered.
17	<p><u>Billingsgate Market</u> In consultation with the Tenants' Association, identify and progress improvements to the market's facilities.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●The London Fish Merchants Association (LFMA) is to hold a members meeting on 21 September to elect a new LFMA Council and new Chairman. ●Discussions are progressing with some Q shop based tenants on relocating or expanding their on-site facilities. This includes constructing buildings in the south east area of site, previously used for Crossrail lorry holding operations.
18	<p>Support the corporate review of Asset Management and Facilities Management, led by the City Surveyor.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> ●A review of Facilities Management at the Markets has been completed. An action plan is now being prepared to implement the recommendations from the review.

19	Refresh the Departmental Workforce Plan and implement the priorities.	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> •The Head of Business Performance has been appointed as the new Chair to the Work Force Planning group and the first meeting is scheduled 27th September.
20	Investigate and identify options for mobile working at the markets to enable more effective enforcement work.	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> •Stand inspections at Spitalfields Market are now carried out on tenants' stands using a mobile device with a proprietary auditing application. •The use of this software for enforcement activity at the other two Markets is to be explored.
21	Deliver the second iteration of the M&CP Leadership Development Programme.	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> •This is underway with a new group of candidates from across the Department. •Certificates recognising ILM Level 7 credits will be presented by the Chief Commoner to the successful graduates of the 2016 course on Monday 25 September.
22	<p><u>New Spitalfields Market</u> Explore opportunities for providing business coaching for market tenants: a training programme for start-ups, SMEs, Directors aged below 30, and those from more deprived areas.</p>	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> •The Chief Executive and the Lead of Waltham Forest Council are very keen to work with the Market on this project and have tasked their Adult Learning Services teams with making contact with the Superintendent.
23	Participate in the Corporate Apprenticeship Scheme.	<p>Period 1: April – July 2017</p> <ul style="list-style-type: none"> •The five year Apprentice programme is being rolled out to all departments this year. •<u>Billingsgate</u> withdrew their application for an Electrician apprentice because the level of electrical experience required could not be provided at the Market. An Administration apprentice is now being considered. •<u>Smithfield</u> are hoping for a Plumber apprentice but are in consultation with the apprentice team over the duration of the apprenticeship. •<u>Spitalfields</u> an Administration apprentice is due to start in October 2017.

Matters of General Interest to the Committee

Billingsgate Market

Visitors

April

No Visits

May

Tuesday 9th – Westminster College Students – Tour

June

No Visits

July

Friday 21st – Lord Mayor Visit & Breakfast

Filming/photography

		<u>Activity</u>	<u>Fee Received</u>
<u>April 2017</u>	Tuesday 4 th	Photography for personal use	No
	Wednesday 5 th	Photography for personal use	No
	Wednesday 5 th	BBC –The One Show	£225 +VAT
	Tuesday 11 th	Photography for personal use	No
	Wednesday 13 th	Photography for personal use	No
	Friday 14 th	White Rain – Viking Excursions	£250 +VAT
	Saturday 22 nd	Photography for personal use	
<u>May 2017</u>	Monday 1 st – 4 th	Mammoth Screen – Unit Base Parking	£6750 +VAT
	Thursday 20 th	Photography for personal use	No
	Friday 26 th	Euston Films – Unit Base Parking	£500+VAT
	Saturday 27 th	Photography for personal use	No

Appendix B

<u>June 2017</u>	Thursday 1 st	Photography for personal use	No
	Wednesday 7 th	Barley Taverns Ltd – Promotional shot for pub	£200+VAT
	Friday 9 th	Photography for personal use	No
	Wednesday 14 th	Photography for personal use	No
	Thursday 15 th	The Forge Entertainment – Unit Base Parking	£1000+VAT
	Tuesday 27 th	The Forge Entertainment – Unit Base Parking	£1000+VAT
<u>July 2017</u>	Saturday 1 st	Photography for personal use	No
	Saturday 1 st – 2 nd	Back Productions – Unit Base Parking	£600+VAT
	Tuesday 4 th	Photography for personal use	No
	Wednesday 26 th	Photography for personal use	No
	Saturday 29 th	Photography for personal use	No

Smithfield Market

Visitors

April

No Visits

May

Friday 26th – Lord Mayor Visit

June

Tuesday 13th – Worshipful Company of Cooks Visit

July

Thursday 6th – Worshipful Company of World Traders

Filming/photography

		<u>Activity</u>	<u>Fee Received</u>
<u>April 2017</u>	Friday 28th	Photography for personal use	No
<u>May 2017</u>	Monday 15 th	Photography for personal use	No
	Wednesday 17 th	Photography for personal use	No
	Friday 26 th	Photography for Lord Mayor Tour of the Market	No

Appendix B

<u>June 2017</u>	Tuesday 20 th	Photography for personal use	No
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New Spitalfields Market

May

Visitors

Friday 26th – A group from the Council of State Agricultural Marketing Board, India

Wednesday 31st – A group of French Farmers

June

Visitors

Friday 9th – A group of delegates from the London Produce Show

Tuesday 13th –The Worshipful Company of World Traders

Wednesday 21st – Alderman and Sheriff William Russell and Mrs. Hilary Russell and Alderman and Sheriff Peter Estlin and Mrs. Lindy Estlin. The Lord Mayor and Lady Mayoress were also due to attend this visit, but could not attend at short notice because of the State Opening of Parliament.

Filming/Photography

No Visitors

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Department of Markets & Consumer Protection Local Risk Revenue Budget - 1st April to 31st July 2017
(Income and favourable variances are shown in brackets)

	Latest Approved Budget 2017/18 £'000	Budget to Date Net Expenditure £'000	Actual to Date Net Expenditure £'000	Variance to Date +Deficit / (Surplus) £'000	Projected Outturn +Deficit / (Surplus) £'000	Variance from Latest Approved Budget 2017/18		Note
						£'000	%	
Markets (City Cash)								
Directorate	598	145	144	(1)	608	10	2%	
Billingsgate - Corporate Account	140	42	28	(14)	140	0	0%	
Billingsgate - Service Charge	0	(1)	35	36	0	0	0%	
Billingsgate - Repainting and Special Works	0	62	37	(25)	0	0	0%	
Smithfield - Service Charge	680	(167)	(128)	39	843	163	24%	1
Smithfield - Corporate and Direct Recovered	80	142	271	129	85	5	6%	2
Smithfield - Other (Including Car Park)	(104)	(18)	(23)	(5)	(101)	3	3%	
	1,394	205	364	159	1,575	181	13%	
Markets (City Fund)								
Spitalfields - Corporate Account	21	27	26	(1)	21	0	0%	
Spitalfields - Service Charge	27	(528)	(630)	(102)	27	0	0%	3
Spitalfields - Repair and Repainting	0	0	0	0	0	0	0%	
	48	(501)	(604)	(103)	48	0	0%	
TOTAL MARKETS COMMITTEE LOCAL RISK	1,442	(296)	(240)	56	1,623	181	13%	

Notes:

- Smithfield Service Charge** - projected overspend due to reduced service charge income as a result of additional premise lets not completed. Budget holder is in discussion with City Surveyor to push for the leases to be completed ASAP to ensure that the City is not picking up the costs for longer than necessary. This is partly offset by income reimbursement from commercial offices for tanking repairs of the West Market HV system.
- Smithfield Corporate** - unfavourable variance to date mainly due to rates increase paid in advance which will be reimbursed by tenants. An appeal against the rates will be made by CoL.
- Spitalfields Service Charge** - favourable variance to date mainly due to a vacant maintenance/painter post which the budget holder requested be kept in the budget as the post is on the establishment list, plus 3 further vacant security posts which will be recruited against and some ad-hoc additional income. Any over/under recovery on income or expenditure will be returned/charged to tenants so the bottom line balances to zero at year end.

