



Markets Committee Agenda

Date: WEDNESDAY, 25 SEPTEMBER 2019

Time: 11.30 am

Venue: COMMITTEE ROOMS 3 & 4 - 2ND FLOOR, WEST WING, GUILDHALL

Members:	James Tumbridge (Chairman)	Alderman Bronek Masojada
	John Chapman (Deputy Chairman)	Wendy Mead
	Matthew Bell	Deputy Robert Merrett
	Peter Bennett	Deputy Brian Mooney
	Nicholas Bensted-Smith	Deputy Joyce Nash
	Mark Bostock	John Petrie
	Deputy David Bradshaw	Stephen Quilter
	John Edwards	John Scott
	Deputy Kevin Everett	Ian Seaton
	Alderman David Graves	Deputy Dr Giles Shilson
	Michael Hudson	Deputy Tom Sleigh
	Deputy Henry Jones	Mark Wheatley
	Angus Knowles-Cutler	Deputy Philip Woodhouse
	Gregory Lawrence	Dawn Wright
	Deputy Edward Lord	

Enquiries: Antoinette Duhaney, 020 7332 1408,
antoinette.duhaney@cityoflondon.gov.uk

This agenda has been republished to include items 12 & 13 (originally published as non-public) as public items

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 17.07.19
For Decision
(Pages 1 - 6)
4. **BREXIT PLANNING (ORAL UPDATE)**
The Director of Markets & Consumer Protection to be heard
For Information
5. **SUPERINTENDENT UPDATES**
The Market Superintendents to be heard
For Information
6. **MARKETS BUSINESS PLAN UPDATE PERIOD 1 - 2019/20 (APRIL - JULY)**
Report of the Director of Markets and Consumer Protection
For Information
(Pages 7 - 22)
7. **MARKETS COMMITTEE RISK**
Report of the Director of Markets and Consumer Protection
For Information
(Pages 23 - 34)
8. **SMITHFIELD MARKET CAR PARK UTILISATION: FEBRUARY - JULY 2019**
Report of the Director of Markets and Consumer Protection
For Information
(Pages 35 - 38)
9. **CONCESSIONARY PARKING AT SMITHFIELD MARKET DURING THE CHRISTMAS PERIOD 2019**
Report of the Superintendent, Smithfield Market
For Decision
(Pages 39 - 42)
10. **CITY'S WHOLESALE MARKETS – CONSOLIDATION PROGRAMME UPDATE**
Joint report of the City Surveyor & Director of Major Projects
For Information
(Pages 43 - 52)

11. **ENERGY COSTS UPDATE**
Report of the City Surveyor
For Information
(Pages 53 - 56)
12. **WEST SMITHFIELD AND CHARTERHOUSE STREET (THAMESLINK) BRIDGES
REMEDIAL WORKS (GATEWAY 5)**
Report of the Director of the Built Environment
For Information
(Pages 57 - 66)
13. **PIPE SUBWAYS OF HOLBORN VIADUCT AND SNOW HILL OVER THAMESLINK
(GATEWAY 4)**
Report of the Director of the Built Environment
For Information
(Pages 67 - 90)
14. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
16. **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.

For Decision

Part 2 - Non-Public Agenda

17. **NON-PUBLIC MINUTES**
To agree the non-public minutes of the meeting held on 17.07.19.
For Decision
(Pages 91 - 92)
18. **MARKETS DEBT ARREARS - PERIOD ENDING 31.07.19**
Report of the Director of Markets & consumer Protection
For Information
(Pages 93 - 112)
19. **TENANCIES AT WILL AND ASSIGNMENTS**
Report of the Director of Markets and Consumer Protection
For Information
(Pages 113 - 116)
20. **PROPOSED ANIMAL REBELLION PROTEST AT SMITHFIELD MARKET (ORAL
UPDATE)**
The Director of Markets & Consumer Protection to be heard
For Information

21. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
22. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

MARKETS COMMITTEE

Wednesday, 17 July 2019

Minutes of the meeting of the Markets Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Wednesday, 17 July 2019 at 11.30 am

Present

Members:

James Tumbridge (Chairman)	Deputy Edward Lord
John Chapman (Deputy Chairman)	Alderman Bronek Masojada
Matthew Bell	Deputy Brian Mooney
Peter Bennett	Deputy Joyce Nash
Mark Bostock	John Petrie
Deputy David Bradshaw	Stephen Quilter
Deputy Kevin Everett	John Scott
Alderman David Graves	Ian Seaton
Michael Hudson	Mark Wheatley
Gregory Lawrence	

In Attendance

Officers:

Jon Averbs	- Director, Markets & Consumer Protection
Ben Milligan	- Markets and Consumer Protection Department
Donald Perry	- Markets and Consumer Protection Department
Daniel Ritchie	- Markets and Consumer Protection Department
Mark Sherlock	- Markets and Consumer Protection Department
Anna Dunne	- City Surveyor's Department
Steven Chandler	- City Surveyor's Department
Julie Smith	- Chamberlain's Department
Leyla Dervish	- Chamberlain's Department
Andrew Fothergill	- Comptroller & City Solicitor's Department
Peter Lisley	- Assistant Town Clerk
Antoinette Duhaney	- Town Clerk's Department

1. APOLOGIES

Apologies were received from Nicholas Bensted-Smith, Deputy Henry Jones, Deputy Robert Merrett, Andrien Meyers and Deputy Tom Sleigh.

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

There were no declarations.

3. **PUBLIC MINUTES**

RESOLVED – That the public minutes of the previous meeting held on 8th May 2019 be agreed as a correct record.

4. **MARKETS COMMITTEE RISK UPDATE**

The Committee considered a report of the Director of Markets & Consumer Protection updating Members on the management of risk in accordance with the City of London's Corporate Risk Management Framework.

In response to questions and comments from Members, Officers reported that a Traffic Management Consultant had visited Billingsgate and the outcome of the Transport Risk Audit would be reported in due course. The "Workplace Transport" risk was being well managed and further training would be provided in September 2019. In order to address the perception of non-compliance, the Traffic Management Consultant was reviewing vehicle movements and Officers were confident that all milestones would be achieved by their due date.

RESOLVED - That the report be noted.

5. **CITY HARVEST PARTNERSHIP WITH NEW SPITALFIELDS MARKET**

The Committee considered a report of the Director of Markets & Consumer Protection in respect of the City Harvest Charity proposals to collect and redistribute end of life produce from New Spitalfields Market.

The Committee unanimously endorsed the officer recommendations and debated the merits of awarding a grant to City Harvest rather than allowing them a "rent free period." It was also suggested that the recommendation be amended to facilitate an annual review of the tenancy.

RESOLVED – That a tenancy-at-will for City Harvest, in the former CHEP site, at a peppercorn rent be approved and reviewed annually, on the proviso that all service charge and business rates costs are met by City Harvest.

6. **MARKETS REVENUE OUTTURN 2018/19**

The Committee considered a report of the Chamberlain comparing the 2018/19 revenue outturn with the end of year budget.

In presenting the report, Officers advised that costs of £40,000 for the hydraulic platform replacement and £4,000 for replacement matting for the refrigeration deck would be met from an agreed carried forward underspend from the local risk budget. Other items listed in paragraph 6 on page 36 of the agenda pack had not been approved on the grounds that these items were not planned for during the 2018-19 financial year.

In response to questions and comments from Members, Officers stated that there were no Health & Safety implications arising from delaying the outstanding items in para 6 which would be carried forward 2020/21.

RESOLVED – That the report and the proposed carry forward of local risk underspends to 2019/20 be noted.

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

Market Superintendent updates

Billingsgate - The Market Superintendent advised that

- Some tenants felt that Members were unaware of the challenges presented by the capacity and ageing infrastructure. Tenants had been assured that this was a key consideration in proposals to co-locate the markets. Members were alerted to the likelihood that these concerns would be raised by tenants at the forthcoming Markets Committee visit on 30th August 2019.
- Since the last meeting, Billingsgate had hosted separate visits by the Lord Mayor on 5th July and the Chief Commoner on 12th July.
- The Superintendent was working closely with industry authority Seafish and the Billingsgate Seafood Training School to promote Seafood Week from 4th – 11th October 2019.

New Spitalfields - The Market Superintendent advised that

- Entry barrier works were in the final phase and it was anticipated that system test would take place two weeks hence.
- The CCTV contract had been awarded to Clearview communications limited and the number of cameras would be increased from 86 cameras to 146. The procurement exercise had been very successful and the final contract price was lower than indicated by the soft market test.
- A Customer Service questionnaire had yielded positive feedback although the response rate was low. A follow up survey would be carried out in 12 months in the hope that the response rate would increase.
- The Coroner pre-inquest review regarding the Fatality on site would be held on 18th July 2019 and the HSE had made observations in respect risks associated with the hoops of the cargo stay being used as a means of assisting in climbing up the rear of the load. The HSE would, in any case, warn against the use of Cargo Stays being as a means of climbing the side of a load. Officers would work jointly with SpMTA to disseminate this information to freight companies.

Smithfield – The Market Superintendent advised that

- The annual Smithfield Market Street Party would be held on Sunday 25th August 2019 and further details would be circulated to Members in due course

New policy for commercial filming

Officers reported that the Communications Team was in the process of reviewing the Corporation of London Filming Policy and also how income from filming was shared/spent across the corporation. A report on this matter had been considered by the Policy & Resources Committee on 4th July 2019. The Committee agreed that in consultation with the Committee Chairman, Officers should provide feedback to the Communications Team on the impact of the new policy and any recommendations deemed appropriate.

Markets Energy Prices

Arising from concerns raised by tenants during the Committee's visit to New Spitalfields Market on 15th July, Officers had produced a briefing note to explain the reasons some Market tenants had experienced significant increases in energy costs.

In response to questions and comments from Members, Officers stated that year on year increases in energy costs were unavoidable and the energy broker and the City of London Corporation were exposed to the volatile market conditions when buying energy. However, going forward, the impact of price volatility would be mitigated by advance purchasing. The City of London Corporation was in the process of tendering for a power purchase agreement to fix energy commodity prices with the Consumer Prices Index (CPI) as indexation. This would result in greater certainty and increased pricing stability in purchasing energy at the most advantageous market rates.

Officers accepted the Committee's concerns at the impact of the escalating energy costs on tenants and also the accountability for previous purchasing decisions. Officers also highlighted that they were exploring the terms of current leases to see whether there were limits on how much tenants could be charged for energy costs.

Officers assured Members that discussions were ongoing between Markets & Consumer Protection and Energy Efficiency Officers to review the circumstances leading to the fluctuating energy prices and assess scope for altering the current Purchasing Strategy to secure the most economically advantageous energy prices and create price stability.

The Committee noted the briefing and agreed that officers should provide a further update report to the Committee's next meeting.

9. 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 remaining 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.

10. NON-PUBLIC MINUTES

RESOLVED – That the non-public minutes of the previous meeting held on 8th May 2019 be agreed as a correct record.

11. CITY'S WHOLESALE MARKETS - CONSOLIDATION PROGRAMME UPDATE

The Committee considered a report of the City Surveyor outlining action to progress the Markets Consolidation Programme.

12. MARKET DEBTS UPDATE

The Committee considered a report of the Director of Markets and Consumer Protection on debt management.

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

There were no non-public questions.

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

The Committee considered one urgent item of business.

The meeting ended at 1.14 pm

Chairman

**Contact Officer: Antoinette Duhaney, 020 7332 1408,
antoinette.duhaney@cityoflondon.gov.uk**

This page is intentionally left blank

Committee:	Date:
Markets	25 September 2019
Subject: Markets Business Plan Update Period 1 2019/20 (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 2019-20 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

Key points from the report are that:

Markets Consolidation project

- The initial public consultation closed on 6 August.
- A series of very successful design workshops have been held during the summer for Billingsgate and New Spitalfields markets with a good level of engagement from tenants.

Billingsgate Market

- The Code of Practice is being revised with tenants, and the recommendations from the transport risk assessment will be added to the revised version.
- A major filming project has meant that the filming budget for the year has already been achieved.
- Transport consultant appointed, and transport risk assessments being carried out.

Smithfield Market

- The audit carried out in May showed that tenants' banksmen were 100% compliant.
- Income from the Rotunda car park for period 1 is £10.5k above budget.
- A system to manage fire safety systems compliance now in place.

New Spitalfields Market

- Tenants survey carried out with positive results; the survey will be repeated next year so any changes can be measured.
- Floodlights in the carpark to be renewed at a projected cost of £40k, and a 2-year payback period expected.
- 146 CCTV cameras to be installed around the site.

Finance

- At the end of July 2019, the Department of Markets & Consumer Protection was £385k (63.5%) underspent against the local risk budget to date of £606k, over all the services managed by the Director of Markets & Consumer Protection covering the Markets Committee. Overall the Director of Markets & Consumer Protection is currently forecasting a year end underspend position of £125k (7.9%) for his City Fund and City Cash services.

Recommendation(s)

Members are asked to:

- Note the content of this report and its appendices.

Main Report

Background

1. The 2019-20 Markets Business Plan sets out four Key Performance Indicators (KPIs) and Key Improvement Objectives against which the Markets' performance will be measured throughout the year.
2. The KPIs and objectives are updated in Appendix A.
3. Matters of interest and visits to the Markets are updated in Appendix B.
4. Financial information including a table detailing the position for the individual services covered by this department are updated in Appendix C.

Current Position

5. To ensure that your Committee is kept informed of progress against the current business plan, progress against KPIs (Appendix A), matters of general interest (Appendix B), and financial information (Appendix C) are reported on a periodic (four-monthly) basis.
6. 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.
7. Periodic progress is also discussed by Senior Management Groups (SMG) to ensure any issues are resolved at an early stage.

Consultees

8. The Town Clerk and the Chamberlain have been consulted in the preparation of this report.

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

Contacts:

Donald Perry (*Report author*)

T: 020 7332 3221

E: donald.perry@cityoflondon.gov.uk

Smithfield Market:

Superintendent – Mark Sherlock

T: 020 7332 3747

E: mark.sherlock@cityoflondon.gov.uk

New Spitalfields Market:

Superintendent – Ben Milligan

T: 020 8518 7670

E: ben.milligan@cityoflondon.gov.uk

Billingsgate Market:

Superintendent – Daniel Ritchie

T: 020 7332 3067

E: daniel.ritchie@cityoflondon.gov.uk

Simon Owen (*Financial information*)

Chamberlain's Department

T: 020 7332 1358

E: simon.owen@cityoflondon.gov.uk

This page is intentionally left blank

Progress against Key Performance Indicators 2019-20
Period One: 1 April – 30 July 2019

	Target 2019/20			Period 1	Period 2	Period 3
MKP 1	a) 90% of debts to be settled within 60 days.	Billingsgate	S	43%		
			P	59%		
		Smithfield	S	77%		
			P	99%		
		Spitalfields	S	76%		
			P	69%		
	b) 100% of debts settled within 90 days.	Billingsgate	S	77%		
			P	78%		
		Smithfield	S	100%		
			P	99%		
		Spitalfields	S	82%		
			P	70%		
S – sundry, P – property	Comments: Spitalfields: Property debt is being chased up. £148K of the aged debt relates to 38 debtors, £130K of which relates to 6 tenants. £60k relates to two tenants whose money is in a suspense account whilst their leases are being signed off. £32k has been paid off following forfeiture of the stand's lease for bad debt. £11k is attributed to a stand completing an assignment, and a further £7k is being chased locally and by the Accounts Receivable (AR) team. The remaining £18k, relating to 32 debtors, is being chased up by the Market management and the AR team. Billingsgate: 9 debtors are being chased up locally and with Comptroller & City Solicitors for property debt and 14 debtors for sundry debt.					
	Target 2019/20			Period 1	Period 2	Period 3
MKP 2	Divert 90% of waste from landfill at the Markets	Billingsgate		100%		
		Smithfield		100%		
		Spitalfields		100%		

Appendix A

	Target 2019/20		Period 1	Period 2	Period 3
MKP 3	Achieve 95% occupancy of all lettable space at Billingsgate, Smithfield and New Spitalfields Markets.	Billingsgate	97%		
		Smithfield	100%*		
		Spitalfields	99%		
Comments: * Smithfield reporting against lettable space only; previous reporting has included non-lettable space within the Poultry Market.					
	Target 2019/20		Period 1	Period 2	Period 3
MKP 4	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 key improvement objectives 2019-20

Period one: 1 April – 30 July 2019

Ref:	Objective	Progress to date
MKT01	Work with the Project Team to ensure that the Markets Consolidation Programme receives adequate, timely input and that the requirements of Markets' stakeholders are taken into account as the programme progresses.	Period 1: April – July 2019 <ul style="list-style-type: none"> The initial public consultation closed on 6 August. A series of very successful design workshops have been held during the summer for Billingsgate and New Spitalfields markets with a good level of engagement from tenants. Further workshops are planned.
MKT02	<u>Billingsgate Market</u> Review Billingsgate Code of Practice.	Period 1: April – July 2019 <ul style="list-style-type: none"> The Superintendent has written to the Chair of the LFMA to suggest that the tenants review the current Code of Practice and identify any areas they feel need to be revised or updated. The recommendations from the recent Transport risk assessment, will be added to the revised Code of Practice.
MKT03	<u>New Spitalfields Market</u> Improve communication with Tenants, Customers. <ul style="list-style-type: none"> <i>Tenant Survey SERVMARKET to be carried out.</i> 	Period 1: April – July 2019 <ul style="list-style-type: none"> A Market survey was carried out and received positive results. The survey will be repeated in the 2020/21 business planning period to measure if there have been any changes.
MKT04	<u>Smithfield Market</u> Maximise the usage of Rotunda car park to increase income.	Period 1: April – July 2019 <ul style="list-style-type: none"> Income from the Rotunda car park for period 1 is £10.5k above budget. Based on last year's figures for the same period, there has been a small decline in income. This may be due to the Ultra-Low Emission Zone that came into force on the 8 April 2019.
MKT05	<u>Billingsgate Market</u> Generate additional income at Billingsgate Market.	Period 1: April – July 2019 <ul style="list-style-type: none"> A major filming project has meant that the filming budget for the year has already been achieved. Installation of Rapid Electric Vehicle charge points have received committee approval; the next stage is to confirm Heads of Terms.