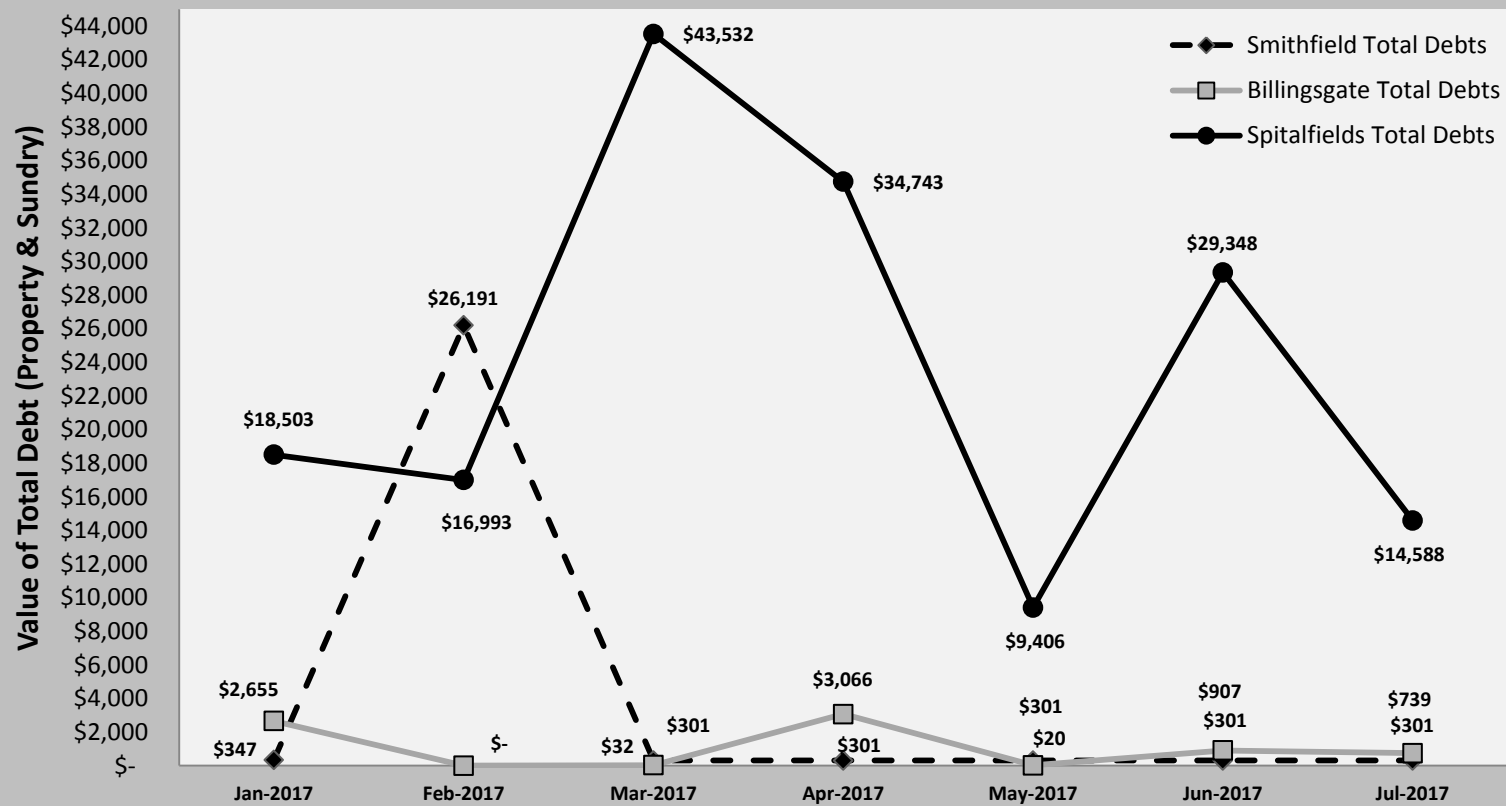
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Markets Aged Debt Over 90 Days - as at 31st July 2017
For Inclusion in Business Plan

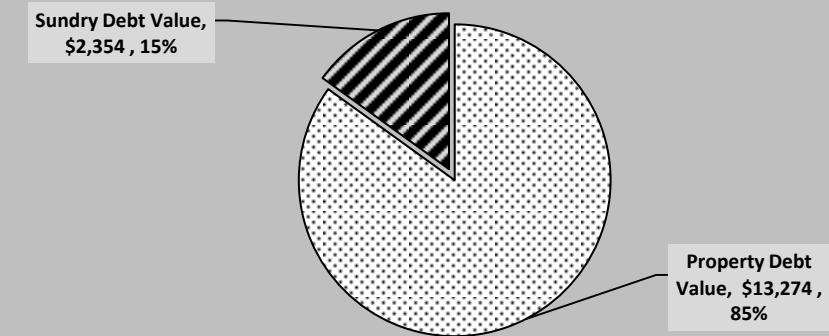
	Smithfield Total Debts	Billingsgate Total Debts	Spitalfields Total Debts	Total
Jan-2017	£ 347	£ 2,655	£ 18,503	£ 21,505
Feb-2017	£ 26,191	£ -	£ 16,993	£ 43,184
Mar-2017	£ 301	£ 32	£ 43,532	£ 43,866
Apr-2017	£ 301	£ 3,066	£ 34,743	£ 38,111
May-2017	£ 301	£ 20	£ 9,406	£ 9,727
Jun-2017	£ 301	£ 907	£ 29,348	£ 30,556
Jul-2017	£ 301	£ 739	£ 14,588	£ 15,629

Type of Debt	Value of Debt
Property Debt Value	£ 13,274
Sundry Debt Value	£ 2,354

Markets Aged Debt Over 90 Days - Trend Analysis



Markets - Composition of Debt Over 90 Days - as at 31/07/2017



Notes:-

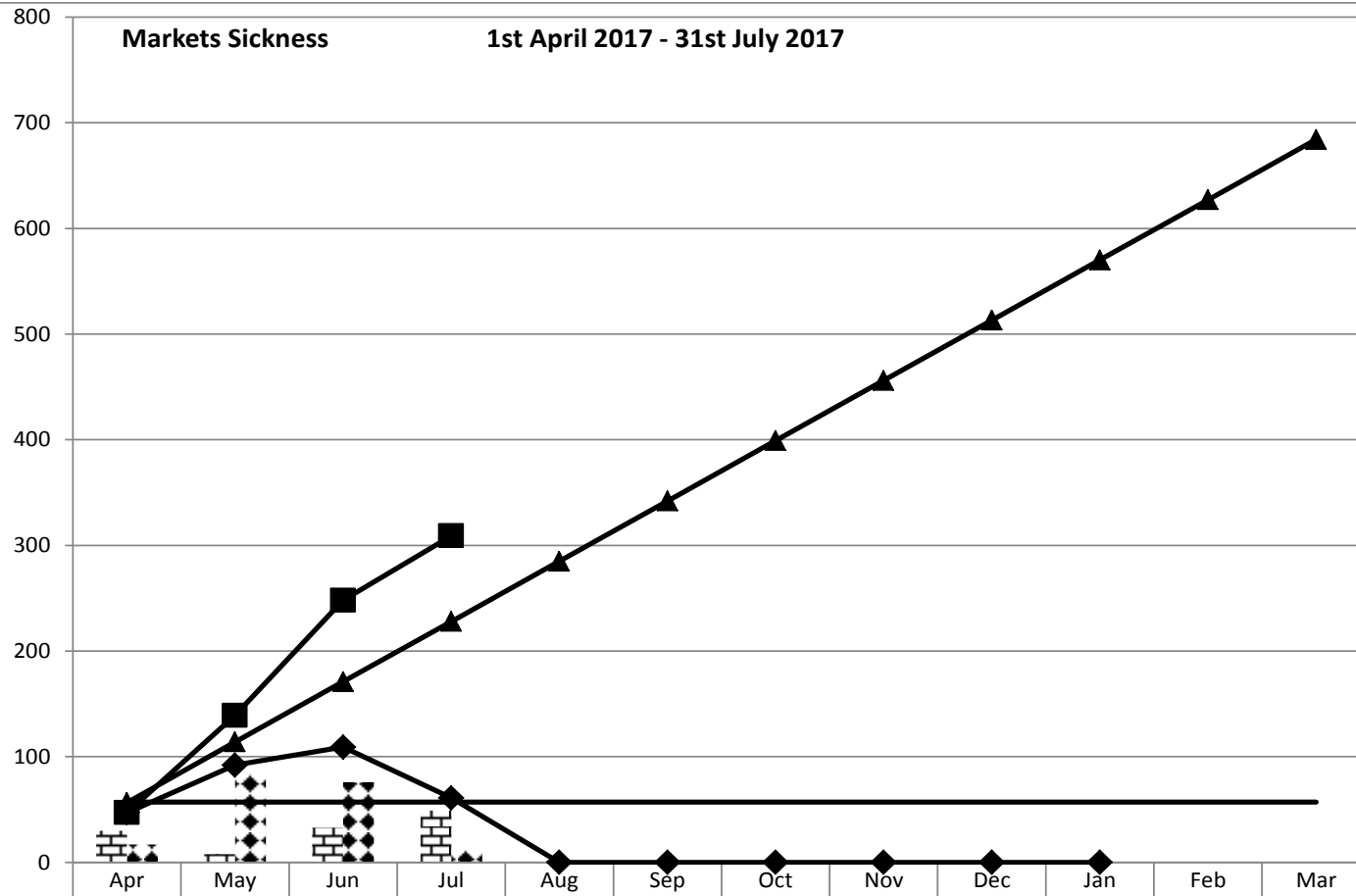
Smithfield

The peak in aged debt at Smithfield in February 2017 was due to a single debt of £25,829.00 which was paid shortly afterwards.

New Spitalfields

The fluctuation in aged debt seen at New Spitalfields over the period was mainly due to two debts, one of which (£40k) was carried over as part of a lease assignment and was settled by the assignee. The other debt (£25k) was an accumulation of smaller debts for a single tenant that was settled in a single payment

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	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Short-term Sickness (under 4 weeks)	30	8	33	49								
Long-term Sickness (4 weeks and over)	17	84	76	12								
Sickness Monthly	47	92	109	61	0	0	0	0	0	0		
Sickness Cumulatively	47	139	248	309								
Target Monthly	57	57	57	57	57	57	57	57	57	57	57	57
Target Cumulatively	57	114	171	228	285	342	399	456	513	570	627	684

Note: Due to a change in the way that HR provides sickness absence data, it is not possible to identify the number of individual cases that comprise the long-term absence figure

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Committee: Markets Committee	Date: 20 September 2017
Subject: Markets Committee Risk	Public
Report of: David Smith Director of Markets and Consumer Protection	For Information
Report author: John Smith Department of Markets and Consumer Protection	

Summary

This report has been produced to provide the Markets Committee with assurance that risk management procedures in place within the Department of Markets and Consumer Protection are satisfactory and that they meet the requirements of the corporate Risk Management Framework.

Risk is reviewed regularly by the departmental Senior Management Team as part of the on-going management of operations within the Department of Markets and Consumer Protection. In addition to the flexibility for emerging risks to be raised as they are identified, a process exists for in-depth periodic review of the risk register.

The Department of Markets and Consumer Protection have identified a number of departmental risks. Of these, the most significant risks for this Committee to consider are:

- MCP-NS 001 – Workplace Traffic Management, New Spitalfields (Current Risk: AMBER)
- MCP-BG 001 – Workplace Transport, Billingsgate (Current Risk: Green)
- MCP-SM 001 – HGV Unloading Operations, Smithfield (Current Risk: RED)

Recommendation(s)

Members are asked to:

- Note the report and the actions taken in the Department of Markets and Consumer Protection to monitor, and manage effectively, risks arising from our operations.

Main Report

Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department.

Current Position

2. This report provides an update of the key risks that exist in relation to the operations of the wholesale markets within the Department of Markets and Consumer Protection. The report also outlines the processes adopted for the on-going review of risk and mitigating actions.

Risk Management Process

3. The Department of Markets and Consumer Protection risk management is a standing agenda item at the regular Departmental Senior Management Group (SMG) meeting, over and above the suggested quarterly review. SMG receives the risk register for review, together with a briefing note highlighting any changes since the previous review. Consideration is also given as to whether any emerging risks exist for inclusion in the risk register as part of Divisional updates on key issues from each of the Superintendents and Assistant Directors, ensuring that adequate consideration is given to operational risk.
4. Between each SMG meeting, risk and control owners are consulted regarding the risks for which they are responsible, with updates captured accordingly.
5. Regular risk management update reports are provided to this Committee in accordance with the City's Risk Management Framework.

Identification of New Risks

6. New and emerging risks are identified through a number of channels, the main being:
 - Directly by SMG as part of the regular review process.
 - In response to regular review of delivery of the departmental Business Plan; slippage against key deliverables, for example.
 - Annual, fundamental, risk register review, undertaken by the tier of management below SMG.

The risk register may be refreshed over and above the stated process for review and oversight, in response to emerging issues or changing circumstances.

Summary of Key Risks

7. The Department of Markets and Consumer Protection's Risk Register for Markets, attached as Appendix 1 to this report, has one RED risk, one AMBER risk and one GREEN risk.

MCP-NS 001 – Workplace Traffic Management New Spitalfields (Current Risk: AMBER no change)

Over 200 forklift trucks are in operation on the New Spitalfields Market site.

An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City and have an adverse impact on the operation and sustainability of the service.

MCP-BG 001 – Workplace Transport Billingsgate (Current Risk: Green Risk decreased)

Following receipt of the findings of a recent audit of forklift truck controls at Billingsgate Market, the recommendations have now been fully implemented. The risk was reviewed following the installation of these controls resulting in this previously Amber Workplace Transport risk being re-assessed as Green. This, now green, risk is being reported on this occasion to show that it is being satisfactorily managed.

A robust forklift truck management policy and database for all vehicles and drivers has been implemented along with a photo card permit to operate system.

All owners/operators have been written to making them aware of the legal requirements and the licences and training required.