Appendix A

Ref:	Objective	Progress to date
MKT06	<u>New Spitalfields and Smithfield</u> Work with the Energy team to optimise the Building Management System and realise cost saving from reduced energy consumption.	Period 1: April – July 2019 <ul style="list-style-type: none"> At Spitalfields Market, a programme is underway to replace the floodlights in the car park with LED lights. This has a projected £40k spend with an expected 2-year payback period. It is estimated that electricity in the common parts of the Market could be reduced by 60%.
MKT07	<u>New Spitalfields Market</u> Tender and install CCTV system.	Period 1: April – July 2019 <ul style="list-style-type: none"> A contract has been awarded for 146 CCTV cameras to be installed across the site: installation began on 27 August 2019.
MKT08	<u>Billingsgate Market</u> To carry out procurement exercise into installing a new CCTV system.	Period 1: April – July 2019 <ul style="list-style-type: none"> The Superintendent has met with City Procurement and discussed a planned timeline with a view to having CCTV installed before the next financial year.
MKT09	<u>New Spitalfields Market</u> Install a controlled barrier entry system.	Period 1: April – July 2019 <ul style="list-style-type: none"> Phase 3 is complete (all groundworks and civils). The back-office system is being created and a staff database collated to enable staff to gain free access to the site. The system is expected to go live mid-September. The final barrier will be installed by 10 September 2019.
MKT10	<u>Smithfield Market</u> Continue to control the risk associated with the HGV Banksman duties at Smithfield Market and monitor compliance with operating procedure.	Period 1: April – July 2019 <ul style="list-style-type: none"> The audit carried out in May showed that tenants' banksman were 100% compliant. The next audit is planned for 10 September 2019.
MKT11	Work with City Surveyors Asset Manager to ensure that the Markets Buildings remain safe and compliant without costly investments.	Period 1: April – July 2019 <ul style="list-style-type: none"> Asset Management Plans are in place for each of the markets and are being developed to reflect the changing needs of each site.
MKT12	Work with City Surveyors Facilitates Management Team to implement the MICAD system at the Markets	Period 1: April – July 2019 <ul style="list-style-type: none"> Due to problems with the MICAD system, Markets data on active and reactive maintenance is not yet being recorded.

Ref:	Objective	Progress to date
MKT13	<u>Billingsgate Market</u> Transport Risk: undertake an independent transport and vehicular movement risk assessment.	Period 1: April – July 2019 <ul style="list-style-type: none"> A transport consultant has been appointed and risk assessments carried out. The report will be completed during period 2. The Superintendent will organise an expert panel to ensure the report recommendations are delivered.
MKT14	<u>Smithfield Market</u> Improve Fire Safety and System performance and compliance	Period 1: April – July 2019 <ul style="list-style-type: none"> Managing fire safety systems compliance is a top priority, which is reflected in the risk register. There is a programme of improvements underway, and outstanding issues are regularly escalated to the City Surveyors Department (CSD), in addition to bi-weekly and monthly local meetings to track and deliver progress. A control sheet of outstanding actions is owned and managed by CSD and tabled at every review meeting.
MKT15	<u>Smithfield Market</u> Investigate opportunities for PDA based Security inspection software. Improve efficiencies and centralised record keeping	Period 1: April – July 2019 <ul style="list-style-type: none"> The recent bid for additional funds was unsuccessful. The Market is now seeking to identify funds from existing budgets to continue this work this financial year. If this is not possible, it will be submitted in the financial budget for 2020-21.

This page is intentionally left blank

Matters of General Interest to the Committee

Visitors / Filming / Photography

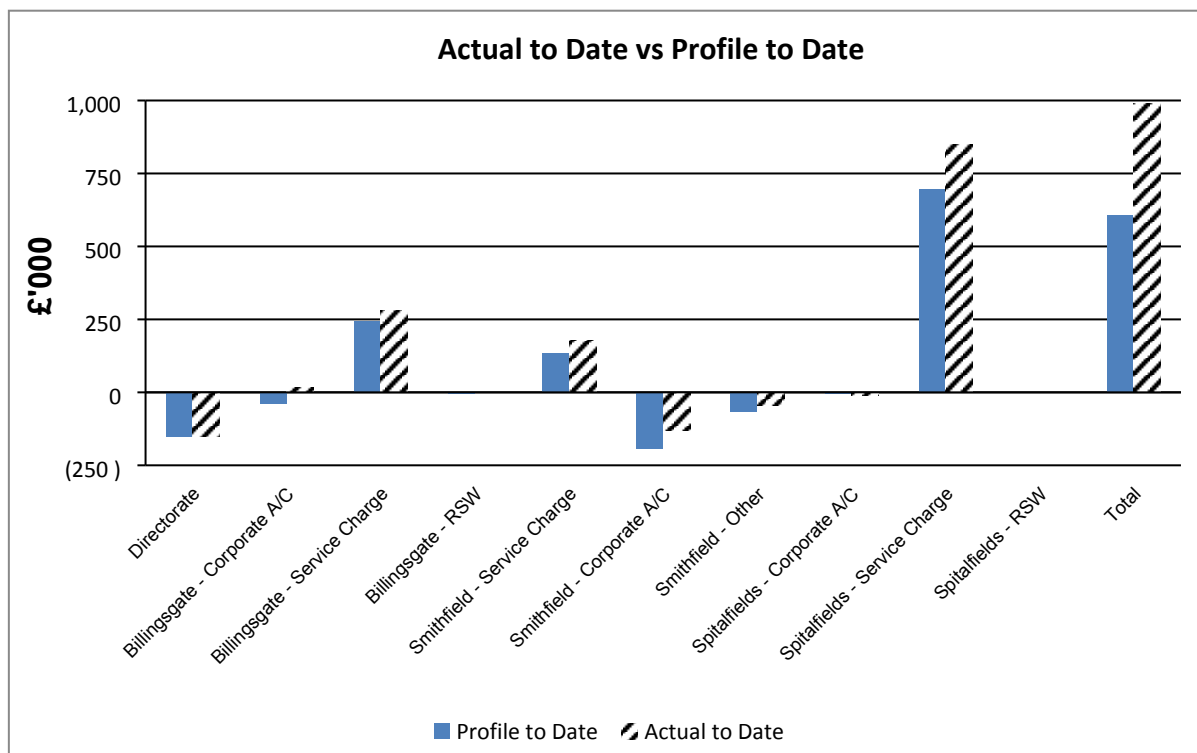
	<u>Date</u>	<u>Activity</u>	<u>Fee Received</u>	<u>Market</u>
April				
	2 nd	Photography for personal use	N/A	Billingsgate
	3 rd	Mayor of London visit to the Market organised by the SMTA	N/A	Smithfield
	11 th	Student Photography: A Level project	N/A	Smithfield
	11 th	Photography for personal use	N/A	Billingsgate
	15 th	Photography for personal use	N/A	Billingsgate
May				
	1 st	Media – Filming for Marine Stewardship Council	£50 +VAT	Billingsgate
	3 rd	Annual visit to the Market – Lord Mayor and Lady Mayoress and Sheriffs.	N/A	Spitalfields
	5 th	Cobra – Unit base parking	£650+VAT	Billingsgate
	7 th	Top Gear – Unit base parking	£250+VAT	Billingsgate
	10 th	Photography for personal use	N/A	Billingsgate
	30 th	Watermen & Lightermen visit	N/A	Smithfield
June				
	4 th	Worshipful Company of Cooks apprentice visit	N/A	Smithfield
	7 th	International Markets Conference	N/A	Smithfield
	7 th	A group visited from the London Produce Show	N/A	Spitalfields
	9 th	EHF (Alex Rider) Ltd – unit base parking	£1375+VAT	Billingsgate
	14 th	Photography for personal use	N/A	Billingsgate
	18 th	Photography for personal use	N/A	Billingsgate

Appendix B

	19 th	Photography for personal use	N/A	Billingsgate
	20 th	Photography for personal use	N/A	Billingsgate
	21 st	Minister of Agriculture visit organised by IMTA	N/A	Smithfield
	22 nd	Photography for personal use	N/A	Billingsgate
	24 th	Derby University student visit	N/A	Smithfield
	26 th	Chief Commoner Tom Hoffman and Natasha Lloyd-Owen visit	N/A	Spitalfields
	26 th	Photography for personal use	N/A	Billingsgate
July				
	3 rd	Filming in Grand Avenue – Baby Dior Magazine	£75 +VAT application fee	Smithfield
	9 th	BBE Branded Entertainment – filming for documentary	£450+VAT	Billingsgate
	10 th	Photography for personal use	N/A	Billingsgate
	20 th -21 st	Commhoist - parking	£200+VAT	Billingsgate
	22 nd – 1 st August	355 Productions- filming	£68,000+VAT	Billingsgate
	31 st	Markets Committee Visit	N/A	Smithfield

Appendix C

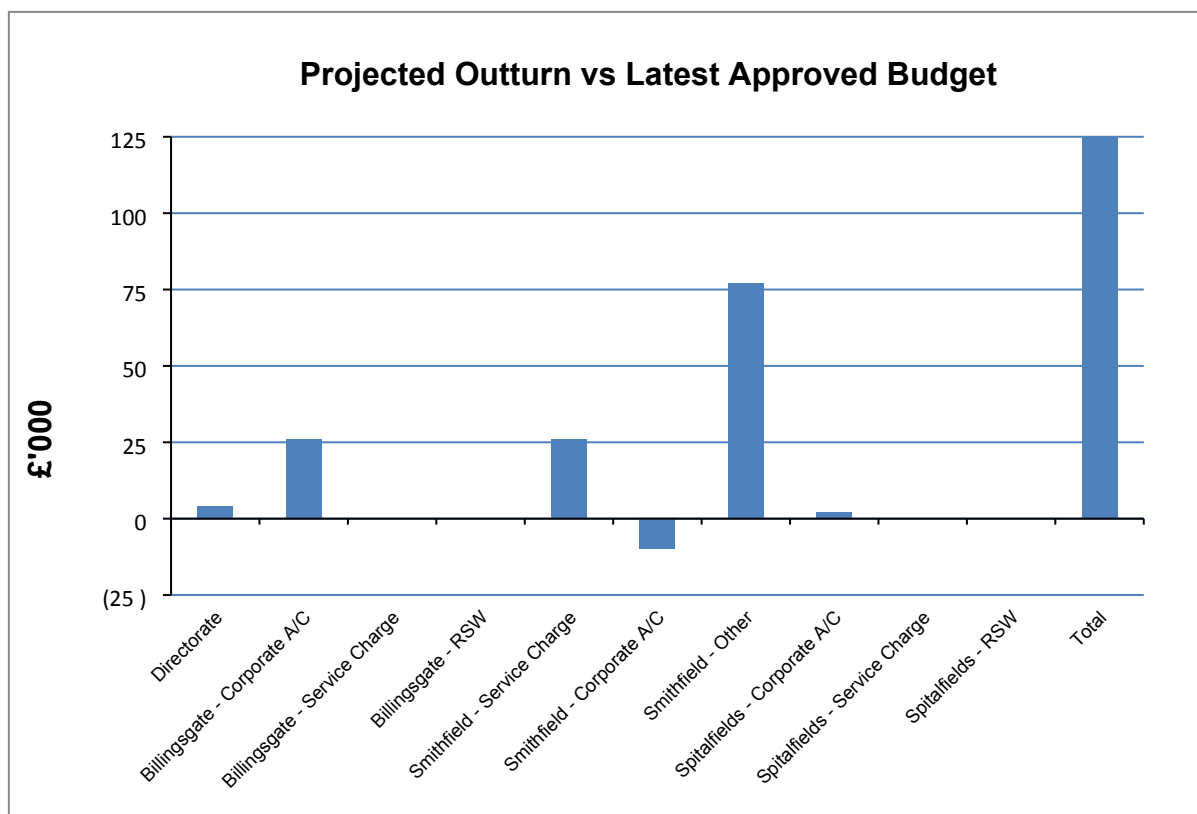
1. The end of July 2019 monitoring position for Department of Markets & Consumer Protection services covered by Markets Committee, reveals a net underspend to date for the Department of £385k (63.5%) against the overall local risk budget to date of £606k for 2019/20.



Notes:

1. Graph shows the actual local risk net position against the profiled budget to date for each Division.
2. A position above the baseline shows overall net income.
3. A position below the baseline shows overall net expenditure.
4. Markets total actual to date net income of £991k is £385k over the profiled budget to date of £606k.

2. Overall the Director of Markets & Consumer Protection is currently forecasting a year end underspend position of £125k (7.9%) for his City Fund and City Cash services.



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.
5. Overall the Department is forecasting an underspend of £125k at year end.

3. The reasons for the significant budget variations are detailed below, 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.
4. The better than budget position at the end of July 2019 relates mainly to current staffing vacancies and additional income generated at Spitalfields Market, this will, however, be offset at year end by reduced service charge bills to tenants. Other underspends to date relate to savings at Smithfield Market due to the levels of prior year accruals raised for Citigen water services and energy costs at year end and seasonal variations in usage and finally further underspends at Billingsgate Market relating to additional filming income received, which is expected to continue until year end.
5. The Director of Markets & Consumer Protection anticipates this current better than budget position will continue until year end mainly because of forecast underspends at Smithfield Market as a result of electricity costs for the basement being charged to the Museum of London project and energy efficient measures introduced at the car park, plus higher levels of income at the car park.

Appendix C

Department of Markets & Consumer Protection Local Risk Revenue Budget - 1st April to 31st July 2019 (Expenditure and unfavourable variances are shown in brackets)

	Latest Approved Budget 2019/20 £'000	Budget to Date (Apr-Jul)			Actual to Date (Apr-Jul)			Variance Apr-Jul £'000	Forecast for the Year 2019/20			Notes
		Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000		LAB £'000	Forecast Outturn £'000	(Over) / Under £'000	
Markets (City Cash)												
Directorate	(487)	(154)	0	(154)	(152)	0	(152)	2	(487)	(483)	4	
Billingsgate - Corporate Account	(136)	(84)	43	(41)	(87)	104	17	58	(136)	(110)	26	1
Billingsgate - Service Charge	0	(814)	1,059	245	(819)	1,101	282	37	0	0	0	
Billingsgate - Repainting and Special Works	0	(6)	0	(6)	(6)	6	0	6	0	0	0	
Smithfield - Service Charge	(810)	(963)	1,096	133	(917)	1,096	179	46	(810)	(784)	26	
Smithfield - Corporate and Direct Recovered	(193)	(667)	473	(194)	(660)	531	(129)	65	(193)	(203)	(10)	2
Smithfield - Other (Including Car Park)	122	(340)	273	(67)	(330)	284	(46)	21	122	199	77	3
	(1,504)	(3,028)	2,944	(84)	(2,971)	3,122	151	235	(1,504)	(1,381)	123	
Markets (City Fund)												
Spitalfields - Corporate Account	(57)	(6)	0	(6)	(13)	3	(10)	(4)	(57)	(55)	2	
Spitalfields - Service Charge	(21)	(1,592)	2,288	696	(1,478)	2,328	850	154	(21)	(21)	0	4
Spitalfields - Repair and Repainting	0	(5)	5	0	(5)	5	0	0	0	0	0	
	(78)	(1,603)	2,293	690	(1,496)	2,336	840	150	(78)	(76)	2	
TOTAL MARKETS COMMITTEE LOCAL RISK	(1,582)	(4,631)	5,237	606	(4,467)	5,458	991	385	(1,582)	(1,457)	125	

Notes:

- 1. Billingsgate Corporate Account** - underspend to date due to additional income received from a one-off filming job £68k.
- 2. Smithfield Corporate and Direct Recovered** - underspend to date is mainly due to incorrect levels of 2018-19 year end accruals raised for Citigen water services and energy, plus seasonal variations in usage.
- 3. Smithfield Other** - underspend as a result of electricity costs for the basement being recharged to the Museum of London project and energy efficient measures introduced at the car park, plus higher levels of income at the car park.
- 4. Spitalfields Service Charge** - underspend to date is mainly due to current staffing vacancies, energy underspends and additional income from overtrading, compliance inspection fees, fixed penalty notices and accommodation hire.
These underspends will be offset by reduced service charge bills to tenants at year end.

This page is intentionally left blank

Agenda Item 7

Committee: Markets Committee	Date: 25 September 2019
Subject: Markets Committee Risk	Public
Report of: Director of Markets & Consumer Protection	For Information
Report author: Donald Perry 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-BG 001– Workplace Traffic Management, Billingsgate (Current Risk: AMBER)
- MCP-NS 001 – Workplace Traffic Management, New Spitalfields (Current Risk: AMBER)
- MCP-SM 001 – HGV Unloading Operations, Smithfield (Current Risk: AMBER)
- MCP-SM 008 Fire Alarm Panel Performance, Smithfield (Current Risk: AMBER)
- MCP-SM 009 Lack of Sprinkler System in Buyers Walks E&W Mkts & Grand Ave (Current Risk: AMBER)
- MCP-SM 0010 Potential Animal Activist Blockade on the Market (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.
7. 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

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

MCP-BG 001 – Workplace Traffic Management Billingsgate (Current Risk: AMBER constant)

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.

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.

This risk has been reviewed and is being temporarily increased to Amber as there is a perception by City of London staff that there has been a recent increase in noncompliance with our traffic management policies.

MCP-NS 001 – Workplace Traffic Management New Spitalfields (Current Risk: AMBER constant)

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.

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: AMBER constant)

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.

Having reduced the risk to its target level of 12, consideration has been given to whether there is an opportunity to reduce the target risk level further. The risk owner, the Superintendent, has reviewed the prevailing site conditions, and the feasibility of introducing additional controls that could reduce the risk further, and considers that the risk is currently being managed at the lowest achievable level, given the unique inner-city environment. The situation will be kept under regular review.

MCP-SM 008 Fire Alarm Panel Performance Smithfield (Current Risk: AMBER constant)

A number of performance issues have been identified including faults with graphines, zones and pre-alarms. Issues have also been identified with the PPM schedule. These issues have been escalated to Head of Facilities Management.

There is a risk of injury and/or loss of life to members of the public, market staff and other service users as well as irreparable or costly damage to the Market structure in the event that the alarm were not to activate when required.

Realisation of this risk could result in prosecution, fine and serious reputational damage to the City.

MCP-SM 009 – Lack of Sprinkler System in Buyers Walks E&W Mkts & Grand Ave Smithfield (Current Risk: AMBER new risk)

The current sprinkler system that serves the East & West markets is currently impaired. 18/20 pendants failed. JH Fire have been assigned to undertake the replacement of the emergency evacuation routes. There is a 6-8-week lead for pendants arriving in the UK from a US supplier.

There is a risk of injury and/or loss of life to members of the public, market staff and other service users as well as irreparable or costly damage to the Market structure if the sprinkler heads were not to activate when required.

Realisation of this risk could result in prosecution, fine and serious reputational damage to the City.

MCP-SM 0010 – Potential Animal Activist Blockade on the Market Smithfield (Current Risk: RED new risk)

A splinter group of the socio-political movement Extinction Rebellion called Animal Rebellion has stated that they intend to blockade the market for a period of two weeks in October.

A contingency meeting has taken place and an injunction to stop the protest has been actioned. If a full injunction cannot be sought, a controlled area, away from the market will be offered, to allow a peaceful protest to occur, limiting any loss of business to the market.

Conclusion

9. 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

Contacts:

Donald Perry (*Report author*)
Head of Business Performance
T: 020 7332 3221
E: donald.perry@cityoflondon.gov.uk

Smithfield Market:
Superintendent – Mark Sherlock
T: 020 7332 3747
E: mark.sherlock@cityoflondon.gov.uk

New Spitalfields Market:
Superintendent – Ben Milligan
T: 020 8518 7670
E: ben.milligan@cityoflondon.gov.uk

Billingsgate Market:
Superintendent – Daniel Ritchie
T: 020 7332 3067
E: daniel.ritchie@cityoflondon.gov.uk

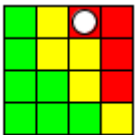
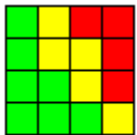
MCP Markets Committee Risk Report Appendix A

Report Author: John Smith

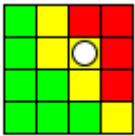
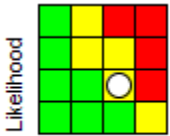

Generated on 03 September 2019



Rows are sorted by Risk Score

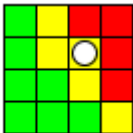
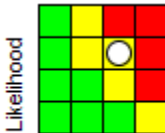

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
MCP-SM 010 Potential Animal Activist Blockade on the Market 22-Aug-2019 Mark Sherlock		 Likelihood Impact	16	Contingency meeting has taken place and an injunction to stop the protest has been actioned. If a full injunction cannot be sought, a controlled area, away from the market will be offered, to allow a peaceful protest to occur, limiting any loss of business to the market. Jon Averts to speak directly to City's solicitors Regular meetings with CoL/SMTA and the City Police to work collectively to reduce the risk of disruption. 22 Aug 2019	 Likelihood Impact			Constant

Action no, Title,	Action description	Latest Note			Action owner	Latest Note Date	Due Date



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 26-Apr-2017 Daniel Ritchie	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	12	This risk has been reviewed and is being held at Amber as there is a perception by City of London staff that there has been an increase in non compliance with our traffic management policies. 22 Aug 2019	 Likelihood Impact	8	31-Jul-2020	 Constant

Action no, Title,	Action description	Latest Note			Action owner	Latest Note Date	Due Date
MCP-BG 001b Monitor risk	Continue to monitor existing controls	This action is in progress.			Daniel Ritchie	22-Aug-2019	30-Mar-2018
MCP-BG 001d Review Report	Receive report from consultant and review recommendations.	Draft report received and recommendations have been extracted for review.			Daniel Ritchie	22-Aug-2019	31-Aug-2019
MCP-BG 001e Produce action plan	Respond to recommendations and agree an action plan.	Draft report has been received and an action planning meeting has been scheduled for 4 September.			Daniel Ritchie	22-Aug-2019	30-Sep-2019
MCP-BG 001f Actions complete	Complete actions and record evidence with a view to reducing the risk rating (if appropriate).	Awaiting final report.			Daniel Ritchie	22-Aug-2019	31-Dec-2019

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
MCP-NS 001i Train Managers In Forklift Safety	A member of staff from all tenants to be nominated and trained in FLT safety procedures.	SpMTA ready to confirm dates of delivery.	Ben Milligan	06-Feb-2019	31-Aug-2019
MCP-NS 001j Create Time Segregation	Artic Time Segregation and No Tolerance in market hall.	The entry of customers before opening time of 2400hrs is strictly enforced and parking control notices are issued to vehicles that are found on site. HGV unloading is restricted to dedicated areas between 0300 and 0800.	Ben Milligan	18-Oct-2018	31-Dec-2018
MCP-NS 001k Install Barrier System	Controlled barriers entry system for pedestrians and vehicles.	The delivery of equipment is due for mid-September and then install will be completed.	Ben Milligan	13-Aug-2019	31-Oct-2019

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 24-Feb-2015 Mark Sherlock	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. Event: Serious or life changing injury to members of the public, market staff and other service users caused by uncontrolled or unguided reversing vehicles. Effect: Realisation of this risk could result in a prosecution, fine and reputational damage for the City.	 Likelihood Impact	12	4 night audit undertaken from the 12th May. 101 HGV deliveries. All deliveries were overseen by a Market trained banksman. 100% compliance. 26 Jun 2019	 Likelihood Impact	12	31-Dec-2019	 Constant

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
MCP-SM 001f Review delivery practices	Work with the Market Tenants' Association to review sender delivery practices.	This has been completed and is continually monitored as part of the bi-monthly HGV delivery audits.	Mark Sherlock	17-Oct-2018	17-Oct-2018
MCP-SM 001h Monitor traffic routes.	Monitor market traffic routes.	Regular monitoring is taking place by the constabulary, with a loading bay audit taking place on 22-25 April 18. There were 3 incidents of unguided movement, were recorded. Tenants have been written to. All audits are stored on the shared drive. 2 incidents of loading bay miscount, by Curl and Vixelli have been dealt with in the form of a letter and threat of a section 146 for repeat offences.	Mark Sherlock	25-May-2018	30-May-2018
MCP-SM 001i Review unloading practices	Work with the Market Tenants' Association to review unloading practices.	This is now completed and will continue to be reviewed as part of the bi-monthly HGV deliveries audit.	Mark Sherlock	17-Oct-2018	17-Oct-2018
MCP-SM001k Traffic Management Audit Review	Keep the risk under review.	A 4 night audit was undertaken from the 12th May. 101 HGV deliveries. All deliveries were overseen by a Market trained banksman. 100% compliance.	Mark Sherlock	26-Jun-2019	29-Nov-2019

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 008 Fire Alarm Panel Performance 10-Apr-2019 Mark Sherlock	<p>Cause: Failure of the fire alarm system</p> <p>Event: Serious risk of injury and loss of life to members of the public, market staff and other service users as well as irreparable or costly damage to the Market structure. The cause would be a result of unreliable or incorrect pre alarms and fire alarms and delay to evacuation if a fire were to occur.</p> <p>Effect: Realisation of this risk could result in prosecution, fine and serious reputational damage to the City.5</p>	 <p>Likelihood</p> <p>Impact</p>	12	<p>There are 4 outstanding panel faults that MECE have identified. Each fault has been raised as a separate job on MiCad.</p> <p>VESDA testing 20/8</p> <p>MECE have taken over from Multifire and have been to site and have downloaded remaining faults. 20/8/19</p> <p>22 Aug 2019</p>	 <p>Likelihood</p> <p>Impact</p>	4	31-Jul-2019	<div style="width: 20px; height: 10px; background-color: blue;"></div> <p>Constant</p>

32 Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
MCP-SM 008a Progress update from FM	Request progress update from Karyn Burnham and update the risk accordingly.	All the faults and concerns have been reviewed and the feedback is that the majority of panels are now obsolete. Future faults will keep getting more challenging to repair and the effectiveness of the system will be compromised. The current recommendation is that we replace the system entirely. FM team are reviewing options.	Mark Sherlock	22-May- 2019	31-Dec- 2019

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date

This page is intentionally left blank

Committee(s): Markets	Date: 25 th September 2019
Subject: Smithfield Market – Car Park Utilisation February 2019 – July 2019	Public
Report of: Director of Markets & Consumer Protection	For Information
Report author: Mark Sherlock, Superintendent, Smithfield Market	

Summary

This update report updates Members about the utilisation of Smithfield Market Car Park for the 6 month period from February to July 2019, with reference to Easter, an increase in parking fees, the installation of Automatic Number Plate Recognition (ANPR) and CCTV, and the introduction of the Ultra-Low Emission Zone (ULEZ) by the Mayor of London on the 8th April 2019.

Recommendation(s)

Members are invited to note the contents of this report.

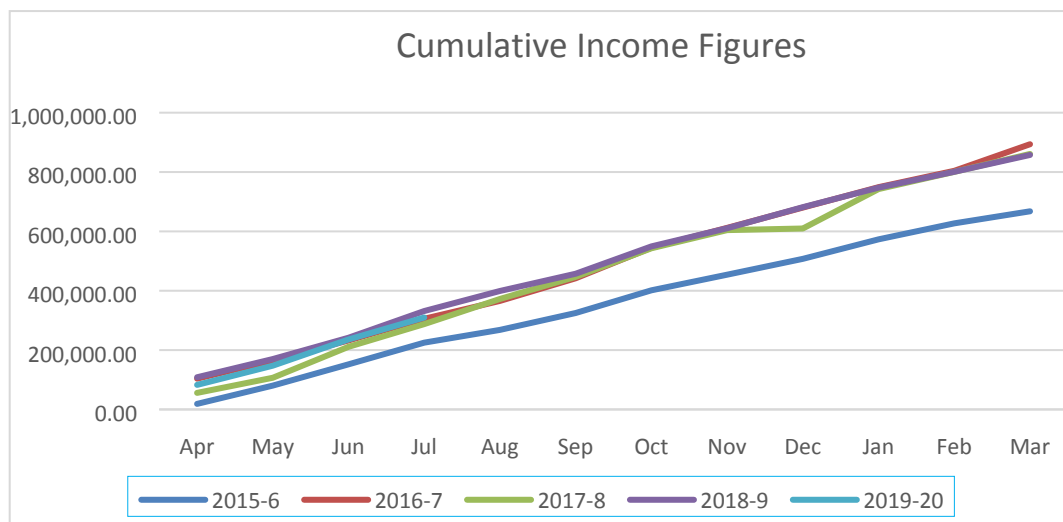
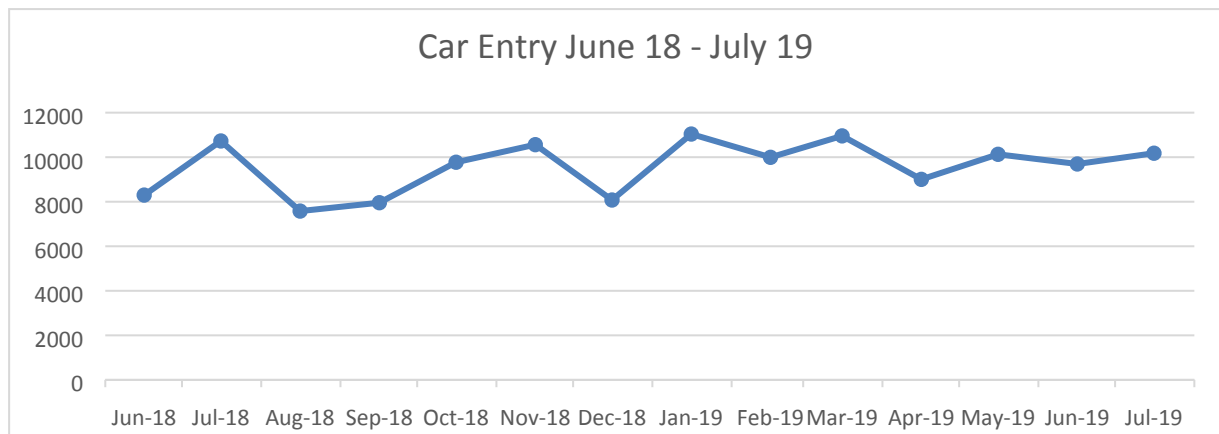
Main Report

Background

1. Increased parking tariffs were approved by the Markets Committee on 30th January 2019. In addition, the overnight parking discount was extended to seven nights a week to make the car park more competitive with other car parks in the vicinity.
2. Automatic Number Plate Recognition (ANPR) was installed in the car park by the City's parking management contractor Saba, with installation completed in February 2019. This has improved season ticket holder access to and from the car park. ANPR will also facilitate the integration of 3rd party car park marketing platforms, thereby increasing utilisation of the car park from a wider source of potential customers and also improving income streams.
3. Installation of CCTV as a security and safety management improvement to the car park was completed in July 2019 with 4-way domed cameras at strategic locations in the car park for maximum coverage. This system is managed by Saba in line with safety controls in the other City car parks.

Current Position

4. Revised parking tariffs have successfully been introduced and parking signage has been updated accordingly. Income for the 6-month period February to July 2019 was £419,990, a decrease of £29,992 for the same period last year. However, income since April 2019 is £10,621 ahead of budget. The decrease in income against last year could be attributed in part to cars being parked for shorter periods, thereby attracting a lower ticket price and a rise in the number of pass-cards.
5. Utilisation of the Rotunda has seen a small increase in the number of cars entering the site in the last 12 months in comparison to 2018. This shows no real trend, ULEZ charges were introduced in April and there was a nominal decline in entry levels at this point.