Market Constables now undertake a regular programme of proactive inspection and checking to ensure that only trained and authorised persons operate a forklift at Billingsgate.

As of these activities are undertaken in an area under the direct control of the City, an accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City.

MCP-SM 001 – HGV Unloading Operations Smithfield (Current Risk: RED no change)

A lack of suitable and sufficient training and adequate management controls in relation to Heavy Goods Vehicle banksman activities, undertaken by staff employed by Smithfield Market tenants, on an area under the overall control of the City, could result in a serious or life changing injury to pedestrians, caused by uncontrolled or unguided reversing vehicles.

An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City and have an adverse impact on the operation and sustainability of the service.

This risk is still rated as RED as, although some safety improvements have been made, the Market management team does not yet have complete confidence that the new arrangements will deliver a sustained reduction in risk as this depends upon the effectiveness of the tenants' staff, which has still to be proven beyond the short term. Assuming that the current improvements are maintained, this risk should revert to Amber.

Conclusion

8. Members are asked to note that risk management processes within the Department of Markets and Consumer Protection adhere to the requirements of the City Corporation's Risk Management Framework. Risks identified within the operational and strategic responsibilities of the Department of Markets and Consumer Protection are proactively managed.

Appendices

- Appendix A – Markets Risk Register Summary

Background Papers

Department Business Plan

Department Risk Review

Department Business Plan Progress Report

Risk Management Strategy

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MCP Markets Committee Risk Report Appendix A

Report Author: John Smith

Generated on: 29 August 2017

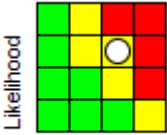
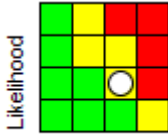



Rows are sorted by Risk Score

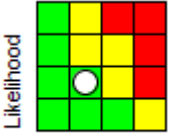
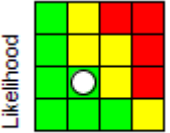

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
MCP-SM 001 HGV Unloading Operations Smithfield 13 Feb-2015 Mark Sherlock	<p>Cause: A lack of suitable and sufficient training and adequate management controls in relation to Heavy Goods Vehicle banksman activities undertaken by staff employed by Smithfield Market tenants.</p> <p>Event: Serious or life changing injury to members of the public, market staff and other service users caused by uncontrolled or unguided reversing vehicles.</p> <p>Effect: Realisation of this risk could result in a prosecution, fine and reputational damage for the City.</p>	<p>Likelihood</p> <p>Impact</p>	16	<p>Work with the SMTA towards the completion of the allocated actions has been agreed and the SMTA commissioned training for its Banksmen using the Freight Transport Association as provider. Training was completed 29 June 2017.</p> <p>29 Aug 2017</p>	<p>Likelihood</p> <p>Impact</p>	12	29-Dec-2017	↔ No change

Action no, Title,	Description	Latest Note	Managed By	Latest Note Date	Due Date
MCP-SM 001f Review delivery practices	Work with the Market Tenants' Association to review sender delivery practices.	<p>Aug September partnership work continues;</p> <p>Stakeholder actions review meetings agreed with the SMTA to take place until all recommendations of the FTA report are fully implemented, October 2017.</p> <p>Achieved evidenced improvements e.g. local audits of actions with the Superintendent's ongoing and continuous operational site audits.</p> <p>All banksmen training is completed, the SMTA now working with FTA to produce driver guidance.</p>	Mark Sherlock	29-Aug-2017	28-Sep-2017

		<p>Implemented immediate lock-offs by the Head of Constabulary where unsafe & unmanaged activities are identified.</p> <p>The Superintendent is evaluating the opportunity to remove certain potential human errors in the process and to replace with software controlled and inter-lock interfaces before the lock-on process is safely complete.</p> <p>The FTA has acknowledged improvements made to date i.e. It is clear from this review that a number of physical safety improvements have been made at Smithfield Market and that these improvements will reduce the risks identified...measures such as increased warning signage, loading bay traffic lights and retractable barrier</p> <p>Working with partners: M&CP will achieve a safe loading operation, and by doing so will reduce the risk, with SMTA co-operation, from its current red status to amber. To be discussed at the next partnership meeting in October 2017</p>			
MCP-SM 001g Produce guidance for drivers	Produce a pamphlet containing site rules and a map showing delivery points for each stand.	The SMTA confirm that it is currently working with the FTA to provide a 'guidance for drivers' information document. This is to be completed during September prior to the next meeting of the group in October 2017.	Mark Sherlock	29-Aug-2017	28-Sep-2017
MCP-SM 001h Monitor traffic routes.	Monitor market traffic routes.	August 2017 has seen continued checks of loading bays by the constabulary and improvements have been recorded. However, frequent offenders are now being looked at; the 31 August will see both Superintendent and Operations Manager for the Market work overnight to assess progress to date. The Market Superintendent will continue to write to offenders to drive further improvement. This will be covered at the FTA action meeting of October 2017	Mark Sherlock	29-Aug-2017	28-Sep-2017
MCP-SM 001i Review unloading practices	Work with the Market Tenants' Association to review unloading practices.	<p>Work with the SMTA towards the completion of the allocated actions continues and progress has been made acknowledged by the FTA. The single most important outstanding action was the SMTA commissioning training on behalf of the tenants for their banksmen using the FTA as provider. This has now been completed.</p> <p>Now that the banksmen training is complete, a jointly signed letter from the Superintendent and Chairman of the SMTA was issued on 20 July 2017 to all freight transport companies which deliver to the Market, confirming the improved operational safety standards required and the consequential lock-off of the delivery bays if these standards are not met. Along with this letter is a site plan outlining the delivery process, and site rules.</p>	Mark Sherlock	29-Aug-2017	28-Sep-2017
MCP-SM 001j Review forklift management.	Review and implement the local forklift truck management scheme.	The Policy was to be discussed at a joint COL/SMTA meeting due to be held on the 22nd August 2017. However the meeting has been postponed due to the unavailability of SMTA members and rescheduled for a provisional date of the 28th September.	Mark Sherlock	29-Aug-2017	28-Sep-2017

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
MCP-NS 001 Workplace Traffic Management New Spitalfields 24-Feb-2015 Ben Milligan	Cause: Over 200 forklift trucks operate on the New Spitalfields Market site. Event: There is a serious risk of life changing injury to a pedestrian if vehicle movements in this constrained space are not appropriately managed and controlled. Effect: An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City and have an adverse impact on the operation and sustainability of the service.	 Likelihood	12	Outstanding issues are being pursued with tenants and further behavioural changes for timed segregation will be applied following the installation of Entrance barriers. This is subject to planning approval which is being sought at this time. 29 Aug 2017	 Likelihood	8	29-Dec-2017	 No change

Action no, Title	Description	Latest Note	Managed By	Latest Note Date	Due Date
MCP-NS 001i Train Managers Forklift Safety	A member of staff from all tenants to be nominated and trained in FLT safety procedures.	This action is in progress.	Ben Milligan	29-Aug-2017	29-Dec-2017
MCP-NS 001j Create Time Segregation	Artic Time Segregation and No Tolerance in market hall.	A parking policy has now been implemented that encompasses HGV parking. Penalty charge notices have been implemented to ensure that vehicles park in their respective areas. Curtain side trucks now have special provision for their parking and unloading. An offence has been created for forklift drivers unloading HGVs outside loading times allowable around the market. HGVs onsite must not unload around the market beyond 3am up until 8am. Once the car park at the far end of the market has been reviewed and the parking changed, as required, these HGVs will not be allowed to unload around the market between 12 midnight and 8am. This is the next step in the process.	Ben Milligan	29-Aug-2017	29-Dec-2017
MCP-NS 001k Install Barrier System	Controlled barriers entry system for pedestrians and vehicles.	This action is in progress	Ben Milligan	29-Aug-2017	01-Oct-2018