6. The impact of ULEZ is difficult to determine since its introduction on the 8th April 2019 but there was a noticeable difference in the number of cars entering the car park in the Easter week prior to Easter Sunday. Traders have also commented on a reduction in the number of cash buyers in buyers walks in the days following its introduction and relatively the same since.

Some estimates put this at between 10 and 15% so ULEZ may have had some impact.

Conclusion

7. The car park is currently operating ahead of forecast with income and is generating a small underspend on operating costs in line with estimates and phasing. It is expected that the car park will continue this position for the remainder of the financial year ending up in a positive position at year end.

Mark Sherlock

Superintendent, Smithfield Market,
Department of Markets and Consumer Protection
T: 020 7332 3747
E: Mark.Sherlock@Cityoflondon.gov.uk

This page is intentionally left blank

Committee(s):	Date(s):
Markets Committee	25 September 2019
Subject: Concessionary Parking at Smithfield Market during the Christmas Period 2019	Public
Report of: Superintendent – Smithfield Market	For Decision
<p style="text-align: center;">Summary</p> <p>The Smithfield Market Tenants' Association (SMTA) has submitted a request to the Superintendent Smithfield Market, similar to that of 2018, for a temporary reduction in the car park tariffs from 9pm 1 December 2019 until 10am 31 December 2019 (30 days) to encourage the use of the car park to alleviate parking pressures around the Market during the busiest period of the year and to assist Market trade.</p> <p>In considering this request, officers have put together three options for Members consideration, taking into account the impact of the additional cost of £16,000 approved within the service charge budget for the Market Christmas Traffic Management Plan and increased traffic calming measures over the Christmas period:</p> <ul style="list-style-type: none"> • Agree the SMTA request in total (maximum 30 days). • Reduce the concessionary period to 9 days from Sunday 15 December to Tuesday 24 December (compared to 8 days approved in 2018). • Not give any concession. <p>Recommendation:-</p> <ul style="list-style-type: none"> • That the current tariff be reduced to free for all visitors to the Rotunda car park from 9.00pm on Sunday 15 December until 10am on Tuesday 24 December 2019 (9 days). • This option would still enable the car park operator to leave the barriers raised during the period of the proposed Traffic Management Plan which significantly aided the flow of vehicles in and out of the Rotunda car park in 2018 thereby helping to ease the flow of traffic around the Market and surrounding roads. 	

Main Report

Background

1. In previous years, similar car parking concessions for the month of December have been made to help alleviate traffic congestion around the Market buildings and to encourage customers to shop at the Market.

2. Based on previous calculations, it is estimated that the SMTA proposed concession under option a) could reduce revenue for the car park by up to £24,000 (based upon previous Christmas usage of the Rotunda Car Park during a similar period).
3. Should Members wish to approve a similar concession to Christmas 2018, it is estimated that such a concession for December 2019 (option b) could reduce revenue for the car park over the 9 night/day period by some £9,000.

Current Position

4. On 29 August 2019, the Smithfield Market Tenants' Association (SMTA) submitted a request similar to last year in that free parking in the Rotunda car park should be approved for December from 9pm on Sunday 1 December to 10am on Tuesday 31 December for all workers and customers arriving after 9pm and leaving before 10am the following day.
5. The concession, therefore, would be offered to vehicles between the hours of 9pm and 10am, and vehicles parking outside of these hours will be deemed to be unrelated to Market operations and so will be charged the normal hourly rate of £3.50 per hour or part thereof for the full duration of their stay.
6. The SMTA request includes every day so that any Saturday/Sunday that the Market is open will be covered. The maximum impact of this request would be over a period of 30 trading nights but this would be reduced to 25 nights as the Market will not be open on Saturday 7, Sunday 8, or Sunday 15 December respectively and Christmas and Boxing Day. The Market will be open on Saturday 14, Saturday 21 and Sunday 22 December.

Options

7. Officers have identified three options for Members consideration:-
 - a) Agree the SMTA proposal requested on 29 August, that the current tariff, be reduced to free for all visitors to the Rotunda car park from 9pm on Sunday 1 December to 10am on Tuesday 31 December (30 days), for all workers and customers arriving after 9pm and leaving before 10am the following day.
 - b) Reduce the concessionary period requested by the SMTA to 9.00pm on Sunday 15 December until 10am on Tuesday 24 December 2019, 9 days/nights (compared to the 8 days approved in 2018).

This option (b) would still enable the car park operator to leave the barriers raised during the period of the proposed Traffic Management Plan which was seen last year as significantly aiding the flow of vehicles in and out of the Rotunda car park. This would also allow the additional stewarding costs of £16,000 to be recovered through maintaining car parking charges for a further 2 weeks. The additional stewarding prior to the final Christmas weekend (21/22 December) and Monday 23 December is critical to ensuring peak traffic flows and overcoming traffic gridlock

experienced in previous Christmas periods (this option is recommended by officers).

c) No concessionary period.

Financial Implications

8. From previous calculations, it is estimated that the SMTA proposed concession under option a) could reduce revenue for the car park by up to £24,000.
9. Should Members wish to approve a similar concession to Christmas 2018 it is estimated that such a concession for December 2019 (option b) could reduce revenue for the car park over the night/day period by some £9,000.
10. Members may wish to consider not approving any concessionary period for Christmas 2019 in order to maximise income streams for the car park and to recover the cost of the additional Traffic management measures proposed from other sources.

Proposal

11. It is proposed that members agree to option b).

Conclusion

12. Officers have identified three options for Members' consideration in response to the SMTA's request for temporary concessionary car parking rates over the 2019 Christmas period. The recommended option b) would provide for concessionary rates during the Market's busiest period of trading activity over Christmas and assist in the implementation of the Traffic Management Plan designed to reduce traffic gridlock around the Market and associated arterial roads. The reduction in the period requested by the SMTA would go some way to off-setting the cost of additional traffic management measures mentioned above.

Contact

Mark Sherlock
Superintendent, Smithfield Market
T: 020 7332 6522
E: mark.sherlock@cityoflondon.gov.uk

This page is intentionally left blank

Committee(s): Markets Committee – For Information	Date(s): 25/09/2019
Subject: City's Wholesale Markets – Consolidation Programme Update	Public
Report of: City Surveyor and Director of Major Projects, Town Clerks	For Information
Report author: Anna Dunne – City Surveyor's Department	

Summary

This report summarises the work that has been undertaken by the Markets Consolidation Programme since the last update report on the 5th July 2019. This includes a summary of work with tenants over the summer period and the results of the initial Public Consultation of the City's preferred location which closed on the 6th August 2019. It also includes an update on ongoing research, including the results of a food roundtable held at the end of July and ongoing work on transportation.

Recommendation(s)

It is recommended that the Markets Committee notes:

- The progress of the Markets Consolidation Programme in developing requirements, particularly the growing interaction with tenants, customers and suppliers at all three markets;
- The initial feedback from the public consultation and the ongoing engagement with tenants;
- The establishment of the new Member Oversight Groups.

Main Report

Tenant consultation

1. A key area of concern for the programme has been obtaining tenant engagement. Experience of the programme to date suggests the most effective method of communication is by direct engagement with tenants on the markets. The appointment of the new Markets Coordinator (June 2019) has created a daily presence on the markets and allowed for more regular interaction between the programme and the tenants, both collectively and on a one to one basis. The Markets Coordinators' role includes answering questions and gathering informal information on the tenants' business operations. This role has proved an effective counterpoint to the market grapevine.

- 2 To assist market tenants in developing their responses to the public consultation, two pre-arranged 'drop in' sessions were held for all three markets. These drop-in events were scheduled towards the start and end of the consultation period and punctuated by walkabouts by the Markets Coordinator who could talk with tenants on a more informal basis.
- 3 The programme has also commenced initial concept design workshops with tenants. The architects used to support the development of the April 2019 Options Report, Chetwoods, have been retained to work with the City and our tenants to develop the operational design concepts for a new consolidated market at the Dagenham site. These concept workshops enable tenants to explain in detail their operational requirements involving exploring access, the layout of the trading floors, storage, internal logistics and the practicalities of operating three different markets on one site. The first round of concept workshops has been held at Billingsgate and New Spitalfields Markets. Planning and preparation is underway to hold a similar event for Smithfield in the next month.

Billingsgate

- 4 A majority of the tenants at Billingsgate are supportive of the proposal to consolidate the three markets. Consistent feedback suggests that the infrastructure at Billingsgate is stretched beyond capacity and that the expansion of Ultra-Low Emissions Zone (ULEZ) in 2021 will impact trading further. Over fifty percent of Billingsgate tenants attended the first round of concept workshops and officers have received positive feedback from those involved including the Chair of the London Fish Merchants Association (LFMA).

New Spitalfields

- 5 Feedback from the Tenants Association SpMTA suggests that tenants are in favour of a consolidated market, however tenants at New Spitalfields all still wish to explore the opportunity to develop locally, on adjacent green space. This option was discounted due to objections from the boroughs. However officers are re-exploring this issue once again on behalf of the Chairman of Policy and Resources committee following a meeting with the Tenants Association, engaging with the London Boroughs of Hackney (owners of the green space) and Waltham Forest, local MPs and with the GLA.
- 6 Attendance for the workshops at New Spitalfields was low (around ten percent of tenants represented), but the session was not without success. The Chair and Vice Chair of the Spitalfields Market Tenants' Association (SpMTA) both attended the workshop, were actively engaged in the discussions and fed back positively on the work. City Corporation officers are supporting the SpMTA to cascade the findings from these initial workshops to other tenants with the aim of improving attendance at future workshops.

- 7 New Spitalfields has the most diverse demographic amongst the tenants and therefore the language barrier may be a factor in the low levels of engagement during the consultation process (including the concept workshops) coupled with the high number of the principals that are not resident in the UK. Officers are looking at ways to overcome these challenges.

Smithfield

- 8 Feedback received during the initial drop-in session (supporting the initial public consultation) at Smithfield suggested that tenants required more information about the proposal to consolidate the markets and that in order to better understand the operation of the markets, officers should visit the market overnight. Two such overnight visits were carried out during the consultation period, which enabled officers to discuss with tenants the challenges of operating in Central London and provided an opportunity for workers and customers on the market to ask questions in relation to the proposed move. A number of tenants are very interested to hear more about the relocation and have urged the City to continue to develop the proposals. The planned concept design workshop at Smithfield will further assist.

Public Consultation

- 9 The City of London Corporation launched its first public consultation on the consolidation of the wholesale markets on Tuesday 11 June and closed after eight weeks on the Tuesday 6 August.
- 10 The below information is emerging feedback from the public consultation carried out over the summer. A full consultation report is being produced and will be shared with Members and consultation respondents soon.**
- 11 This initial consultation sought feedback from all stakeholders based around three questions:
 - a. The proposal to consolidate the 3 wholesale markets and their views on the future of wholesaling;
 - b. The preferred site at Dagenham Dock;
 - c. How the consolidation of the wholesale markets might affect them, their business or those they represent
- 12 At the close of the consultation 252 responses had been received from a range of stakeholders. This is a higher than average level of response for this type of consultation. The breakdown of responses by stakeholder group is show in Fig.1.

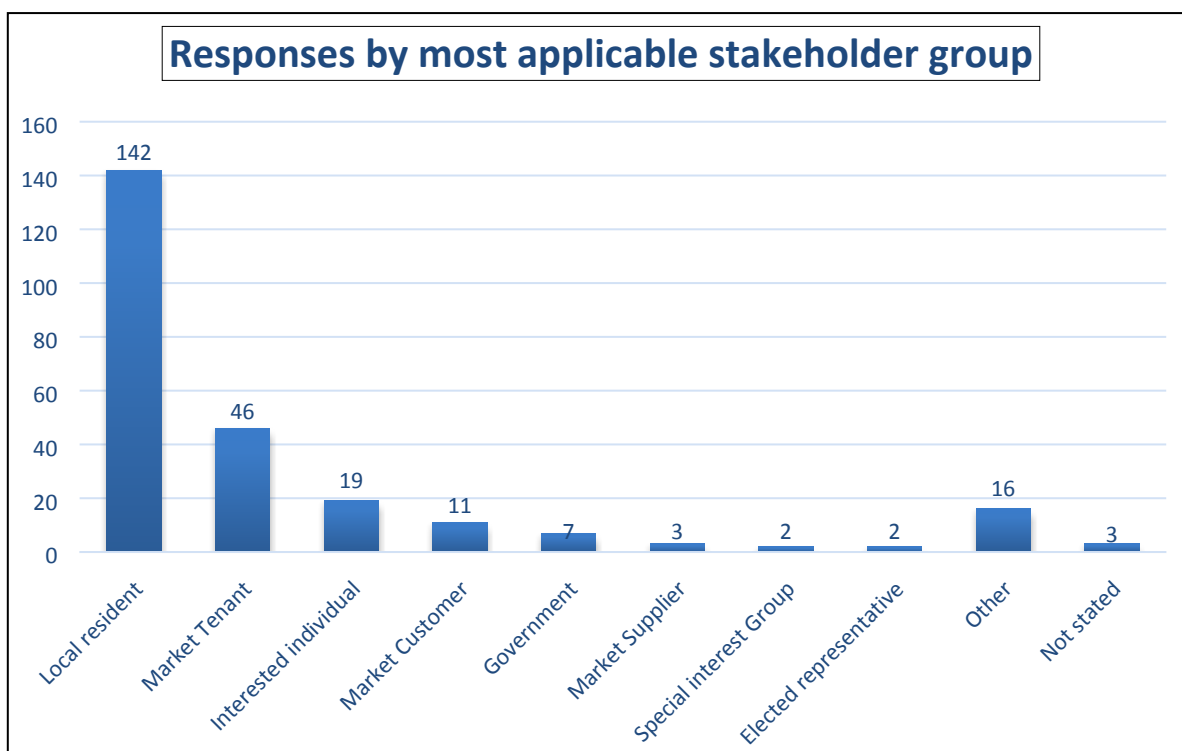


Fig.1.

Consultation Feedback

11. Responses to the consultation are currently being analysed and reported by TONIC (www.tonic.org.uk), an independent organisation specialising in public consultations and social research.

Tenant Feedback

- 12 The initial consultation attracted 47 responses from our Market Tenants and the Tenants' Associations. This was a disappointing sample size and the responses were in the majority negative. The programme is balancing this outcome with the day to day interaction with tenants and the dialogue with the Tenant Associations as documented above.
- 13 The Smithfield tenants (and Tenants' Association) were responsible for 51% (24) of all the tenant consultation responses. They all provided a standard response which while supportive of the statement that 'the wholesale markets have an important role to play in the region's food supply', did not support the concept of a consolidated market or the move to Dagenham Dock.
- 14 Given the level of information shared with all tenants during the City's outline options analysis, the feedback from LFMA and SpMTA was that there was little new information to engage tenants in participating in the public consultation, and hence they have preferred to engage through the ongoing meetings and concept workshops.

- 15 However, all tenants have raised the A13 road congestion as an issue. Whilst significant progress has been made on discussions on concept design and facilities with the tenants, who are showing increasing interest in the concept of the consolidated market, the management of road traffic around the Dagenham Dock site is one of the key challenges and risks to the programme.

Recurring Themes in the consultation

Support for the role of wholesale foods markets in general

- 16 Respondents answered overwhelmingly in support of the “important role” wholesale markets play in the region’s food supply, with 96% of those who supplied an answer to Question 2.1 answering “yes”.

Support for the co-location of the markets

- 17 In general, there were good levels of support for the proposal to co-locate the markets. 70% of respondents stated either “yes” (64%) or “probably” (6%) to the question “in order to thrive, do you think bringing all three wholesale markets together is the way forward?” while 24% answered “no”.
- 18 Primary reasons for supporting the proposal to co-locate the markets were based around the benefits that were perceived to result from creating a “one stop shop” with “everything under one roof”. Lower overheads, streamlined efficiency, less travel time (and the associated financial and environmental costs), and a marked increase in convenience were all frequently mentioned, as well as enthusiasm for the idea of a purpose-built and modern building that reflected a “forward thinking” vision of the markets’ future.

Support for the re-location of the markets to Dagenham

- 19 In reply to the question “do you think the Dagenham location is the right location for customers and suppliers?” 61% of respondents answered either “yes” (54%) or “if done properly” (7%). Primary reasons for this support were: the site’s proximity and ease of access to London, Essex, Kent, and the M25; the benefits in terms of employment, business opportunities, and prestige which the markets would bring to the Dagenham area; the potential to utilise the river and rail as an environmentally-friendly and congestion-alleviating means of transporting goods; and the repurposing of a disused brownfield site which provides ample space for current needs and future growth, and which is located far enough away from residential areas to avoid disturbing the local population.
- 20 There were, however, higher levels of opposition to the proposal to relocate to Dagenham than to the proposal to co-locate the markets, with 36% of respondents answering this question with “no”.

Concerns over the viability of the A13 as a supply/access route

- 21 Primarily, opposition and/or concerns to the choice of the site at Dagenham centred around the viability of the A13 to sufficiently function as a link road to London, and as an access road to the site itself. Many respondents highlighted that it currently suffers from poor traffic flow and congestion, fearing that a significant increase in traffic would only exacerbate this, as well as increase pollution, while another frequently mentioned concern was the existence of only one access road (at Choats Manor Way), which was felt to be insufficient for purpose. Some respondents felt, therefore, that it would be necessary to first make improvements to the surrounding roads – such as widening the A13, adding additional lanes, building new fly-overs and tunnels, and creating further access points to the site – before the use of the site could be considered viable.

Support for the idea to utilise the river as a means of transport

- 22 The proposal to use the Thames as a transport option for delivery and supply received significant support, with particular emphasis on the environmental and logistical benefits this might bring, by alleviating some of the pressure on the roads, as well as helping to revive a traditional means of transport and tap into an underused resource.
- 23 Some respondents, however, questioned whether the use of the river in support of the markets was anything other than “a nice idea”, and believed more information should be made available and a concrete plan put in place before this could be considered as a “selling point”. Similar levels of enthusiasm and scepticism were found with regard to the proposal to use the rail network.

Research

Roundtables

- 24 In order to better understand the place of the wholesale markets in London’s supply chain now and in the future, the programme is undertaking a series of roundtable events each focusing on a specific macro-economic factor affecting the wholesale markets. Each event will capture a broad range of perspectives from practitioners, academics, policy makers and opinion formers.
- 25 The first roundtable took place on the 31 July and was titled the ‘The Future of Food and its Expected Impact on Wholesale Markets’. It was chaired by the Chair of Policy and Resources committee and attended by the Chairman of the Markets Committee.
- 26 This workshop covered a wide range of topics, reflecting the broad experience of participants. To make the most of information learned, observations were structured into three themes: **drivers** for change for the new market, considerations for the market’s **design** and benefits these will **deliver**.

Drivers for the new market:

27 The City team introduced factors underlying the new market, including the physical constraints of the three current sites, introduction of Ultra Low Emissions Zone (ULEZ), wider objectives of the City Corporation and varying requirements and preparedness of current tenants. Other factors identified included:

- **structural transformation**, such as possible new policy on food production or pricing.
- **economic factors** such as new entrants to food delivery and retail uncertainties of supply post-Brexit.
- **the changing nature of wholesale** as seen elsewhere in the rise of big box distribution hubs; changing consumer and retail demand, including (shorter-term) trends driven by health, fashion or environmental, such as eating less meat and the impact of technology.

Design of the new market:

28 For the above reasons and others, the existing markets cannot just be replicated at Dagenham Dock. Many tenants – especially where they are experiencing current space constraints – are already involved in discussions about the concept design requirements for the new market.

29 Known requirements already identified include;

- acquiring a wharf to allow consolidated waterborne delivery
- the need for flexible unit sizes that can change to meet future demand
- a layout that will avoid cross contamination between sensitive areas of the consolidated market (such as flowers)
- recognition of a potential growth in demand for retail and potential reduction in need for a traditional trading floor
- the availability of land nearby could be useful in future if businesses in related sectors wished to locate near the new wholesale market
- the likely rise in demand for training and skills from the sector – as well as from the catering industry, supermarkets and the public
- workshop participants also identified the need for other physical infrastructure to be included, including ensuring 5G and other platforms are available and providing cloud kitchen hire spaces to support new food-related start-ups, which could in turn support the market.

The benefits:

- 30 The group felt it was impossible to know everything that is going to happen to wholesale markets, but a diverse centre of food excellence should create flexibility and secure a sustainable long-term investment to fulfil the City's vision. A new market hub could be a huge influence on the rest of the food chain around the country, but it would need to be commercially attractive to tenants day-to-day, so it remains the case that relocating the wholesale markets adds more value to a trader than leasing a warehouse somewhere else.
- 31 A second roundtable event has been scheduled for 27 September, when relevant practitioners, academics and policy makers have been invited to consider the "*the future of transport and logistics in London and its expected impact on London's wholesale markets*". This second roundtable is to be chaired by the Chair of Policy and Resources committee and the Chairman of the Markets Committee has been informed.
- 32 Further roundtables are planned to cover topics including the impact of technology on market operations.

Comparator Markets

- 33 At the end of August, a group of officers visited the markets at Rungis (Paris) and Lyon in France; additionally, a visit to Dubai Waterfront market was carried out whilst an officer was on vacation.
- 34 The team were also treated to a presentation and discussion with the Directors of the wholesale market in Melbourne which was recently moved to an out of town situation. The learning from these visits is being documented and was very useful in identifying good and not so good practice in design, servicing and operations. The team will now be exploring some of the key learning points further.

Traffic analysis and logistics

Road

- 35 A key objective for the new markets' facility will be to improve logistics and transport sustainability for tenants, suppliers and customers. The team have undertaken detailed traffic analysis at each market over a full week using automatic traffic counters and CCTV. In addition, a survey of customers and suppliers has been carried out to understand where goods come from and their destination. The final report will be available at the end of September 2019.
- 36 Current levels of congestion on the A13 are a key concern for tenants and other stakeholders as previously noted. The matter has been raised by the Chair of Policy and Resources committee with the Leader of the London Borough of Barking and Dagenham, plus the Chair of their development arm, Be First. A further meeting to discuss the A13 is scheduled with the Commissioner for Transport for London (TfL). The Programme is developing a strategy for

accelerating work with key stakeholders to identify improvements to the road network around Dagenham Dock to ensure these can be delivered in advance of the market opening. This is not a new issue, but the need to see progressive improvements to the local road infrastructure is required for the regeneration of the Dagenham Dock area.

River

- 37 Funds have now been approved under Urgency to allow officers to investigate the potential acquisition of a wharf and land. Work has also been commissioned on moving freight to and from Dagenham Dock using the River Thames between London Gateway and Central London.

Rail

- 38 Research on the potential for use of rail is currently being scoped, as there are a number of rail heads in close proximity to the Dagenham site. The research will look at the potential for accessing these rail heads and the economics of moving food by rail.
- 39 Transport and logistics, as noted above, are to be the focus of the next research roundtable and will be debated at the New Market member group (see below). The programme team are also actively engaged in discussion with third party organisations such as Ocado, Eddie Stobart, DHL and Thames Gateway Port, amongst others, to understand innovation across the sector.

Member Oversight Groups

- 40 The Chairman of Policy and Resources committee is establishing two small Member Oversight Groups to support the programme around a) future of our existing market sites and b) the development of the new market. The Chair of Policy and Resources committee will lead the group on the future of the existing market sites, while Deputy Chris Hayward will chair the group on the new market. The first meetings are likely to take place in October.
- 41 The agenda for the existing sites group is likely to include an update on the future strategy for each site and discussion on the programme finances to promote a wider discussion on the disposal of the existing sites.
- 42 The agenda for the new market group will focus initially on planning for the Dagenham Dock site, concept design feedback from tenants and the importance of the right strategy towards the A13/ road infrastructure, rail and river transport options.
- 43 Some Markets Committee Members will be attending these groups to provide their experience and knowledge.

Next Steps

- 44 The information in this report will be used to develop the next report that will come to Committees in November 2019.
- 45 Over the next month, once the analysis has been completed, the full consultation report will be shared with Members for their information.

Conclusion

- 46 The initial public consultation has now been completed and the feedback is being analysed. The key messages are support for consolidation of the three wholesale markets and the future; access and traffic congestion / A13 is a key concern; and some tenant feedback suggests not all are yet convinced of the merits of relocating and to such a location as Dagenham Dock. Further ongoing engagement work will be required with tenants to understand the programme in more detail, the benefits and what will help them support the City's vision and future of our wholesale markets.
- 47 The programme will be reporting to Policy and Resources committee in November 2019.

Appendices

None

Anna Dunne

Programme Director, City Surveyor's Department

T: 0207 332 1289

E: anna.dunne@cityoflondon.gov.uk

Committee: Markets Committee	Dated: 25 September 2019
Subject: Energy Costs Update	Public
Report of: The City Surveyor report ref CS 400/19	For Information
Report author: James Rooke, City Surveyor's Department	

Summary

This report presents the context for the recent energy price increases and a narrative on present commodity prices and forward strategy options.

Recommendations

Members are asked to receive this report.

Main Report

Background

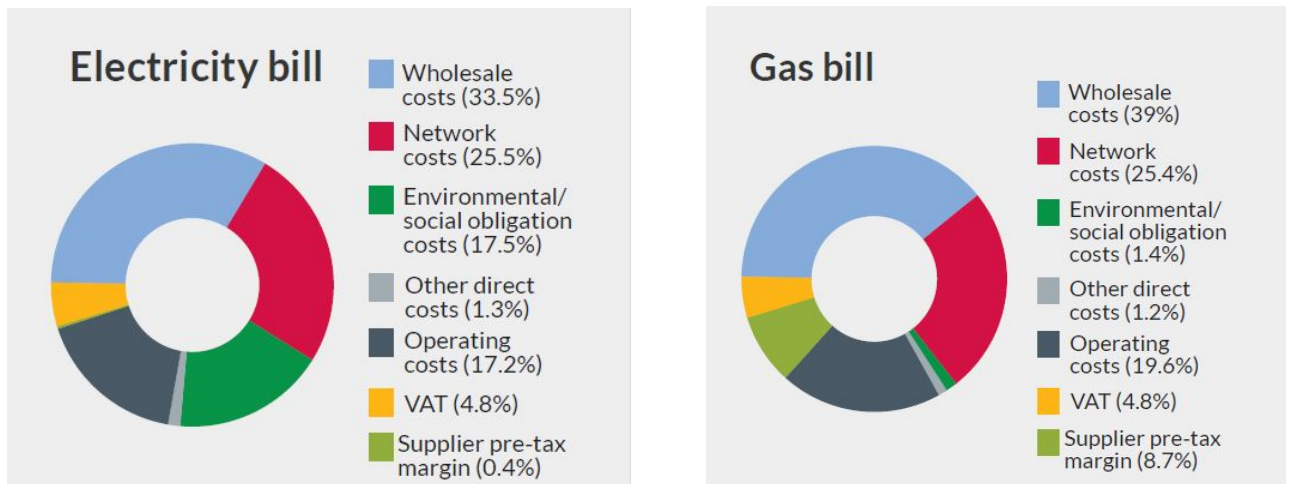
1. In 2017 The Court of Common Council directed the energy and procurement teams to undertake a tender exercise for the provision of energy procurement brokerage. The existing provider, Laser had been incumbent for in excess of 10 years. Following a tender process, Utilyx energy (recently acquired by the Mitie group) were successful in winning this bid. Consultation included working group representatives from the energy management team, procurement, housing, markets, DBE, Open spaces and finance.
2. The Corporation's previous arrangement for procuring energy via Laser expired in September 2018 and following an OJEU tender process Utilyx Energy have been appointed as our new broker. Total Gas & Power have also been appointed as the City's electricity and gas supplier with effect from October 1st, 2018. Energy for the core supply contract has been procured in four lots:
 - **Lot 1** – Supply of Electricity (Half Hourly and Non-Half Hourly) Flexible Purchase;
 - **Lot 2** – Supply of Gas Flexible Purchase;
 - **Lot 3** – Supply of Electricity (Half Hourly and Non-Half Hourly) Fixed Price; mainly for Housing - to provide individual households with price security;
 - **Lot 4** – Supply of Gas Fixed Price; mainly for Housing - to provide individual households with price security

Energy market conditions

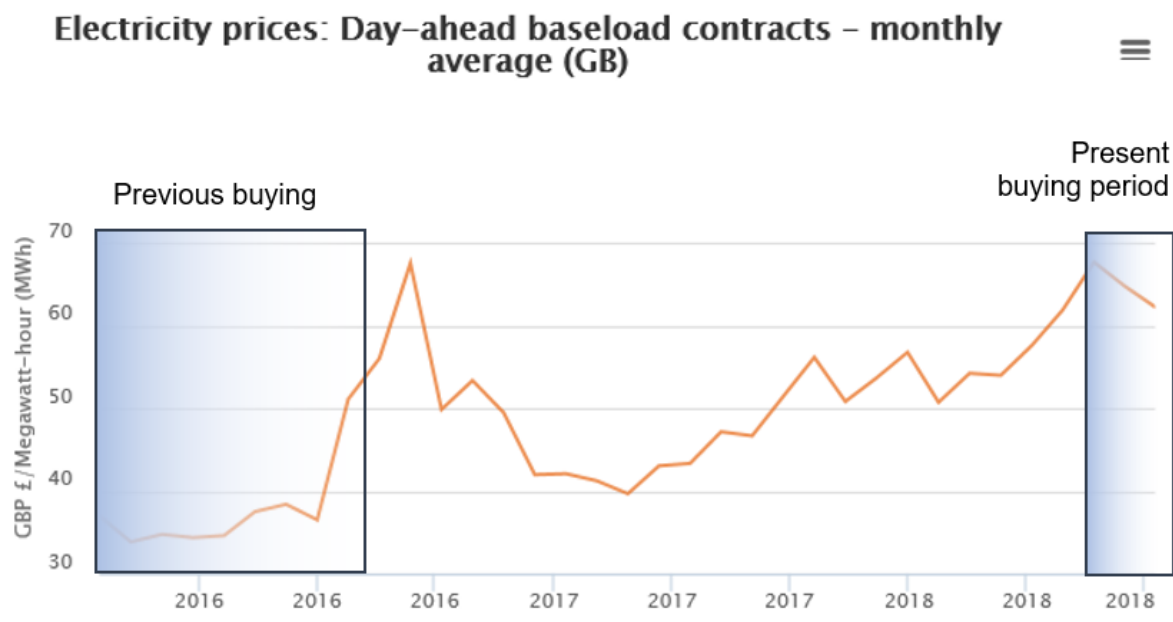
3. Energy market prices have proved to be extremely volatile in the last 24 months with the market seeing significant rises well above inflation due to a number of factors:

- Shortage of UK long-term gas storage increasing prices for winter gas supply
- Rapid escalation of carbon markets which is incurred by suppliers and passed through to consumers
- Increase in non-energy grid costs and environmental levies, which are now representing over half the delivered cost
- Increase in oil prices caused by sanctions and reduction in output from OPEC nations.
- Surge in energy commodity volatility caused by increase in trading from non-end users

Figure below: Breakdown of typical electricity and gas bill – Source OFGEM



Figures below: Energy commodity (wholesale) market tracking



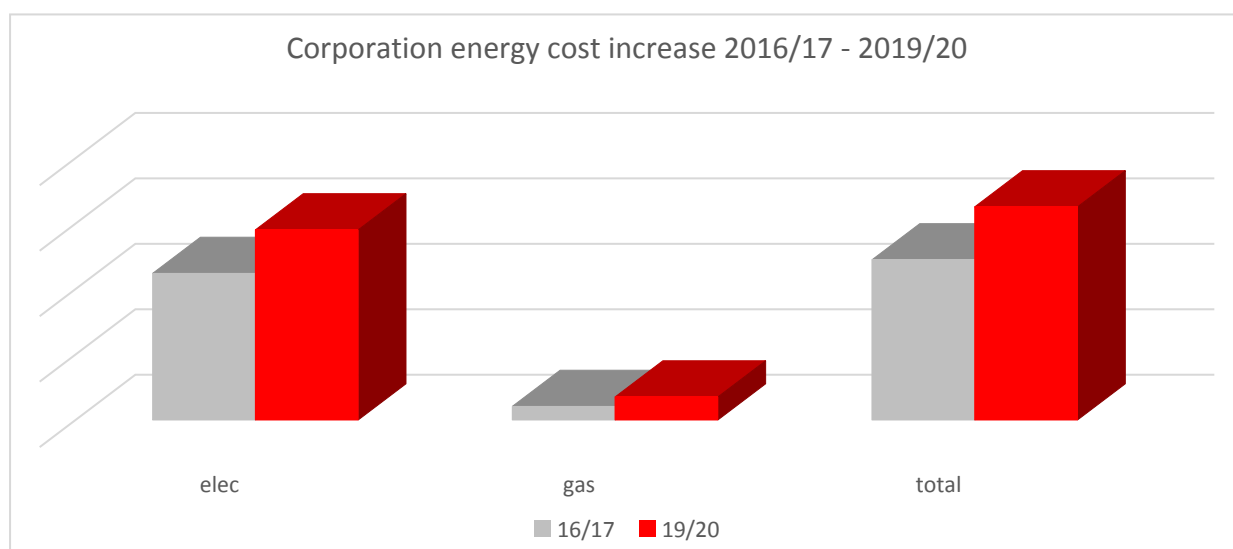
Gas prices: Day-ahead contracts – monthly average (GB)



What this means for the City and the budget implications from October 2018 onwards is that gas and electricity prices for the Corporation have risen by 33%¹ across the portfolio compared to prices secured in 2016, which was purchased at the market low point. On average this means:

- 30% cost increase for electricity
- 70% cost increase for gas

Figure below: Corporation Energy Cost Budgets



Renewable Energy

4. In support of the City's Responsible Business plan the Corporation has committed to procure 100% renewable electricity across the portfolio from October 2018 onwards from a combination of certified solar, wind and hydro sources. This has incurred a very small cost premium <0.2% of overall energy costs, however this cost is being met centrally so that there is **No additional cost to departments for renewable energy provision.**

¹ This is an average figure across the portfolio and the energy team can provide individual figures per lot

Future Outlook

5. The non-energy invoice elements, such as transmission, distribution and carbon taxes are set to continue rising for the next five years while commodity (energy elements) continue to show high volatility in the wholesale energy market. To cover this volatility the energy team are now forward buying to provide an element of protection.
6. The outcome of the UK leaving the European union is also likely to have a marked effect on energy prices going forward. A hard Brexit is likely to reduce carbon prices for an interim period while the UK moves to an independent cap and trade scheme. A soft Brexit indicates that the UK will continue to participate for a further 2 years in the exiting EU scheme which means prices may remain high and volatile. Currency devaluation may also be a factor in forward energy prices.