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
MCP-BG 001 Workplace Transport Billingsgate 26-Apr-2017 Malcolm Macleod	Cause: A lack of suitable and sufficient training and adequate management controls in relation vehicle movements at Billingsgate Market. Event: There is a risk of a life changing injury to a pedestrian if vehicle movements including forklift trucks are not appropriately managed and controlled. Effect: An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City.	 Likelihood Impact	4	The action plan has now been fully implemented and the risk is now at target. 29 Aug 2017	 Likelihood Impact	4	29-Dec-2017	 Decreased Risk Score

Action no, Title,	Description	Latest Note	Managed By	Latest Note Date	Due Date
MCP-BG-001b Monitor risk	Continue to monitor existing controls	This action is in progress.	Malcolm Macleod	29-Aug-2017	30-Mar-2018

Committee: Markets Committee	Date(s): 20 September 2017
Subject: Christmas 2017 – Smithfield Market Traffic Management Plan	Public
Report of: Superintendent – Smithfield Market Report Author: Mark Sherlock	For Decision

Summary

This report is to update Members on discussions to implement a comprehensive Traffic Management Plan at Smithfield Market for the Christmas period 2017 following the success of previous similar plans. The final details of this year's proposed plan are attached as Appendices 1-2 to this report, in order to continue to alleviate the congestion and gridlock of traffic around the Market which had been experienced in the past. Whilst officers have not been able to identify any alternative non Market Committee sources of funding for the provision of private stewards and other additional costs required, they have identified that funds could be made available from the Smithfield Central Risk budget.

Recommendation(s)

Members are therefore asked to:

- approve the Traffic Management Plan attached to this report; and
- agree to fund the additional traffic control measures such as the appointment of private stewards outlined in this report from the Smithfield Central Risk budget.

Main Report

Background

1. At previous Committee meetings, members have received a report from the Superintendent in relation to a Traffic Management Plan for Christmas and have approved the Final Traffic Management Plan, and funding the private stewards and signage to be provided from the projected underspend on Smithfield Central Risk budget.
2. During the meeting of Markets Committee, Wednesday, 21st September, 2016 (Item 7.), Committee RESOLVED – That Members:
 - Approve the Traffic Management Plan attached to the report; and

- Agree to fund the additional traffic control measures such as the appointment of private stewards outlined in the report from the Smithfield Central Risk budget.

Current Position

3. Members may recollect that previously, officers investigated the possibility of funding the stewards from the On Street Parking Reserve (OSPR). It was the view of officers with responsibility for the management of this Reserve that the additional traffic calming measures were required as a direct result of the increased Market activity over the Christmas period so this fell outside the scope of the OSPR and was, therefore, a matter for the Markets Committee to consider funding from within their own resources.
4. The Chamberlains Department previously advised that there are no other suitable alternative sources of funding outside the Markets Committee's own resources.

Proposals

5. The Traffic Management Plan for Christmas 2017 will commence at 23:00 Thursday 14 December to 0800 Thursday 21st December. This would be a total of 6 Market trading nights.
6. A comprehensive communication strategy will be implemented which will include; signage, leaflets, electronic communications with relevant bodies and regular posts on internet forums.
7. In addition, it has been agreed in principle with officers and the City of London Police that the compliment of personnel required from the various partners to implement the Traffic Plan should include:-
 - City of London Police comprising 1 Sergeant, 2 Motorcycle Officers and 2 Police Community Support Officers.
 - Market Constabulary comprising Head of Security, 1 Sergeant and 7 Constables
 - Private Stewards comprising 1 Supervisor and 12 Stewards

Financial Implications

8. There are no provisions within the Market's Local Risk budget for any costs associated with a 2017 Traffic Management Plan, not only for the possible provision of private stewards but other indicative costs identified and mentioned within the Traffic Management Plan Appendix 1 include:-
 - Appointment of private stewards total cost including radio communications £11,434.50
 - Traffic management signage and delivery costs £1,542.75

- Communication including re-printing of the 2016 leaflet at £550 (excluding VAT)
- Contingency £500

As this additional expense is wholly caused by the extra volume of traffic directly associated with the profitable Christmas meat trade, these costs and any similar costs should be fully borne by the tenants' Service Charge after 1 April 2018 i.e. Christmas 2018.

9. Officers have identified funding from the central risk budget to cover the costs mentioned in paragraph 8 above.
10. It should be noted that as the Smithfield tenant's service charge is capped for the 2017/8 financial year, the cost of this traffic management plan can be met by the City. This should not, however, set a precedent for future funding requirements when the service charge cap comes to an end in March 2018.

Conclusion

11. Members are asked to approve the implementation of the proposed final Traffic Plan attached as Appendices 1-2 to this report and agree to fund all associated costs of £21,527.25 set out in paragraph 8 above from the Smithfield Central Risk budget.

Appendices

- Appendix 1 – Road Junction Restrictions
- Appendix 2 – Operational Plan

Contact

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SMITHFIELD MARKET CHRISTMAS TRAFFIC PLANNING 2017 Final Traffic Management Proposals

1.0 KEY DATES

1.1 Christmas Day falls on a Monday this year therefore key dates for special traffic management arrangements around the Market are likely to be on the following dates (although this is subject to review):

- 14/15 December 2017 (Thursday/Friday)
- 17/18 December 2017 (Sunday/Monday)
- 18/19 December 2017 (Monday/Tuesday)
- 19/20 December 2017 (Tuesday/Wednesday)
- 20/21 December 2017 (Wednesday/Thursday)
- 21/22 December 2017 (Thursday/Friday)

1.2 Hours of operation: 11 pm – 8 am.

2.0 ROAD CLOSURE POINTS & TRAFFIC MANAGEMENT

2.1 It is proposed to create an “*event space*” in the vicinity of the Market to control vehicles entering and exiting the area (although an increase in the volume of traffic around the Market is not an event in itself). The attached plan illustrates how this might be achieved but in summary includes the following traffic controls and restrictions:

STREET	CONTROL MEASURES
Long Lane (Used as a stacking area for cars, LGVs and taxis)	1. “NO ENTRY” to HGV’s. Private Cars, Taxis & LGV’s only This point will need steward/constabulary/police presence. 2. Suspend all bays from midday 3. Road Closed eastbound – this will enable Long Lane to be used as a holding area for smaller vehicles
West Smithfield	4. Suspend all bays from midday – and consider using this as a stacking area for LGV’s & private cars [rotunda] This point will need steward/constabulary/police presence. 5. “NO ENTRY” to private cars, taxis & LGV’s. HGV access only This point will need steward/constabulary/police presence. 6. Between Farringdon Street & East Poultry Avenue could be used as stacking area for HGV’s
Smithfield Street	7. Exit for all vehicles. Suspend Parking from midday & use as overflow stacking use as area.
Charterhouse	8. “ENTRY ONLY” to HGV’s & LGV’s. Exit for Private Cars,

Street (Used as a stacking area for HGVs)	Taxis & LGV's. This point will need steward/constabulary/police presence
East Poultry Avenue	9. "CONTROLLED ACCESS ONLY" to LGV's, HGVs & taxis (to service the night clubs) This point will need steward/constabulary/police presence
St John's Street (This could be reviewed dynamically on the day)	10. "ENTRY" to private cars, taxis & LGV's, if Long Lane becomes full. EXIT for all classes of vehicles This point will need steward/constabulary/police presence if this is implemented.
Charterhouse Square	11. "EXIT ONLY" to all classes of vehicles This point will need steward/constabulary/police presence
Carthusiasn Street	12. "NO ENTRY" to all classes of vehicles Barriers/steward/constabulary/police presence.
Snow Hill (between Smithfield Street & Farringdon Street)	13. EXIT to all classes of vehicles & overflow stacking area for HGV's on north kerb between Smithfield Street and West Smithfield. Crossrail will be advised to keep area clear.
Snow Hill (between Holborn Viaduct & Smithfield Street	14. Suspend police bays & use as stacking area for HGV's This point will need steward/constabulary/police presence
Long Lane between Aldersgate & Lindsey Street (north side) and south side of the annex building	A. Change single yellow line to double yellow line
Grand Avenue	B. No Change
Cloth Fair	C. No Change (to avoid complaints from residents)
Giltspur Street	D. To be used as a contingency for exiting vehicles if required. Police Officer to be assigned to the location if vehicles are to exit via this street.
Parking Bays	E. All parking bays including those in the boundary streets within the LB Islington to be suspended
Rotunda (opposite Grand Avenue)	F. Limited unloading provided for HGVs

2.2 To put into effect the road closures and change the directional flow of traffic, the City of London Corporation as the Highway Authority is required to draft temporary Traffic Regulation Orders (TTROs). This can be done without cost, but 12 weeks-notice is required (early September 2016)

3.0 CITY POLICE RESOURCES

3.1 The City Police resources on key these dates over Christmas 2017 are likely to be x1 Sergeant, x2 Motorcyclists, x2 PCSOs. Whilst it is accepted that the Police need to focus on their core duties (law and disorder), without doubt the presence of uniformed Police Officers has a positive effect on maintaining traffic flow, and driver/customer compliance with the instructions given by the Market Constables. Therefore, Traffic Stewards should not “replace” the Police Officers but instead supplement resources.

3.2 The level of resourcing provided by City Police is “fluid”. Any decision regarding this would be based on a thorough examination of “threat and risk”. There is an option to secure further Police resources by way of a private service charging arrangement. If additional resources are agreed by the City Police the indicative costs are in the region of: £60 per hour for an Officer and £88 per hour for a solo-motorcyclist.

4.0 TRAFFIC STEWARDS

4.1 Traffic Stewards have the “powers” to stop traffic by way of the signage used to indicate the restriction in place e.g. Road Ahead Closed, No Entry sign. However the signage must comply with the Traffic Signs Manual: Chapter 8 and the particulars specified in the Temporary Traffic Regulation Order. Each road closure point will require appropriate signage (a sign schedule will need to be devised) to indicate where there are restrictions. There are twelve points of the closure area (as detailed in the attached Plan) and nine of these are likely to require a Traffic Steward to ensure driver/customer compliance with the temporary restrictions.

4.2 Traffic Stewards wear high visibility jackets, tabards or armbands and are easily identifiable. Their key duties include:

- Directing traffic within a road closure area
- Control vehicle movement by stopping traffic when required (but a member of the public does not have to stop)
- Monitoring of vehicle access, manage accreditation systems (such as permits or dispensations) to ensure vehicles are directed to relevant controlled areas

4.3 To be effective, Traffic Stewards must be fully conversant with the Market’s expectations and be given clear instructions. This should be done by way of a prepared hand out and detailed briefing at the outset of each key date (it is proposed that this undertaken by Superintendent/Market Constabulary). Stewards also need to know the contingency plans; must be familiar with the layout of the Market and will be expected to remain in their allocated position for the duration agreed unless directed otherwise by their supervisor, the Market Constabulary or a Police Officer. Part of their duties will be the placing of signs, barriers and cones as appropriate.

4.4 A Traffic Steward can enforce the temporary restrictions but they must be SIA trained and recognised as an “accredited officer” under the Community Safety Accreditation Scheme (CSAS). This accreditation is given by a Chief Officer of Police under section 41 of the Police Reform Act 2002. At the moment the City of London is not part of the CSAS scheme although there are plans to review this position. Without this accreditation, Traffic Stewards will be less effective in undertaking their duties.

5.0 CAR PARK MANAGEMENT

5.1 There is inadequate signage showing the location of the car park. It is suggested that this be improved by providing additional signage on-street and by having a dedicated resource (Traffic Steward) to direct drivers entering and exiting the car park. To speed up vehicular movement exiting and entering the car park, it is suggested that the barriers are put in the raised position during peak times although this would stop any payments being taken and issues concerning out of sequence season tickets will need to be addressed.

5.2 The car park itself is not customer friendly or seen to be safe, which is likely to discourage usage. There is no signage to indicate the location of the lifts and way out signage is inadequate. This means that parking on the ramp or on-street is customer’s preferred option, which exacerbates the congestion around the Market environs.

5.3 Whilst it is accepted that there is no funding to refurbish the car park to make it a more attractive area to park, there are low cost improvements that the Market could consider to encourage usage. For example, additional signage within the car park to clearly show the location of lifts and the exits, and relining of the parking bays on the ramp. With regards to the latter the bays should run horizontal to the kerb line (and not perpendicular) to create greater width of space for passing vehicles. The stairs at the bottom of the ramp should be free from obstructing vehicles and signage indicating access to street level.

6.0 CROSS RAIL

6.1 Crossrail can reduce their activity, and where it is safe to do so will remove or reduce their traffic management to assist with traffic flow. Crossrail’s assistance with this can be requested/reinforced at the weekly Crossrail Liaison meetings at which the Market is represented.

6.2 Crossrail have been asked to review the Butcher’s Ramp to see if this can be adjusted to provide more carriageway width, and their workers can be asked to avoid parking in the area on key dates.

6.3 There is a compound on the ramp in the car park, which has expanded in recent months. It is suggested that Crossrail be asked to remove this ahead of the key dates and also ensure that the footway on the ramp remains free from materials so pedestrian access is not impeded. This can be raised at the weekly Crossrail Liaison meetings.

7.0 STREET WORKS

7.1 Planned street works within the wider footprint of the Market can be kept to be minimum on key dates. This can be controlled through the Permit Scheme operated by the Highway's Division.

8.0 PARKING ENFORCEMENT

8.1 It appears as if the traders/delivery personnel have little regard for the parking restrictions (as recently observed at Easter), and no consideration for their fellow traders and customers with vehicles causing an obstructing when loading and unloading. Whilst this activity might have duration of only 10-15 minutes, this is sufficient time to cause gridlock around the Market with traffic quickly backing up into Aldersgate Street. It should be noted that obstruction is not a parking contravention but instead is a criminal offense that must be dealt with by the Police (providing there is an obstruction, it is wilful or deliberate and it is without lawful excuse).

8.2 The City of London Corporation no longer has a vehicle removal service. However this is unlikely to assist in keeping traffic moving as the tow-truck can in itself cause an obstruction. As in previous years, a dedicated team of Civil Enforcement Officers (CEOs) will be provided to issue penalties for vehicles parked in contravention including the temporary restrictions e.g. where single yellow lines have been increased to double yellow times.

8.3 Whilst issuing tickets to traders and customers who park in contravention is not desirable, it is proposed that "zero tolerance" be adopted this year and this is communicated extensively prior to the key dates to minimise the negative impact this might have on Market business.

9.0 COMMUNICATION STRATEGY

9.1 Underpinning the whole Christmas Traffic Operation must be a comprehensive communication strategy. This can include, but not limited to, the following:

- **TfL:** travel advice information (in the same way as they communicate event information) aimed at commuters, residents and businesses
- **Social media:** traffic alert messages via the Highway's Twitter to warn drivers of the peak traffic times and avoid the area if appropriate. The Highways Twitter has a high number of Taxis driver followers
- **Website Information:** City of London and TfL websites are useful for communicating potential traffic "hot spots", Smithfield Christmas traffic congestion can be featured on the front page.
- **Leaflets:** information on the temporary traffic arrangements (as proposed) will need to be communicated to customers, traders and delivery drivers (through the Lorry Associations or similar). This could include routes in and out of the Market.
- **City of London internal communications process:** information contained in the weekly Traffic Management Bulletin and can be sent to local businesses via CPAT
- **Advanced Warning Signage:** to be placed at all approaches to the Market to warn motorists of congestion

- **Drivers of Foreign Registered Vehicle:** one of the observations made was the time spent trying to overcome language barriers with drivers of foreign registered vehicles. Information on basic instructions could be devised as a hand out reducing the time a vehicle is blocking the traffic flow whilst this communication takes place.
- **SMTA website & Smithfield Gazette:** traffic controls and restrictions will be widely publicised.
- **HGV arrivals:** where lorries are delayed e.g. in the event of bad weather, they will be encouraged to phone with an estimated time of arrival to help with traffic management.

10. CLASS OF VEHICLE

10.1 It is critical to ensure a clear and common understanding of what constitutes a HGV and LGV. For the purposes of managing vehicles as part of this plan, it is proposed that the following be used to define the difference between an LGV and HGV.

Examples of an LGV:





Example of HGV:-



11.0 FINANCIAL IMPLICATIONS

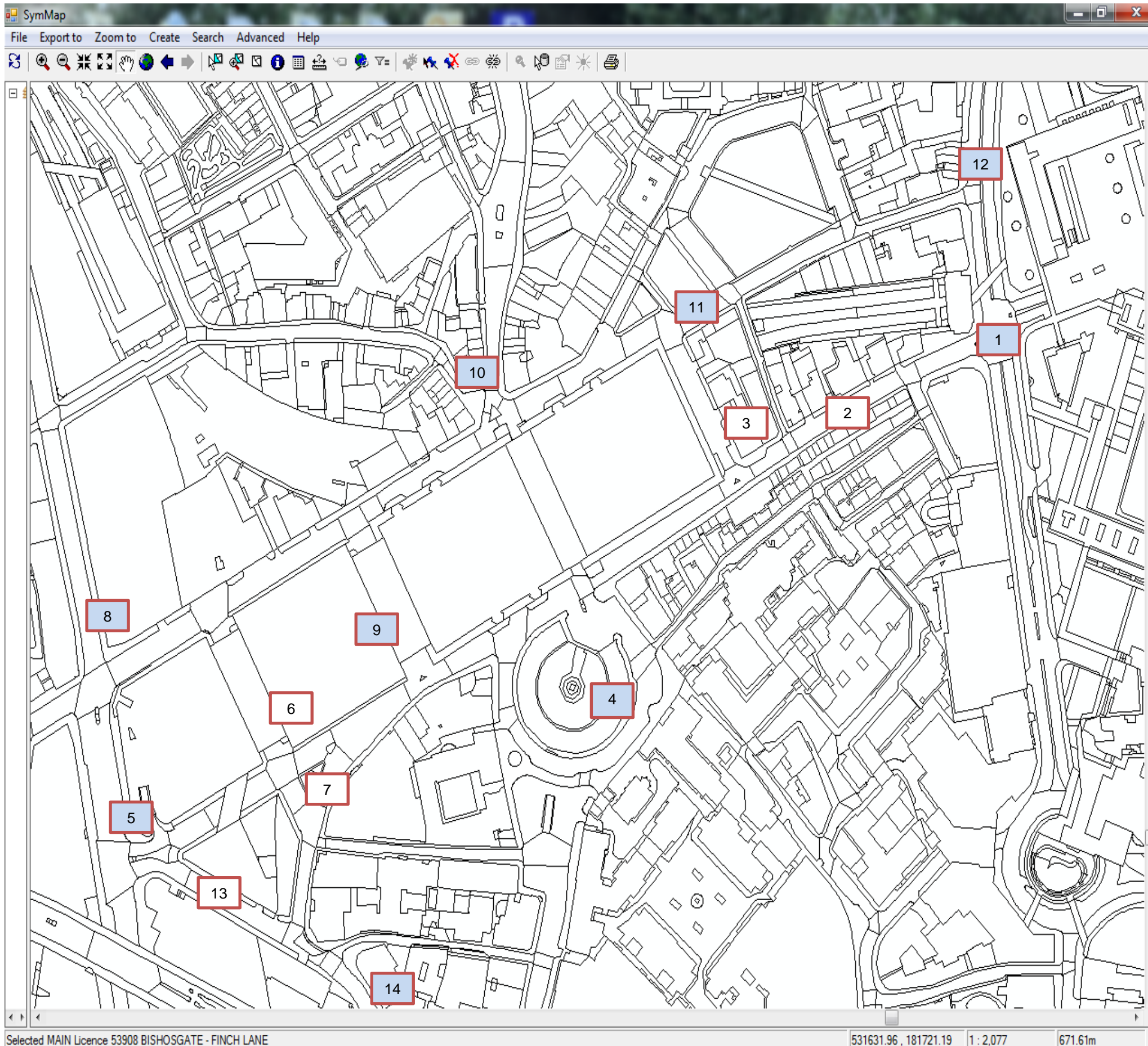
11.1 A summary of indicative costs is outlined in the following table:

Description	Cost	Comment
Traffic Stewards	Estimated @ £11,434,50	Assuming deployment: 11 pm – 8 am; twelve stewards and one supervisor for all six key dates
Police Resources 1 x Police Officer and 1 x solo-motorcyclist	Estimated @ £6,000	*Assuming deployment: 11 pm – 8 am; for all key dates. Subject to City Police approval.
Traffic Management Signage	Estimated @ £1,542.75;	
Temporary Traffic Regulation Order	Nil.	
Communication	£550	
Parking Enforcement	Nil	*Costs absorbed by Department of Built Environment

Car Park Management	Nil	*Costs absorbed by Department of Built Environment
Bay Suspensions	Approximately £2,000	Whilst the costs for bay suspensions within the City will be absorbed by the Department of the Built Environment, there may be a charge for bays within LB Islington.
Total Indicative Costs	£21,527,25	

*There are currently no plans to recharge the Market for these costs although this position might be reviewed at some point in the future.

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- LONG LANE**
 1. "NO ENTRY" to HGV's. Private Cars, Taxis & LGV's only. **STEWARD/CONSTABULARY/POLICE**
 2. Suspend all bays from midday
 3. Road Closed eastbound – this will enable Long Lane to be used as a holding area for smaller vehicles

- WEST SMITHFIELD**
 4. Suspend all bays from midday – and consider using this as a stacking area for LGV's & private cars [rotunda] **STEWARD/CONSTABULARY/POLICE**
 5. "NO ENTRY" to private cars, taxis & LGV's. HGV access only. **STEWARD/CONSTABULARY/POLICE**
 6. Between Farringdon Street & East Poultry Avenue could be used as stacking area for HGV's

- SMITHFIELD STREET**
 7. Exit for all vehicles. Suspend Parking from midday & use as overflow stacking use as area.

- CHARTERHOUSE STREET**
 8. "ENTRY ONLY" to HGV's & LGV's. Exit for Private Cars, Taxis & LGV's. **STEWARD/CONSTABULARY/POLICE**

- EAST POULTRY AVENUE**
 9. "CONTROLLED ACCESS ONLY" to HGVs, LGV's & taxis (to service the night clubs) **STEWARD/CONSTABULARY/POLICE**

- ST JOHN'S STREET**
 10. "ENTRY" to private cars, taxis & LGV's, if Long Lane becomes full. EXIT for all classes of vehicles **STEWARD/CONSTABULARY/POLICE**

- CHARTERHOUSE SQUARE**
 11. "EXIT ONLY" to all classes of vehicles **STEWARD/CONSTABULARY/POLICE**

- CARTHUSIAN STREET**
 12. "NO ENTRY" to all classes of vehicles **STEWARD/CONSTABULARY/POLICE**

- SNOW HILL b/w Smithfield Street & Farringdon St**
 13. EXIT to all classes of vehicles & overflow stacking area for HGV's on northkerb

- SNOW HILL b/w Holborn Viaduct & Smithfield Street**
 14. Suspend police bays & use as stacking area for HGV's **STEWARD/CONSTABULARY/POLICE**

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Agenda Item 8

Committee(s): Markets	Date: 20 September 2017
Subject: Smithfield Market – Condenser Water Cooling System - Update	Public
Report of: The City Surveyor (Report no. CS413/17)	For Information
Report author: Andrew Crafter, Principal Engineer, City Surveyor's Department	

Summary

This update report informs Members of recent developments on Smithfield Market's refrigeration condenser water cooling system.

Work to replace East and West Market condenser water pumps is now complete and the new pumps are providing about 10-15% more flow to fridges.

The City has received reports that dirt contamination is still present in the system. Investigations are underway to determine the cause.

Future work will include a survey of the fridge operating conditions in East and West Markets later this year and preparation of plans to replace system pipework over the next 2-3 years under the maintenance programme.

Recommendation(s)

Members are invited to note the contents of this report.

Main Report

Background

1. The Market's condenser water cooling system removes waste heat from 120 tenants' refrigeration units in East, West and Poultry Markets and dissipates it to the atmosphere via five cooling towers located in the Poultry Market. The system is operated and maintained by the City Corporation as Landlord.
2. In 2014 the City Corporation completed a programme of works to improve the water circulation in the three Market buildings and remove dirt contamination in the system. As a result performance has significantly improved.
3. The cooling system was originally specified to provide water to Tenants' fridges at 30°C. Over the years this was gradually reduced and for approximately five years was set at 20°C. This was done to assist fridges at a time when there were issues with water flow, dirt contamination, system balancing, and Tenants' condenser under-sizing.
4. Since 4 April the system operating temperature has been set at 23°C pending completion of the City's pump replacement project (part of the City's Cyclical Works Programme). The plan is to raise the temperature to 25°C, which will allow more economical operation in the future.

Current Position

5. Installation and commissioning of the City's new East and West condenser water pumps and control panels was completed in mid-July 2017. The new pumps have been in operation since then and provide about 10-15% more flow than previously, with the capability to give more flow if required.
6. In recent hot weather, as in previous years, the water supply temperature has risen up to 26.5°C. However, under their original specifications, all fridges should be capable of working with water at 28.5-30°C.

Incidents since last report

7. Over the last month there have been reports of fridge problems, in particular a few fridges tripping. Those said to have had problems are the G Lawrence Hanging Room Chiller and G & E Meats Railed Chiller. Co-incidentally reports have been received of further dirt contamination in the water. No fault has been notified with the City's water softener and its salt supply has been maintained. Investigations to determine the cause are continuing.

Investigation into refrigerant gas releases

8. The inspection of records related to use and release of refrigerant gases from Tenants' fridges by the Superintendent and Principal Engineer has been arranged for w/c 25 September 2017. The results will be reported to your Committee.

System Operating Specification

9. In August 2017 further comments were received from the Market Tenants Association on the latest draft of the City's proposed Operating Specification for the cooling system. This specification sets out the agreed standard to which the system will be operated and maintained in the future. The comments are currently being assessed and incorporated where acceptable.

Further work planned

10. Completion of the pump replacement works marks a further stage in the system improvement works. Later this year it is intended to carry out a full survey of all 97 fridges in East and West Markets to record fridge and water supply conditions, check correct operation of Tenants' equipment, and identify any on-going issues. The last such survey was undertaken in 2013-14.
11. Under the City's Forward Maintenance Plan for the Market, replacement of condenser water system pipework (as well as heating and chilled water systems pipework, all of which are up to 23 years old) is planned over the next few years. Plans will need to be developed with the Superintendent, Asset Manager, Facilities Management Team, and Tenants Association. As the value of the work for condenser water pipework alone is over £0.5 million, proposals will be required to follow the Gateway process.
12. The total length of the City's condenser water pipework to be replaced in East and West Markets is roughly 1.2 kilometres. The opportunity will be taken to increase pipe diameters where needed and improve the pipe configuration, which will provide better distribution of water to fridge condensers.

Proposals

13. With the agreement of the Tenants Association, the system operating temperature will be raised, a degree at a time to 25°C, as soon as possible.
14. A survey of the 97 fridges in East and West Markets will be carried out later this year to record fridge and water supply conditions, check correct operation of Tenants' equipment, and identify any on-going issues. The City will encourage Tenants to replace any fridge condensers considered undersized and any faulty water control valves.
15. The City will review fridge maintenance records with Tenants' maintenance contractors later this month.
16. Plans will be developed for the replacement of the cooling system pipework over the next 2-3 years.

Corporate & Strategic Implications

17. The system supports the meat trade at Smithfield Market and the following Strategic Aims:
 - To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes.
 - To provide valued services to London and the nation.

Implications

18. The cooling system operated by the City provides a critical service for Tenants' refrigeration equipment. A failure of the system could potentially expose the City to claims from Tenants for loss of product. The City therefore needs to monitor and control the system closely and ensure it provides a reliable service that meets the needs of the Tenants.

Conclusion

19. Work to replace East and West Market condenser water pumps was completed in mid-July 2017 and the new pumps are providing about 10-15% more flow.
20. Dirt contamination would still appear to be present in the system. Investigations are underway to determine the cause.
21. Future work will include a survey of the fridge operating conditions in East and West Markets later this year and preparation of plans to replace system pipework under the maintenance programme.

Background Papers

Report of the City Surveyor 'Smithfield Market – Condenser Water Cooling System – update' to Markets Committee, July 2017 (Report ref. CS291/17).

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