Mitigation

7. Consumption management: A series of energy efficiency initiatives at Smithfield markets have reduced costs by £200k year to date. The energy team continues to work on identifying further consumption savings.

Commodity Price Risk

8. The energy team are presently undertaking a tender exercise to forward buy 50% of the Corporations electricity supply through a renewable energy development or power purchase agreement. The aim of this exercise will be to provide cost certainty and long-term reduced commodity cost. Should the tender prove attractive, the revised energy supply contract will take effect from October 1st 2020.

Strategy

9. The present 'lots' which cover the provision of energy to the markets expire in September 2021. To allow sufficient time to develop any potential alternative strategy for the markets, the energy team propose a dedicated energy strategy session for the markets to fully crystalize constraints, risk appetite and communication requirements.

Conclusion

10. **Energy price increases for the Corporation reflect price increase in the market more generally.** We recommend a separate review meet with markets to confirm future energy procurement risk and tenant communication strategy. In order to mitigate the unavoidable market rate increase for energy prices, the energy team have reduced consumption at Smithfield Market by circa £200k year to date and will continue to identify further savings.

Report Author:

James Rooke

Assistant Director

Operations Group, City Surveyor's Department

T: 07725 636975

E: james.rooke@cityoflondon.gov.uk

Committees: CWP Peer Review Group Corporate Projects Board Planning and Transportation Committee <i>[for decision]</i> Projects Sub Committee <i>[for decision]</i> Corporate Asset Sub Committee <i>[for decision]</i> Markets Committee <i>[for information]</i>		Dates: 14 August 2019 29 August 2019 10 September 2019 17 September 2019 25 September 2019 25 September 2019
Subject: West Smithfield and Charterhouse Street (Thameslink) Bridges Remedial Works Unique Project Identifier: 12021	Issue Report Next gateway to be passed: GW5	
Report of: Director of the Built Environment Report Author: Jagdeep Bilkhu		For Decision
<h1>PUBLIC</h1>		

1. Requested decisions	Requested Decisions: 1.1 Members to agree proposals to include additional waterproofing and re-surfacing of Charterhouse Street Bridge over Railtrack Sidings (Structure No. 33/23). See plan in Appendix 2. 1.2 Members to agree a project budget increase of £160,000 to a total of £844,000. The increase of £160,00 is to be funded from the Additional Capital Funds for City Fund Properties Programme. 1.3 That a Cost Risk Provision of £70,000 is approved (to be drawn down via delegation to Chief Officer).
2. Issue Description and Background	2.1 The additional cost and agreement to waterproofing the bridge over the sidings is the main issue being presented. 2.2 The engineering team currently have two capital schemes ongoing around Smithfield and Holborn area:

	<p>(i) concerning the refurbishment of two bridges, one on Charterhouse Street (Structure No. 33/24) and another on West Smithfield (Structure No. 33/18), and</p> <p>(ii) with the refurbishment and strengthening of pipe subways on Snow Hill and Holborn Viaduct (limited to the parts that pass over the railway only).</p> <p>2.3 Both (i) and (ii) will involve waterproofing the areas of the highway that form the extent of the aforementioned structures. The extent of these structures is shown indicatively on a plan (Appendix 2).</p> <p>2.4 Both capital schemes affect the programme and consequently construction and logistic activities of the much bigger scheme belonging to the City of London associated with the relocation of the Museum of London to Smithfield. The new museum will be using sub-terranean space under both the General, Poultry and Annexe Markets, with West Poultry Avenue closed to through-traffic and forming the entrance space for the new museum. The area below some highway structures on West Smithfield and Charterhouse Street will form part of the demise of the main museum gallery space and/or the 'back of house' space.</p> <p>2.5 The bridges covered by item (i) above affect the activities associated with the General Market and item (ii) affect the Annexe Market. Therefore, it is very important that funding for both schemes is continued through to construction. The pipe subways are covered by a separate report to committee.</p> <p>2.6 The Risk Register is contained in Appendix 3.</p>
3. Options	<p>3.1 The options for the project considered at Gateway 3 remain the same and are also recommended for this additional work. The options for works to Structure No. 33/23, i.e. the bridge over the sidings, are to either undertake these proposed works, almost identical in nature to the existing project, or to defer them to a later date.</p> <p>3.2 These proposals are standard maintenance works for bridges and at some point in the near future, repair to, or full re-waterproofing would have to be undertaken. The proposals herein, are essentially bringing forward this maintenance work.</p> <p>3.3. If this maintenance work were to be undertaken later, it is quite likely that this will be after the Museum of</p>

	<p>London has opened its doors to the public, which would be disruptive.</p> <p>3.4 This report recommends and seeks to extend the waterproofing to include the adjacent highway bridge over the sidings at Charterhouse Street (Structure reference no. 33/23), so that both the highway structures over the railway, i.e. the main line and the sidings are waterproofed.</p> <p>3.5 This proposal is presented to committee in the knowledge that the Museum of London relocation project has aspirations to waterproof the privately owned structure around the General Market, therefore not waterproofing the highway bridge above the railway sidings would leave that area as the only structure not to be waterproofed around the new development.</p>
--	---

4. Budget	Item	Reason	Funds/ Source of Funding	Cost (£)
	Consultant fees <i>(note)</i>	Design and detailing	CWP	20,000
	Consultant fees <i>(note)</i>	CDM Principal Designer	CWP	5,000
	Consultant fees <i>(note)</i>	Quantity Surveyor & Network Rail Planner	CWP	18,000
	Consultant Fees	Inclusion of 33/23	Additional Capital Funds for City Fund Properties Programme	15,000
	Consultant Fees	Coordination with MoL project	Ditto	20,000
	Consultant Fees	Estimated site supervision at weekends and night time.	Ditto	20,000
	Investigations	To inform design and mitigate risks	CWP	40,000

	Further Investigations	Inform design and mitigate risks for the inclusion of 33/23.	Additional Capital Funds for City Fund Properties Programme	40,000
	Network Rail Management Costs	Project Management	CWP	27,000
	Network Rail	Advance access booking	CWP	120,000
	Project Costs Total			325,000

This Issue Report requests **£95,000** as highlighted by the greyed rows in the table above as well as an increase of **£65,000** for the works cost for 33/23.

The additional consultants fee for the inclusion of 33/23 is based pro-rata on the area compared with that of the adjacent highway structure with similar work. The fee is calculated as a tendered term contract % fee of the estimated value of works for 33/23.

The Coordination with MoL project is an estimated figure, which is based on attending a fixed number of meeting and assumed time afterward for actions. This could increase or decrease. It has been estimated on tendered time-charge rates.

Appendices

Appendix 1	Project Coversheet
Appendix 2	Plan showing extent and location of structures
Appendix 3	Risk Register

Contact

Report Author	Jagdeep Bilkhu
Email Address	jagdeep.bilkhu@cityoflondon.gov.uk
Telephone Number	020 7332 1544

Project Coversheet

[1] Ownership

Unique Project Identifier: 12021
Core Project Name: West Smithfield and Charterhouse Street
 (Thameslink) Bridges Remedial Works
Programme Affiliation (if applicable):
Project Manager: Jagdeep Bilkhu
Next Gateway to be passed: GW5

[2] Project Brief

Project Description: Undertaking maintenance work mainly to the underside and waterproofing the structures, all of which are over the railway.
Definition of need: Refurbish/maintain to extend the life of existing structures and to mitigate the Corporation's risk from third party claims.
Key measures of success: <1-3 qualitative/quantitative (not, on time/budget)

[3] Progress Status

Expected timeframe for the project delivery: Expected to reach construction stage in 2020 or 2021, depending on available railway access and other construction works in the vicinity, e.g. MoL Relocation Project.
Key Milestones:
Are we on track for completing the project against the expected timeframe for project delivery? Y
Has this project generated public or media impact and response which the City of London has needed to manage or is managing?
 No.

[4] Finance and Costed Risk

Headline Financial, Scope and Design Changes: Update relevant section post report approval. Add multiple entries to relevant box if issues reports are approved. Note this section is to tell the 'project story' of how we reached the current position outlined in the main report.

Since G1-4 Report (PSC Approval on 12/09/2018):

- Total Estimated Cost (excluding risk): £684,000
- Resources to reach next Gateway (excluding risk): £230,000
- **Spend to date:**
- Costed Risk Against the Project: £5,160,000
- CRP Requested: £60,000
- CRP Drawn Down: Zero

Scope/Design Change and Impact:

Since 'Authority to start Work' G5 report (PSC Approval xx/yy/zz):

- Total Estimated Cost (excluding risk):
- Resources to reach next Gateway (excluding risk)
- Spend to date:
- Costed Risk Against the Project:

This document can only be considered valid when viewed via the CoL Intranet website. If this is printed into hard copy or saved to another location, you must check that the effective date on your copy matches that of the one on-line.

- CRP Requested:
- CRP Drawn Down:

Scope/Design Change and Impact:

Total anticipated on-going commitment post-delivery [£]: Continuing with undertaking a programme of inspections and maintenance identified from these inspections.

Programme Affiliation [£]: <(If applicable) What is the estimated total programme cost including this project:>

Top risk: <threat that has not come to pass>

<i>Risk description</i>	Undertaking and managing construction work above a railway without causing damage to, or affecting the running of trains.
-------------------------	---

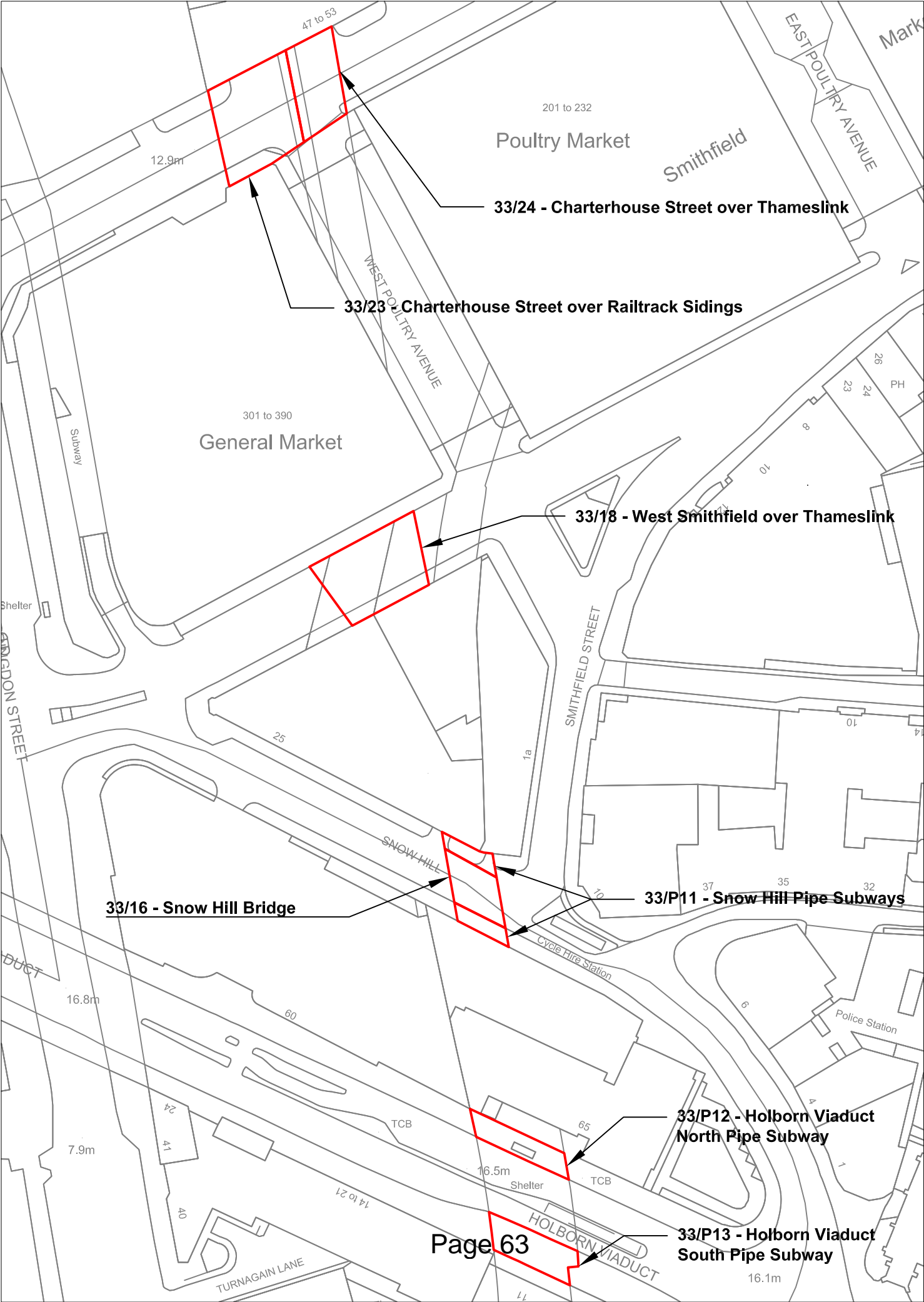
Top issue realised <risks which have come to pass:>

<i>Issue Description</i>	<i>Impact and action taken</i>	<i>Realised Cost</i>

[5] Member Decisions and Delegated Authority

<Key decisions taken in Service or other Committees relevant to this project's development and delivery (where decision is an addition or change from a gateway paper as presented at the time).> <Key decisions taken outside of Committee, since last report. (If applicable)>

Appendix 2 - Plan showing extent and location of structures



This page is intentionally left blank

City of London: Projects Procedure Corporate Risks Register

Project Name: West Smithfield and Charterhouse Street (Thameslink) Bridges Remedial Works

Unique project identifier: _____

Total budget estimate £844,000.00

PM's Overall risk rating	Medium
Avg unmitigated risk score	10.4
Avg mitigated risk score	5.8
Red risks (open)	2
Amber risks (open)	7
Green risks (open)	2

Corporate Risk Matrix score table

	Minor impact	Serious impact	Major impact	Extreme impact
Likely	4	8	16	32
Possible	3	6	12	24
Unlikely	2	4	8	16
Rare	1	2	4	8

Costed risks identified (All)	£5,210,000.00	617%	% risk total against budget estimate
Costed risk carried (Live)	£5,210,000.00	617%	" "
Costed mitigated risk carried (Live)	£4,670,000.00	553%	" "
Risks with Contingency requests (live)	£70,000.00	8%	" "

- (1) Service Delivery/ Performance
- (2) Financial
- (3) Reputation
- (4) Legal/ Statutory
- (5) Safety/ Health
- (6) Objectives

Num Risks	Avg Score	Costed impact	Red	Amber	Green
6	9.7	£2,600,000.00	1	4	1
3	13.3	£2,350,000.00	1	2	0
2	8.0	£260,000.00	0	1	1
0	#DIV/0!	£0.00	0	0	0
0	#DIV/0!	£0.00	0	0	0
0	#DIV/0!	£0.00	0	0	0

Issues (open)	1
All Issues	1

	Extreme	Major	Serious	Minor
Open Issues	0	0	0	1
All Issues	0	0	0	1

Cost to resolve all issues (on completion) £0.00

This page is intentionally left blank

Committees: Planning and Transportation Committee <i>[for decision]</i> Projects Sub Committee <i>[for decision]</i> Markets Committee <i>[for information]</i>	Dates: 01 October 2019 20 September 2019 25 September 2019
Subject: Pipe Subways of Holborn Viaduct and Snow Hill over Thameslink Unique Project Identifier: 9845	Gateway 4: Detailed Options Appraisal (Complex)
Report of: Director of the Built Environment Report Author: Jagdeep Bilkhu	For Decision
<h1>PUBLIC</h1>	

1. Status update	<p>Brief Description: Refurbishment/maintenance/replacement to extend the life of existing structures and to mitigate the Corporation's risk from third party claims.</p> <p>RAG Status: Amber (Green at last report to committee)</p> <p>Risk Status: Medium (Medium at last report to committee)</p> <p>Total Estimated Cost of Project (excluding risk): £2.666m (incl. construction costs of £2.160m and £506k of fees, enabling works, Network Rail Access etc., which includes a scope change to extend waterproofing and repairs to jack-arches across the carriageway).</p> <p>Change in Total Estimated Cost of Project (excluding risk): Decrease of £7.614m since last report to Committee (as a result of not selecting the most expensive options which involved total or significant replacement of elements).</p> <p>Spend to Date: £256k (including commitments).</p> <p>Costed Risk Provision Utilised: Zero</p> <p>Slippage: There are no delays/issues to report that impact cost/quality/scope/time with respect to highway work in isolation.</p>
-------------------------	--

It is proposed that these works proceed on the premise of collaborative effort to utilise common railway access requirements with the MoL Relocation Project as they will likely be the same as those required for the completion of these works. It is therefore imperative that the design is ready as soon as practically possible this year (in 2019) to allow the works to be undertaken to align with the programme of the museum project, due for construction next year (in 2020) if possible.

Background:

- 1.1 The requirements of this project were previously reported in April 2017. Since then, feasibility studies have been prepared for both sites at Holborn Viaduct and Snow Hill, including liaisons with utility companies. More importantly an agreement has been put in place for the City to commence dialogue with Network Rail for the arrangement of access (possessions) for both further inspections and for the construction phase.
- 1.2 Since the previous report to committee in relation to these two pipe subways it has become apparent that works need to be coordinated as far as practically possible, with (i) the Museum of London Relocation project and also (ii) the capital scheme involving bridges on West Smithfield and Charterhouse Street which are reported separately (as project no. 12021). The bridges require re-waterproofing, re-surfacing and concrete repairs to the underside (needing railway access). The report referred to in (ii) above is an Issue Report following the combined GW1/2/3/4 presented in September 2018.
- 1.3 An outline location plan is presented in Appendix 2, showing all the structures covered by this report (**33/P11**, **33/P12** and **33/P13**). Other highway structures of interest to the City of London as highway authority and currently of interest to the Museum of London (MoL) relocation project are also shown, for information only.
- 1.4 Both of the projects mentioned in 1.2 above involve permanent work to highway around or adjacent to the General, Poultry and Annexe Markets. The MoL project also involves the relocation of a Road Rail Access Ramp (RRAP) adjacent to the railway sidings. The commonality in all these schemes is both the construction work and gaining access to the railway through Network Rail.
- 1.5 ECI has taken place in the form of a non-committal consultation with a contractor. The ECI process has also confirmed synergies between the construction works of this project and the MoL relocation project. Consideration has been given to the construction phase being undertaken by a contractor through the MoL tender process to be most prudent, although certain principles and approvals need to

be agreed with CoL as highway authority, Network Rail and in respect of structures supporting the highway owned by CoL in a private capacity.

- 1.6 The engineering team have already commenced a collaborative effort with the Museum of London team to coordinate work and common goals, including liaising with Network Rail for access.

Project Description:

- 1.7 The preferred option at Snow Hill is to keep the existing buckle plates that form the roof of the subways and cast a reinforced concrete slab over the top with the buckle plates acting as a non-structural formwork. This will require raising of highway levels to accommodate the concrete slab.
- 1.8 This is not possible at Holborn Viaduct as the shallow depth above the structure and the existing gradient make it less amenable to raising of levels. The proposed solution here is to replace the roof slabs.
- 1.9 This report also proposes that the carriageway of Snow Hill is waterproofed at the same time as the work to the pipe subways situated under the footways. The carriageway is carried by a series of jack-arches. A recent inspection dated 20/01/2019 has revealed that the jack-arches supporting the carriageway have extensive loss of pointing, as well as corrosion to the metal elements, which can only be accessed from the railway. The above described scope change is also proposed to be included in the works covered in this project to make economic use of the railway access and reduce the City's risk associated with maintenance of our structures.
- 1.10 The works to the pipe subways will result in some excavation into the carriageway at both sites when the kerbs are removed and potentially resulting in damage of the waterproofing in the road. It is proposed that a sprayed applied waterproofing system will be used over the new roof slabs for the pipe subways under the footways at both locations. Given the potential for damaging the waterproofing in the carriageway when working along the line of the kerbs, it is prudent to waterproof the entire bridge structure where possible, including both footways and the carriageway. At Snow Hill it is possible to do this with little disruption to traffic flow and therefore, waterproofing of the entire deck is recommended. While this would also be preferred at Holborn Viaduct, it is more difficult due to impact on the highway network and consequently will not form part of this project. A suitable construction detail will be specified to lap the waterproofing on Holborn Viaduct.

	<p>1.11 It is also noted that the structure supporting the carriageway of Holborn Viaduct is a single span masonry arch as opposed to jack-arches carrying the carriageway of Snow Hill. The condition of these two structures is also different, with the jack arches of Snow Hill being in worse condition.</p> <p>1.12 This project will also require considerable liaison and coordination with the developer of Citycape House at 61-65 Holborn Viaduct, which is the land that lies between the bridges at Snow Hill and Holborn Viaduct. There are plans to bring the existing building, currently soft-stripped and empty, back into use with demolition and construction work scheduled to possibly overlap with our own programme.</p>								
2.	<p>Next Gateway: 4c (Detailed design)</p> <p>Next Steps:</p> <ul style="list-style-type: none">▪ Complete all investigations.▪ Further communications with all stakeholders and interested parties.▪ Complete the preferred design and prepare specifications and drawings. <p>Requested Decisions:</p> <ol style="list-style-type: none">1. That additional budget of £225,000 is approved for GW4 to reach the next Gateway, including scope change for inclusion of structure supporting the carriageway of Snow Hill;2. Note the revised cumulative project budget of £481,000 (excluding risk);3. Note the total estimated cost of the project at £2.666m (excluding risk);4. That a Costed Risk Provision of £75,000 is approved (to be drawn down via delegation to Chief Officer).5. That Gateway 4C Detailed Design is approved via Planning and Transportation Committee.								
3. Resource requirements to reach next Gateway	<p>For recommended option 3a and 3b:</p> <table><tr><th>Item</th><th>Reason</th><th>Funds/ Source of Funding</th><th>Cost (£)</th></tr><tr><td>Staff Costs</td><td>Project management and coordination</td><td>On-Street Parking Reserve (OSPR)</td><td>30,000</td></tr></table>	Item	Reason	Funds/ Source of Funding	Cost (£)	Staff Costs	Project management and coordination	On-Street Parking Reserve (OSPR)	30,000
Item	Reason	Funds/ Source of Funding	Cost (£)						
Staff Costs	Project management and coordination	On-Street Parking Reserve (OSPR)	30,000						

	Consultant Fees	Design, detailing, specification including 33/16	OSPR	65,000
	Consultant Fees	Coordination with MoL project	OSPR	20,000
	Consultant Fees	CDM duties	OSPR	20,000
	Further Investigations	Inform design and mitigate risks	OSPR	50,000
	Cost Consultant		OSPR	40,000
	Total			225,000
Costed Risk Provision requested for this Gateway: £75,000 (as detailed in the Risk Register – Appendix 3)				
4. Overview of project options	<p>4.1 Doing nothing was presented as an option at GW3 but it has become apparent that the vicinity of these structures to the new Museum of London and Annexe Building will mean that this is not a feasible option.</p> <p>4.2 Options 4 and 5 have been discounted primarily due to the significantly high costs of these two options and the complexity associated with them.</p>			
5. Recommendation	<p>5.1 Option 3a, recommended for Snow Hill. Involves keeping the metal buckles plates that form the roof wherever possible and strengthening with a concrete over-slab. Refurbish other elements from within and from railway below.</p> <p>5.2 Option 3b, recommended for Holborn Viaduct. Involves replacing the roof slabs. Refurbish other elements from within and from railway below.</p>			
6. Risk	<p>6.1 Reference should be made to the Risk Register for further details (Appendix 3).</p> <p>Most risks can be reduced and/or controlled. However, it is worth noting that the biggest risk by far to this project</p>			

	<p>could be from potential delays to the train operating companies should construction work affect the railway. This could run into the £m's as delays are in the order of £100k per hour should train operation be affected. This is to be managed by undertaking as much, if not all work that could affect the railway in possessions when no trains are running and physically protecting the railway infrastructure.</p> <p>6.2 The Risk Register is contained in Appendix 3. It should be noted that the costed risk is large due to the possibility of overrunning engineering work and/or damage to the railway infrastructure which cannot be eliminated completely. This will be mitigated by undertaking as many investigations and considered design and logistics, as well as appointing an experienced contractor who understands the risks associated with the railway and will likely be the holder of many of the large risk items. However, the costed risk provision of £75,000 is an estimated figure to allow for protracted coordination efforts with the MoL project and Network Rail to continue without the need to revert to committee.</p>
7. Procurement strategy	<p>7.1 Members were advised that we would seek pre-contract advice. Arcadis have engaged with a contractor to provide that pre-contract advice. The consensus from that advice was that the scheme would be too small for a large contractor to be interested in submitting a tender. Unfortunately, a smaller contractor may not have the experience or be able to deal with the associated risk of working on the railway.</p> <p>7.2 However, since that advice has been received the City have been working collaboratively with the MoL relocation project and another scheme to refurbish bridges on West Smithfield and Charthouse Street (covered by a separate report).</p>

Appendices

Appendix 1	Project Coversheet
Appendix 2	Plan showing extent and location of structures
Appendix 3	Risk Register

Contact

Report Author	Jagdeep Bilkhu
Email Address	jagdeep.bilkhu@cityoflondon.gov.uk
Telephone Number	020 7332 1544

Options Appraisal Matrix

The matrix includes the options presented to Members in the previous report that will now not be considered further.

<i>Option Summary</i>	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3a</i>	<i>Option 3b</i>	<i>Option 4</i>	<i>Option 5</i>
1. Brief description of option	“Do nothing” to the pipe subways but provide protection.	Replace the roof slabs of all pipe subways only. Not the preferred option and is not recommended.	From above and within the subway -Keep the iron buckle plates that form the roof of the pipe subways. Strengthen with a concrete over-slab. -refurbish the internal metal faces of the girders and other structural elements of the subway From below, i.e. requiring railway access -Carry out concrete repairs to the soffit of the subway bases -Replace any mortar loss, re-pointing of the jack-arches -repair/replacement of tie-bar between jack-arches	From above and within the subway -Replace the roof slabs of the pipe subways. -refurbish the internal metal faces of the girders and other structural elements of the subway From below, i.e. requiring railway access - Carry out concrete repairs to the soffit of the subway bases -Investigate the condition of the outer walls of the subways and remediate as appropriate	Replace roof and base slabs, with full refurbishment of main girders. Not the preferred option and is not recommended due to high costs and complexity.	Fully replace all pipe subways, including the main girders, the base and the roof. Not the preferred option and is not recommended due to significantly high costs and complexity.
2. Scope and exclusions	▪ Considered to be no longer	▪ No refurbishment	▪ Pipe subway remedial works are limited to	▪ Pipe subway remedial works are limited to	▪ Work could potentially	▪ Work could potentially include

Option Summary	Option 1	Option 2	Option 3a	Option 3b	Option 4	Option 5
	<p>feasible as it is understood that both the Annexe Market and the property at 65 Holborn Viaduct have proposals to return to use.</p> <ul style="list-style-type: none"> As a result of the above return to use, protection would not be possible to the full length of the subways. 	t of any other elements.	<p>approximately the area over the railway.</p> <ul style="list-style-type: none"> At Snow Hill this would involve raising of footway levels locally over the structure and grading the surfacing back into the sides to accommodate a concrete slab over the buckle plates which would be used as permanent formwork, not structurally participating. 	approximately the area over the railway.	<p>include refurbishing fixtures holding utilities apparatus within the pipe subway.</p> <ul style="list-style-type: none"> Utilities may need to be diverted for this option 	<p>refurbishing fixtures holding utilities apparatus within the pipe subway.</p> <ul style="list-style-type: none"> Utilities will need to be temporarily diverted for this option
Project Planning						
3. Programme and key dates	<p>The construction phase of the project is now proposed to align with construction phase activity of the Museum of London relocation project from above. Therefore, the programme and key dates, broadly, are as follows:</p> <ul style="list-style-type: none"> complete design and drawings – October to December 2019 					

Option Summary	Option 1	Option 2	Option 3a	Option 3b	Option 4	Option 5
	<ul style="list-style-type: none"> ▪ prepare specification – December 2019 to January 2020 ▪ Top side construction works – February 2020 to March 2021 (depending on activities of the Museum of London). 					
4. Risk implications	<p>Medium Risk</p> <ul style="list-style-type: none"> ▪ Breach of agreement with utility companies to maintain pipe subways in suitable condition ▪ Risk of legal challenge from utilities if damage occurs to their plant from a structural failure. ▪ Consequential reputational value to the City 	<p>Medium Risk</p> <ul style="list-style-type: none"> ▪ Increased reactive (unplanned) maintenance costs of replacing the roof slabs and potential damage to utilities. ▪ Base slabs and internal pipe subway utilities/apparatus would need protection when 	<p>Medium Risk</p> <ul style="list-style-type: none"> ▪ Increased reactive (unplanned) maintenance costs of replacing the roof slabs and potential damage to utilities. ▪ Base slabs and internal pipe subway utilities/apparatus would need protection when demolishing roof slabs at either location. ▪ Small but significant risk from damage to Overhead Line Electrification (OLE), particularly from soffit remedial work. ▪ Breach of agreement with utility companies to maintain pipe subways in a suitable condition. ▪ Depreciation in asset value. ▪ Risk of legal challenge from utilities if damage occurs to their plant from a structural failure. ▪ Consequential reputational value to the City. <p>Further information on Option 3a and 3b , including construction risks is available within the risk register (Appendix 3).</p>		<p>High Risk</p> <ul style="list-style-type: none"> ▪ Increased reactive (unplanned) maintenance costs of replacing the roof slabs and potential damage that could be caused to utilities. ▪ Overhead Line Electrification (OLE) is very close to the soffit of the base slab. ▪ Breach of agreement 	<p>High Risk</p> <ul style="list-style-type: none"> ▪ Overhead Line Electrification (OLE) is very close to the soffit of the base slab. ▪ Breach of agreement with utility companies to maintain pipe subways in suitable condition. ▪ Depreciation in asset value.

Option Summary	Option 1	Option 2	Option 3a	Option 3b	Option 4	Option 5
	<ul style="list-style-type: none"> ▪ Risk to railway. 	<ul style="list-style-type: none"> demolishing roof slab. ▪ Breach of agreement with utility companies to maintain pipe subways in suitable condition ▪ Depreciation in asset value. ▪ Risk of legal challenge from utilities if damage. ▪ Risk to railway. 			<ul style="list-style-type: none"> with utility companies to maintain pipe subways in suitable condition. ▪ Depreciation in asset value. ▪ Risk of legal challenge from utilities if damage occurs to their plant from a structural failure. 	<ul style="list-style-type: none"> ▪ Risk of legal challenge from utilities if damage occurs to their plant from a structural failure. ▪ Consequential reputational value to the City.
5. Stakeholders and consultees	Same as Options 2-5 but long, protracted negotiations with Network Rail are	<u>Internal</u> City of London – City Surveyor's Department City of London Police Smithfield Market <u>External</u> Network Rail				

Option Summary	Option 1	Option 2	Option 3a	Option 3b	Option 4	Option 5
	unlikely to be required.	Transport of London Utilities Companies Museum of London Relocation Project Various parties involved in the re-development of 65 Holborn Viaduct Neighbours and Local Businesses				
6. Benefits of option	<ul style="list-style-type: none"> Short term cost benefits only, plus lack of disruption to both highway and railway traffic by works. 	<ul style="list-style-type: none"> Understrengt h roof elements replaced. Cheapest works option which addresses the understrengt h roof elements. Least disruption to traffic and railway (apart from Option 1). 	<ul style="list-style-type: none"> Understrength roof elements strengthened or replaced (where not possible to strengthen). Addresses defects to the soffits of the pipe subways. The most important maintenance will be completed. Complete structure over railway area waterproofed. 	<ul style="list-style-type: none"> Understrength roof elements replaced Addresses defects to the soffits of the pipe subways. Will allow inspection and hopefully repair if necessary, of the outside face of girders. The most important maintenance will be completed. 	<ul style="list-style-type: none"> Understrengt h roof elements replaced. Completely refurbishes the main girders. Reduced risk of failure. 	<ul style="list-style-type: none"> Longer life with low maintenance Eliminate risk of failure.
7. Disbenefits of option	<ul style="list-style-type: none"> Disbenefits as risks above, including depreciation 	<ul style="list-style-type: none"> Other maintenanc e identified from 	<ul style="list-style-type: none"> Not a cheap option but not as expensive as a full replacement. 	<ul style="list-style-type: none"> Not a cheap option but not as expensive as a full replacement. Likely to be quite disruptive above ground 	<ul style="list-style-type: none"> Expensive. No real need to 	<ul style="list-style-type: none"> Likely to be much more expensive than all the

Option Summary	Option 1	Option 2	Option 3a	Option 3b	Option 4	Option 5
	in asset value and let-able value. ▪ May not be feasible for both sites at all locations.	structural inspections not carried out.		in terms of traffic management and various physical obstacles.	replace the base slabs	other options. ▪ Potential to disrupt traffic a lot more than the other options. ▪ Utilities will likely need to be diverted.
Resource Implications						
8. Total estimated cost	£150k - £200k	£3m - £5m.	Costs are difficult to estimate with high level of confidence given the location and position of the structures over railway. The costs below are estimated by the consultant following completion of the feasibility studies. (Does not include risk money) Construction works = £1,000,000 approx.	Construction works = £700,000 approx.	£5m – £7m	Up to £10m

Option Summary	Option 1	Option 2	Option 3a	Option 3b	Option 4	Option 5
			Rail possessions = £260,000 approx. Supervision of Client's Representative = £25,000	Rail possessions = £200,000 approx.		
9. Funding strategy	<p>This project has previously been agreed for progression outside of the Fundamental Review due to the deteriorating condition of the structures making them essential and urgent and the synergy with the Museum of London tunnel lids works.</p> <p>Internal funding is anticipated from the City Fund's On-Street Parking Reserve. For the works, external sources will be considered, including application for funding from TfL for specific schemes (possibly through LoBEG) as well as exploring the possibility for Third Party contribution, i.e. reviewing the potential for utilities companies that use the pipe subway to make contribution.</p> <p>As this project is working jointly with the MoL relocation project, our consultant's brief has been evolving.</p> <p>The estimated cost of the construction works is now £ 2.160m (excluding risk) and £25,000 for supervision of works by Client's representative.</p> <p>The estimated total cost of the project is now £ 2.666m (excluding risk of £75,000). After allowing for funding of £313,000 previously approved, a funding shortfall of £2428m remains to be funded from the OSPR.</p>					
10. Investment appraisal	n/a					

Page 80

Option Summary	Option 1	Option 2	Option 3a	Option 3b	Option 4	Option 5
11. Estimated capital value/return	n/a					
12. Ongoing revenue implications	Maintenance costs of pipe subways through routine programmed inspections and reactive maintenance coming from current revenue budget for highway structures/pipe subways and recharged to utilities companies.					
13. Affordability	Of all the options this is the most affordable but does not address any maintenance or strengthening issues with the pipe subways.	Options 4 and 5 have been discounted as affordability has been taken into account. It was previously reported that funds for at least Option 2 or 3 would need to be found. However, Option 2 is not recommended and therefore funds need to be found for Option 3.			Option 4 is desirable but it may not be necessary to replace the base slabs.	Option 5 would require significant financial input but may be the best whole life cost solution.
14. Legal implications	Under Part V of the City of London (Various Powers) Act 1900 the City is authorised to construct pipe subways under streets to accommodate utilities apparatus (utilities are prohibited from installing apparatus directly into the road where pipe subways are available, and this enables utility apparatus to be installed and maintained without breaking open the streets and the consequential traffic disruption, as well as increasing capacity for apparatus). The 1900 Act provides for the pipe subways to vest in the City's ownership and for the City to be responsible for the maintenance and repair of the pipe subways. Utilities may be charged for their use of the pipe subways and the charge may reflect the City's expenses incurred in the maintenance, repair, management and improvement of the pipe subways (s.73 London Local Authorities Act 2007).					

Option Summary	Option 1	Option 2	Option 3a	Option 3b	Option 4	Option 5
15. Corporate property implications	<p>None of the pipe subways have corporate property implications. The two subways in Holborn Viaduct form part of the wider viaduct structure, some of which is let by the City Surveyor's Department. The scheme is not expected to directly impact the tenanted properties within Holborn Viaduct.</p> <p>It is understood that the Annexe Market which has been in a state of dilapidation is being brought back into use. The work to the pipe subways in Snow Hill will impact the crossovers to the Annexe Market but it is understood that at the present time, this proposal will not negatively impact access/egress from the crossovers.</p>					
16. Traffic implications	<ul style="list-style-type: none"> ▪ Closure of footways but not necessarily together. ▪ Least impact on road traffic of all options. 	<ul style="list-style-type: none"> ▪ Closure of both footways at Holborn Viaduct which would require pedestrian management. ▪ Potentially requiring some carriageway space but no lane closures expected. 	<ul style="list-style-type: none"> ▪ Moderate traffic implication. ▪ If the work to waterproof the carriageway is agreed, then construction may need to be phased on Snow Hill if a full closure cannot be obtained. 	<ul style="list-style-type: none"> ▪ Major implications. ▪ Traffic management on Holborn Viaduct is likely to be more complicated than Snow Hill. ▪ The work on Holborn Viaduct is very likely to need phasing, therefore removal of the central reservation and reinstatement after completion of the work to the pipe subways. ▪ There is a bus shelter/stop that will require re-location as well as a staggered crossing, a telephone 	<ul style="list-style-type: none"> ▪ Closure of both footways at Holborn Viaduct which would require pedestrian management. ▪ Potentially requiring some carriageway space but no lane closures expected. 	<ul style="list-style-type: none"> ▪ Closure of both footways at Holborn Viaduct which would require pedestrian management. ▪ Work is likely to be phased and would require the removal of at least part of the central

Option Summary	Option 1	Option 2	Option 3a	Option 3b	Option 4	Option 5
				box, utilities cabinet and various items of street furniture.	<ul style="list-style-type: none"> ▪ Work is likely to be phased and would require the removal of at least part of the central reservation on Holborn Viaduct. ▪ If carriageway space is required, London Buses may be impacted. 	reservation on Holborn Viaduct. <ul style="list-style-type: none"> ▪ Carriageway space is likely to be required and London Buses will be impacted.
17. Sustainability and energy implications	All options will endeavour to support local labour where possible. However, it should be noted that there are specialisms involved in the works that could make this difficult.					
18. IS implications	n/a					
19. Equality Impact Assessment	n/a					

<i>Option Summary</i>	<i>Option 1</i>	<i>Option 2</i>	<i>Option 3a</i>	<i>Option 3b</i>	<i>Option 4</i>	<i>Option 5</i>
20. Data Protection Impact Assessment	n/a					
21. Recommendation	Not recommended	Not recommended	Recommended	Recommended	Not recommended	Not recommended

This page is intentionally left blank

Project Coversheet

[1] Ownership

Unique Project Identifier: 9845
Core Project Name: Pipe Subways of Holborn Viaduct and Snow Hill
Programme Affiliation: Currently trying to coordinate works with both (i) the Museum of London Relocation Project and (ii) West Smithfield and Charterhouse Street (Thameslink) Bridges Remedial Works
Project Manager: Jagdeep Bilkhu
Next Gateway to be passed: 4c

[2] Project Brief

Project Description: Strengthening the roofs of utility pipe subways and undertaking maintenance work to other elements, waterproofing the structure all of which is over the railway.

Definition of need: Strengthen structures to meet the needs of current standards, refurbish/maintain to extend the life of existing structures and to mitigate the Corporation's risk from third party claims.

Key measures of success: <1-3 qualitative/quantitative (not, on time/budget)

[3] Progress Status

Expected timeframe for the project delivery: Expected to reach construction stage in 2020 or 2021, depending on available railway access and other construction works in the vicinity, e.g. MoL Relocation Project.

Key Milestones:

Are we on track for completing the project against the expected timeframe for project delivery? Y

Has this project generated public or media impact and response which the City of London has needed to manage or is managing?

No

[4] Finance and Costed Risk

Headline Financial, Scope and Design Changes: Update relevant section post report approval. Add multiple entries to relevant box if issues reports are approved. Note this section is to tell the 'project story' of how we reached the current position outlined in the main report.

Since 'Project Briefing' G1 report:

- Project predates the Gateway process. No GW1 available.

Since 'Project Proposal' G2 report:

- Project predates the Gateway process. No GW2 available.

Since 'Options Appraisal and Design' G3 report (PSC Approval 18/07/2017):

- Total Estimated Cost (excluding risk):
- Resources to reach next Gateway (excluding risk): £313,000
- Spend to date: £256,000 (incl. commitments)
- Costed Risk Against the Project: £0

<ul style="list-style-type: none"> CRP Requested: £0 CRP Drawn Down: £0 	
Scope/Design Change and Impact:	
Since 'Authority to start Work' G5 report: <ul style="list-style-type: none"> N/A 	

Total anticipated on-going commitment post-delivery [£]:<Current Range>
Programme Affiliation [£]:<(If applicable) What is the estimated total programme cost including this project:>

Cost of carrying out routine inspections which will come from local risk money and any minor maintenance also from local risk money.

Top risk: <threat that has not come to pass>

<i>Risk description</i>	Undertaking and managing construction work above a railway without causing damage to, or affecting the running of trains.
-------------------------	---

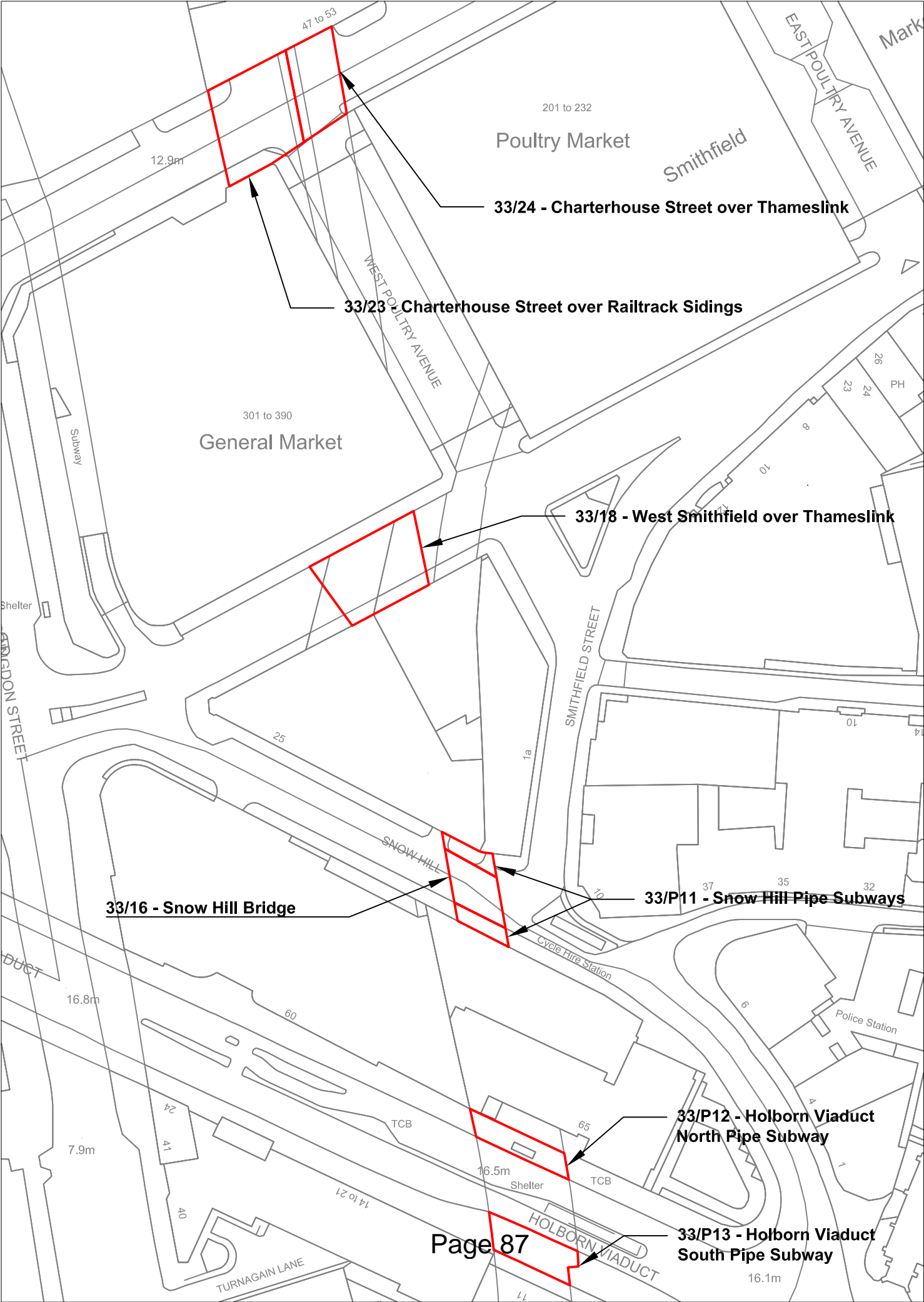
Top issue realised <risks which have come to pass:>

<i>Issue Description</i>	<i>Impact and action taken</i>	<i>Realised Cost</i>
Trial Pits have revealed that façade of Annexe Market is overhanging the girder of the pipe subway in the north footway of Snow Hill but it is not known if this is directly loading it.	Potential strengthening of girder. Further investigations proposed. Liaisons with MoL relocation project also ongoing, as they will have an interest in this issue. Consultant to undertake calculations to confirm 'residual' capacity for carrying the façade.	Zero at present.

[5] Member Decisions and Delegated Authority

<Key decisions taken in Service or other Committees relevant to this project's development and delivery (where decision is an addition or change from a gateway paper as presented at the time).> <Key decisions taken outside of Committee, since last report. (If applicable)>

Appendix 2 - Plan showing extent and location of structures



This page is intentionally left blank

City of London: Projects Procedure Corporate Risks Register

Project name: Pipe Subways of Holborn Viaduct and Snow Hill over Thameslink

Unique project identifier: 9845

Total estimated cost £0

PM's overall risk rating

Medium

Avg risk pre-mitigation

10.2

Avg risk post-mitigation

4.5

Red risks (open)

5

Amber risks (open)

9

Green risks (open)

3

Corporate Risk Matrix score table

	Minor impact	Serious impact	Major impact	Extreme impact
Likely	4	8	16	32
Possible	3	6	12	24
Unlikely	2	4	8	16
Rare	1	2	4	8

Costed risks identified (All)

£10,925,000.00 0%

Costed risk as % of total estimated cost of project

Costed risk pre-mitigation (open)

£10,925,000.00 0%

" "

Costed risk post-mitigation (open)

£75,000.00 0%

" "

Costed Risk Provision requested

£75,000.00 0%

CRP as % of total estimated cost of project

(1) Service Delivery/ Performance

(2) Financial

(3) Reputation

(4) Legal/ Statutory

(5) Safety/ Health

(6) Objectives

Number of Open Risks	Avg Score	Costed impact	Red	Amber	Green
5	10.8	£900,000.00	1	4	0
5	11.6	£6,250,000.00	2	3	0
0	0.0	£0.00	0	0	0
0	0.0	£0.00	0	0	0
5	7.8	£3,450,000.00	1	1	3
2	11.0	£325,000.00	1	1	0

Issues (open)

0

Open Issues

All Issues

0

All Issues

Extreme	Major	Serious	Minor
0	0	0	0
0	0	0	0

Cost to resolve all issues
(on completion)

£0.00

Total CRP used to date

£0.00

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank