



## Markets Committee

**Date:** FRIDAY, 11 SEPTEMBER 2020

**Time:** 9.30 am

**Venue:** VIRTUAL PUBLIC MEETING (ACCESSIBLE REMOTELY)

**Members:**

James Tumbridge, Tower	Gregory Lawrence, Farringdon
John Chapman, Langbourn	Without North Side
Matthew Bell, Farringdon Within	Deputy Edward Lord, Farringdon
Peter Bennett, Wallbrook	Without
Nicholas Bensted-Smith, Cheap	Wendy Mead, Farringdon Without
Mark Bostock, Cripplegate	North Side
Deputy David Bradshaw, Cripplegate	Deputy Robert Merrett, Bassishaw
Within	Deputy Brian Mooney (Chief Comm
Simon Duckworth, Bishopsgate	oner), Queenhithe
Without	Deputy Hugh Morris
John Edwards, Farringdon Within	Deputy Joyce Nash, Aldersgate
Deputy Kevin Everett, Candlewick	John Petrie, Billingsgate
Helen Fentimen	Stephen Quilter, Cripplegate
Alderman Alison Gowman	Without
Alderman David Graves	Deputy Elizabeth Rogula
Deputy Tom Hoffman	John Scott, Broad Street
Michael Hudson	Ian Seaton, Cornhill
Deputy Henry Jones, Portsoken	Deputy Dr Giles Shilson, Bread
Angus Knowles-Cutler, Castle Baynard	Street
Gregory Lawrence, Farringdon Without	Mark Wheatley, Dowgate
North Side	Deputy Philip Woodhouse
	Dawn Wright

**Enquiries:** Antoinette Duhaney, 020 7332 1408,  
[antoinette.duhaney@cityoflondon.gov.uk](mailto:antoinette.duhaney@cityoflondon.gov.uk)

### **Accessing the virtual public meeting**

**Members of the public can observe this virtual public meeting at the below link:**

<https://youtu.be/HGMCnzErBrs>

This meeting will be a virtual meeting and therefore will not take place in a physical location following regulations made under Section 78 of the Coronavirus Act 2020. A recording of the public meeting will be available via the above link following the end of the public meeting for up to one municipal year. Please note: Online meeting recordings do not constitute the formal minutes of the meeting; minutes are written and are available on the City of London Corporation's website. Recordings may be edited, at the discretion of the proper officer, to remove any inappropriate material.

**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. **ORDER OF THE COURT OF COMMON COUNCIL**

To receive the Order of the Court of Common Council dated 16th July 2020.

**For Information**  
(Pages 1 - 2)

4. **ELECTION OF CHAIRMAN**

To elect a Chairman pursuant to Standing Order 29.

**For Decision**

5. **ELECTION OF DEPUTY CHAIRMAN**

To elect a Deputy Chairman pursuant to Standing Order 30.

**For Decision**

6. **VOTE OF THANKS**

**For Information**

7. **ESTABLISHMENT OF THE MARKETS REFERENCE SUB COMMITTEE**

Report of the Town Clerk

**For Decision**  
(Pages 3 - 4)

8. **PUBLIC MINUTES**

To agree the public minutes of the meeting held on 15<sup>th</sup> July 2020.

**For Decision**  
(Pages 5 - 10)

9. **OUTSTANDING ACTIONS LOG - SEPTEMBER 2020**

Report of the Town Clerk

**For Information**  
(Pages 11 - 14)

10. **SUPERINTENDENTS UPDATES (ORAL REPORT)**

The Superintendents to be heard.

**For Information**

11. **MARKETS BUSINESS PLAN UPDATE PERIOD 1 2020/21 (APRIL-JULY)**

Report of the Director of Markets & Consumer Protection

**For Information**  
(Pages 15 - 30)

12. **MARKETS COMMITTEE RISK UPDATE - SEPTEMBER 2020**

Report of the Director of Markets & Consumer Protection

**For Information**  
(Pages 31 - 42)

13. **SMITHFIELD MARKET CAR PARK UTILISATION: FEBRUARY 2020 - JULY 2020**

Report of the Director of Markets & Consumer Protection

**For Information**  
(Pages 43 - 46)

14. **MARKETS CO-LOCATION PROGRAMME: FOOD SCHOOL**

Joint report of the City Surveyor and the Director of Markets & Consumer Protection

**For Information**  
(Pages 47 - 66)

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

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

17. **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**

### **18. NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 15<sup>th</sup> July 2020.

**For Decision**  
(Pages 67 - 70)

### **19. TENANCIES AT WILL AND ASSIGNMENTS**

Report of the Director of Markets & Consumer Protection

**For Information**  
(Pages 71 - 72)

### **20. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

### **21. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

## **Part 3 - Confidential Agenda**

### **22. MARKETS CONSOLIDATION PROGRAMME UPDATE**

Joint report of the City Surveyor and the Director of Markets and Consumer Protection

**For Information**

### **23. PROMOTION OF CITY OF LONDON (MARKETS) BILL**

Report of the Rememberancer

**For Information**

### **24. COVID 19 - PROPOSALS FOR ADDITIONAL SUPPORT FOR TENANTS**

Joint report of the Director of Markets & Consumer Protection and the City Surveyor

**For Decision**

This page is intentionally left blank

RUSSELL, Mayor	<b>RESOLVED:</b> That the Court of Common Council holden in the Guildhall of the City of London on Thursday 16 <sup>th</sup> July 2020, doth hereby appoint the following Committee until the first meeting of the Court in April, 2021.
----------------	--

## MARKETS COMMITTEE

- Constitution**  
A Ward Committee consisting of,
  - two Aldermen nominated by the Court of Aldermen
  - up to 31 Commoners representing each Ward or Side of Ward (two representatives for the Wards with six or more Members regardless of whether the Ward has sides).
- Quorum**  
The quorum consists of any nine Members.
- Membership 2020/21**

### ALDERMEN

- 4 David Andrew Graves
- 1 Alison Gowman

### COMMONERS

18	Joyce Carruthers Nash, O.B.E., Deputy.....	Aldersgate
1	Helen Lesley Fentimen.....	Aldersgate
8	Hugh Fenton Morris, Deputy.....	Aldgate
12	Robert Allan Merrett, Deputy.....	Bassishaw
2	John Petrie.....	Billingsgate
1	Simon D'Olier Duckworth, O.B.E., D.L.....	Bishopsgate
10	Dr Giles Robert Evelyn Shilson, Deputy.....	Bread Street
11	John George Stewart Scott, J.P.....	Broad Street
5	Kevin Malcolm Everett, Deputy.....	Candlewick
13	Michael Hudson.....	Castle Baynard
4	Angus Knowles-Cutler.....	Castle Baynard
7	Nicholas Michael Bensted-Smith, J.P.....	Cheap
2	Dawn Lindsay Wright.....	Coleman Street
8	Ian Christopher Norman Seaton.....	Cornhill
9	Stephen Douglas Quilter.....	Cripplegate
3	Mark Bostock.....	Cripplegate
7	Mark Raymond Peter Henry Delano Wheatley.....	Dowgate
4	John Ernest Edwards.....	Farringdon Within
4	Matthew Bell.....	Farringdon Within
4	Gregory Alfred Lawrence.....	Farringdon Without
8	Edward Lord, O.B.E., J.P., Deputy.....	Farringdon Without
14	John Douglas Chapman.....	Langbourn
1	Elizabeth Rogula, Deputy.....	Lime Street
12	Henry Llewellyn Michael Jones, Deputy.....	Portsoken
4	Brian Desmond Francis Mooney, Deputy.....	Queenhithe
12	James Richard Tumbridge.....	Tower
8	Tom Hoffman, M.B.E., Deputy.....	Vintry
4	Peter Gordon Bennett.....	Wallbrook

Together with following Members to be appointed in place of the two Wards (Bridge and Bridge Without and Cordwainer) not making appointments on this occasion, as well as the one Ward (Bishopsgate) making only one of their two permitted appointments:

David John Bradshaw, Deputy.....

Wendy Mead, O.B.E.....

Philip Woodhouse, Deputy.....

4. **Terms of Reference**

To be responsible for:-

- (a) oversight of the management of all matters relating to Smithfield Market, Billingsgate Market and New Spitalfields Market and the letting of all premises therein;
- (b) the appointment of the Director of Markets and Consumer Protection (acting jointly with the Port Health and Environmental Services and Licensing Committees).



<b>Committee(s):</b>	<b>Date(s):</b>
Markets Committee	11 <sup>th</sup> September 2020
<b>Subject:</b> Establishment of the Markets Reference Sub-Committee	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b>Report Author:</b> Antoinette Duhaney, Committee and Member Services Officer	

## Summary

The purpose of this report is to consider the appointment of your Reference Sub-Committee.

## Recommendation(s)

Members are asked to:

- Appoint a Reference Sub-Committee for the 2019/20 and approve the Sub-Committee's composition and Terms of Reference.

## Main Report

### Background

At its 23 January 2012 meeting, your Committee established a Reference Sub-Committee. This Sub-Committee meets on an *ad hoc* basis to consider matters referred to it by the Grand Committee, with the power to act where appropriate and where granted by the Committee. Each year, your Committee reappoints this Sub-Committee and is asked to reconfirm its Terms of Reference. Expressions of interest to serve for the coming year will have been sought by the Town Clerk in advance of the meeting and Members are also able to stand for the Sub-Committee at the meeting itself.

### Reference Sub-Committee Composition and Terms of Reference

The Membership of your Sub-Committee comprises 11 members (Chairman, Deputy Chairman and 9 other members)

The following Members were appointed to the Sub Committee for 2019/20.

- James Tumbridge (Chairman)
- John Chapman (Deputy Chairman)
- Peter Bennett
- Mark Bostock
- Deputy Kevin Everett

- Michael Hudson
- Deputy Edward Lord
- Deputy Brian Mooney
- Deputy Robert Merrett
- Deputy Joyce Nash
- John Scott

The Terms of Reference as previously agreed by your Committee are as follows:

- a) A Reference Sub Committee shall be appointed, consisting of the Chairman and Deputy Chairman and 8 other Members; with power to act being given, if necessary, when any matter is referred to the Reference Sub Committee for consideration.*
- b) The quorum for the Reference Sub Committee to be 3 members.*

### **Conclusion**

Your Committee is therefore asked to consider the appointment of a Reference Sub-Committee.

### **Contact:**

Antoinette Duhaney

T: 020 7332 1408

E: [antoinette.duhaney@cityoflondon.gov.uk](mailto:antoinette.duhaney@cityoflondon.gov.uk)

## MARKETS COMMITTEE

Minutes of the meeting of the Markets Committee Virtual Public Meeting on

Wednesday, 15 July 2020 at 12.00 pm

### Members Present:

James Tumbridge (Chairman)	Gregory Lawrence
John Chapman (Deputy Chairman)	Deputy Edward Lord
Matthew Bell	Wendy Mead
Peter Bennett	Deputy Robert Merrett
Mark Bostock	Deputy Brian Mooney (Chief Commoner)
Deputy David Bradshaw	Deputy Joyce Nash
John Edwards	John Petrie
Deputy Kevin Everett	John Scott
Helen Fentimen	Deputy Dr Giles Shilson
Alderman David Graves	Deputy Philip Woodhouse
Michael Hudson	Dawn Wright

### Officers in Attendance:

Jon Averbs	- Director of Markets & Consumer Protection
Donald Perry	- Markets and Consumer Protection Department
Mark Sherlock	- Markets and Consumer Protection Department
Debbie Howard	- Markets and Consumer Protection Department
Peter Young	- City Surveyor's Department
Anna Dunne	- City Surveyor's Department
Steven Chandler	- City Surveyor's Department
Leyla Dervish	- Chamberlain's Department
Andrew Fothergill	- Comptroller & City Solicitor's Department
Jenny Pitcairn	- Chamberlain's Department
Paul Wright	- Rememberancer's Office
Laura Scothern	- City Surveyor's Department
Shani Baron-Annand	- Town Clerk's Department
Antoinette Duhaney	- Town Clerk's Department

#### 1. **APOLOGIES**

Apologies for absence were received from Nicholas Bensted-Smith, Alderman Bronek Masojada, Mark Wheatley, and from John Scott for lateness.

#### 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 meeting held on 04.03.20 be approved as a correct record.

#### Matters arising

- Action Log - The Chairman requested that an action log be produced to allow Members to monitor progress with outstanding actions agreed by the Committee.
- Energy costs – The Chairman referred to previous concerns raised at previous meetings in respect of energy costs for market traders. Despite the lengthy delay in sending correspondence to traders, the Chairman gave assurances that this matter was being monitored closely and further updates would be provided to the Committee in due course. A copy of the letter sent to traders would be circulated to Committee Members for information.
- Smithfield Market Parabolic Dome – The Chairman requested an update on the justification for appointing a particular contractor to undertake this work.

### 4. **SUPERINTENDENT UPDATES (ORAL REPORT)**

#### **BILLINGSGATE**

##### **COVID-19 Impact**

Income generation opportunities had reduced substantially during the COVID-19 pandemic, especially for filming on site. Parking income had also decreased and some permit charges had been refunded. Rental payments from advertising hoardings had been withheld by the tenant whose revenues from the site had fallen significantly and may be at risk.

##### **COVID-19 Testing**

Part of the site had been used to host COVID-19 testing facilities when the market was not trading.

##### **Staffing**

Although Fisheries Inspectors were not currently on site, a CoL Environmental Health Officer was attending to provide advice and support to tenants and traders

#### **NEW SPITALFIELDS**

##### **COVID-19 Impact**

Visitor levels had remained static during the pandemic and wholesale trade had not been affected much. However, catering had been severely impacted and some businesses were not operating. Social distancing measures were in place and PPE packs had been issued to tenants and traders.

**Barrier**

The entrance barrier had been operational since 4<sup>th</sup> February 2020 and was generating income. There were a few outstanding technical issues and the payment machine had been converted to accept cash. There were also technical issues with the pedestrian gate and turnstile and it was anticipated that this would be operational by early autumn. Officers were liaising with the Comptroller's Department to draft a letter making a case for compensation from the contractors in lieu delays in supplying/fitting equipment. *(The Chairman requested that a copy of the letter be circulated to Committee Members)*

**Air Quality**

No air quality measuring was taken place due to limited staffing resources

**Energy Saving**

Replacement LED lighting was being installed which would reduce energy costs after the initial 2 year payback period.

**SMITHFIELD****COVID-19 Impact**

Traders were working in challenging conditions and approximately 200 market employees were on furlough. However, this number would decrease over the coming weeks as staff were recalled to cover holiday absence and as the furlough support scheme tapered away. CoL market staff had remained constant throughout with little effect on service levels during the pandemic.

Cash-flow for traders at the Market was a continuing challenge. Approximately 80% of debt owed to traders before prior to lock-down was still outstanding and two business had issued redundancy notices in recent days.

**Car Park**

Car parking income had decreased significantly primarily as a result of COVID-19. However, this had been further exacerbated by the recent increase in the Congestion Charge fee and the widening of the hours and days of operation. Income to the end of June 2020 was £77,000 less, compared to the same period last year and it was anticipated that this trend would continue for the foreseeable future.

**Smithfield Projects**

Plans for works to the annexe building, general market, tunnel lids and poultry market domed roof were progressing in West Smithfield. A written summary of all the local works has been communicated to all Market tenants. This would be followed up by monthly progress newsletters and regular meetings with tenants to raise any concerns.

5. **MARKETS COMMITTEE RISK UPDATE**

The Committee considered a report of the Director of Markets & Consumer Protection providing the Markets Committee with assurances that appropriate risk management procedures are in place within the Department of Markets and Consumer Protection to satisfy the requirements of the Corporate Risk Management Framework.

In responses to questions and comments from Members, Officers advised that the COVID-19 risks had been closely monitored to ensure that the markets were able to continue operating and protect food supply chains. Officers also flagged up the financial risks associated with reduced income generation opportunities

The Chairman appreciated the concerns of Members and stated that at the very start of the pandemic, COVID-19 associated risks were rated as red. However, given that the situation was more stable and there were robust measures in place to support tenants, on balance, given the current circumstances, the amber rating was appropriate. The Chairman reiterated that Officers were watching closely to ensure that the risks were ranked appropriately.

Resolved – That the report be noted.

6. **REVENUE OUTTURN 2019/20**

The Committee considered a joint report of the Chamberlain and the Director of Markets & Consumer Protection comparing the 2019/20 revenue outturn for the services overseen by the Markets Committee with the final budget for the year.

Officers advised that in response to a question from a Committee Member prior to the meeting, an updated table 2 had been circulated to Members (page 20 of agenda pack)

Officers highlighted the considerable impact of COVID-19 on the 2020/21 budget and it was also confirmed that the underspends listed on page 26 of the agenda pack had been carried forward.

Resolved – That the report 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**

*Revised September meeting date* – The Chairman advised that following consultation with the Deputy Chairman, the next meeting of the Committee has been brought forward (from 23.09.20) to **9.30am on 11.09.20**. This was to facilitate early appointment of the new Committee Chairman and Deputy Chairman and also to allow more input from Markets Committee Members on MCP related reports prior to any decisions being made by Policy & Resources Committee and Court of Common Council.

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 following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Local Government Act as follows:-

Items	Paragraph
10 - 17	3

10. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 4<sup>th</sup> March 2020 were approved as a correct record.

11. **CITY'S WHOLESALE MARKETS CONSOLIDATION PROGRAMME (MCP) - INTERIM BUSINESS CASE AND BUDGET**

The Committee considered a joint report of the City Surveyor and the Director of Major Projects providing an update on the MCP.

12. **BILLINGSGATE SITE - REVISED STRATEGY PROPOSAL**

The Committee considered a report of the City Surveyor updating Members on the emerging revised strategy for the future of the current Billingsgate Market site.

13. **VARIATION TO APPROVED TERMS FOR THE INSTALLATION OF A RAPID VEHICLE CHARGE POINT AT BILLINGSGATE MARKET**

The Committee considered a joint report of the City Surveyor and the Director of Markets and Consumer Protection seeking a variation to the previously approved terms for installing Electric Vehicle charge points.

14. **MARKETS DEBTS ARREARS - PERIOD ENDING 31ST MAY 2020**

The Committee considered a report of the Director of Markets and Consumer Protection highlighting levels arrears for invoiced income in excess of 31 days as at 31st May 2020.

15. **REPORT OF ACTION TAKEN UNDER URGENCY - MARKET TENANTS AND COVID 19 - PROPOSALS FOR ADDITIONAL SUPPORT**

The Committee considered a report of the Town Clerk outlining action taken under urgency to provide support to tenants during the COVID-19 pandemic.

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

There were no questions.

**17. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT  
AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED  
WHILST THE PUBLIC ARE EXCLUDED**

The Committee considered one urgent item of business.

**The meeting ended at 1.23 pm**

-----

Chairman

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



## MARKETS COMMITTEE – OUTSTANDING ACTIONS

Meeting date	Agenda item	Action	Officer(s) responsible	Comment/Update
16.07.20	3	<b>Energy costs</b> – The Chairman referred to concerns raised at previous meetings in respect of energy costs for market traders. Despite the lengthy delay in sending correspondence to traders, the Chairman gave assurances that this matter was being monitored closely and further updates would be provided to the Committee in due course. A copy of the letter sent to traders would also be circulated to Committee Members for information.	Director of Markets & Consumer Protection/ City Surveyor's	
16.07.20	3	<b>Smithfield Market Parabolic Dome</b> – The Chairman requested an update on the justification for appointing a particular contractor to undertake this work.	City Surveyor's	Contractors were appointed in 2017 on a two stage Design & Building basis using a City approved framework. Engie completed the first stage of the process by finalising the Pre-Construction Services Agreement (PCSA) and providing a tender offer. These works were then placed on hold until the MOL project resurrected the scheme. On the basis that appointed contractor had already completed the detailed design

				works listed under the PCSA and pricing of the project, it was agreed that for expediency reasons the tender offer should be accepted and their second stage appointment progressed.
16.07.20	4	<b>New Spitalfields Market Barrier</b> - There were a few outstanding technical issues and the payment machine had been converted to accept cash. There were also technical issues with the pedestrian gate and turnstile and it was anticipated that this would be operational by early autumn. Officers were liaising with the Comptroller's Department to draft a letter making a case for compensation from the contractors in lieu of delays in supplying/fitting equipment. <i>(The Chairman requested that a copy of the letter be circulated to Committee Members)</i>	Director of Markets & Consumer Protection/ Comptroller's	Further advice being sought regarding delay in completing works in reasonable time and to the expected standard.
16.07.20	16 (NP)	<b>Smithfield Market Tenants</b> That Officers provide an update on negotiations with Smithfield tenants to the next Markets Committee meeting on 11th September.	Director of Markets & Consumer Protection/ City Surveyor's	
16.07.20	17 (NP)	<b>MCP Working Party Updates</b> - In response to a Member request for the Committee to receive regular feedback from the MCP Working Parties, with the support of the Committee, it was Resolved - That MCP	Town Clerk's	Added as default agenda item for future meetings.

		Working Party updates should be added as a standing agenda item for future meetings.		
--	--	--	--	--

This page is intentionally left blank

<b>Committee:</b>	<b>Date:</b>
Markets Committee	11 September 2020
<b>Subject:</b> Markets Business Plan Update Period 1 2020/21 (April–July)	<b>Public</b>
<b>Report of:</b> Director of Markets and Consumer Protection	<b>For Information</b>
<b>Report author:</b> Don Perry - Department of Markets and Consumer Protection	

## Summary

This report provides an update on progress made during Period 1 (April-July) of 2020/21 against the key performance indicators (KPIs) and key improvement objectives outlined in the Markets' Business Plan 2020/21.

### The report consists of:

- Details of progress made against key performance indicators (KPIs) and key improvement objectives – Appendix A
- Matters of general interest to the Committee – Appendix B
- Financial information – Appendix C

### Recommendation(s)

Members are asked to note the content of this report and its appendices.

## Main Report

### Background

1. The 2020-21 Markets Business Plan set out four Key Performance Indicators (KPIs) and 11 Key Improvement Objectives against which the Markets' performance will be measured throughout the year.
2. Updates on progress against the KPIs and improvement objectives are provided in Appendix A.
3. Matters of interest and a list of visitors to the Markets are provided 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 and key improvement objectives (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 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.
8. Key points are that:
  - The COVID-19 outbreak had a significant impact on the work undertaken during Period 1 and Officers in all teams have been fully engaged in dealing with the effects of the outbreak on their service areas, including increased workloads and compliance with new guidance

### Markets Consolidation Project

- Engagement meetings have been held with the Spitalfields Market Tenants' Association and the London Fish Merchants Association and preparations are underway for the next round of design workshops.
- A new website has been launched for the Markets Programme to provide information to all stakeholders ([www.wholesalemarkets.co.uk](http://www.wholesalemarkets.co.uk))

### Billingsgate Market

- The Superintendent received the market's first filming enquiry since lockdown in July.
- Over 100 car park permits have been cancelled since lockdown.
- Tenants have been kept informed throughout lockdown of latest guidance and government schemes.

### Smithfield Market

- Quotes have been received from 2 companies that will be able to increase vehicle charging points from 6 to 18.
- July audit on managing risks associated with HGV duties highlighted a 7% non-compliance.
- Combined energy savings of £40k were achieved as well as savings of £22k on water services (Citygen) as a result of making amendments to running times of operational equipment.

### New Spitalfields Market

- Further energy saving initiatives hoping to be rolled out once the Energy Team carry out a site inspection in both the common parts, and tenants' areas of the Market.
- Problems continue with the entry barrier and an action plan agreed with the contractors is in place to achieve completion by end of August.

- Tenants have been communicated with on Covid 19 matters, leaflets and posters have been issued throughout the Market.

## **Corporate & Strategic Implications**

9. The monitoring of KPIs and key improvement objectives across the Markets links to the achievement of the aims and outcomes set out in the Corporate Plan 2018-23.

## **Implications**

### **Financial**

10. At the end of July 2020, the Department of Markets & Consumer Protection was £37k (7.8%) underspent against the local risk budget to date of £477k, over all the services managed by the Director of Markets & Consumer Protection reporting to the Markets Committee. Appendix C sets out the detailed position for the individual services covered by this department.
11. Overall, the Director of Markets & Consumer Protection is currently forecasting a year end overspend position of £112k (6.7%) for his City Fund and City Cash services.

### **Equalities**

12. No relevance to equality.

## **Consultees**

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

## **Appendices**

- Appendix A – Progress against key performance indicators (KPIs) and key
- Appendix B - Matters of general interest to the Committee.
- Appendix C – Financial information

### **Contacts:**

Report author:

Donald Perry

020 7332 3221

[donald.perry@cityoflondon.gov.uk](mailto:donald.perry@cityoflondon.gov.uk)

Smithfield Market:

Superintendent, Mark Sherlock

020 7332 3747

[mark.sherlock@cityoflondon.gov.uk](mailto:mark.sherlock@cityoflondon.gov.uk)

New Spitalfields Market:

Superintendent, Debbie Howard

T: 020 8518 7670

[debbie.howard@cityoflondon.gov.uk](mailto:debbie.howard@cityoflondon.gov.uk)

Billingsgate Market:

Superintendent, Daniel Ritchie

020 7332 3067

[daniel.ritchie@cityoflondon.gov.uk](mailto:daniel.ritchie@cityoflondon.gov.uk)

Financial information:

Jenny Pitcairn

Chamberlain's Department

020 7332 1389

[jenny.pitcairn@cityoflondon.gov.uk](mailto:jenny.pitcairn@cityoflondon.gov.uk)



**Progress against Key Performance Indicators 2020-21**  
**Period One: 1 April – 31 July 2020**

	Target 2020/21		Period 1	Period 2	Period 3
MKP 1	Each Market's outstanding debt as a percentage of their total invoiced income. Maximum 2% KPI target.	Billingsgate	6.07		
		Smithfields	6.37		
		Spitalfields	3.99		
Comments: The high level of outstanding debt across all three markets very largely relates to the impact of Covid-19 on tenants, uncertainty involving the process of obtaining concessions and government-imposed constraint on the recovery of outstanding monies.					
	Target 2020/21		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 2020/21		Period 1	Period 2	Period 3
MKP 3	Achieve 95% occupancy of all lettable space at Billingsgate, Smithfield and New Spitalfields Markets.	Billingsgate	95%		
		Smithfield	100%		
		Spitalfields	99%		
Comments: * Smithfield reporting against lettable space only; previous reporting has included non-lettable space within the Poultry Market.					
	Target 2020/21		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 2020

Ref:	Objective	Progress to date
MKT01	The Markets will 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.	<b>Period 1: April – July 2020</b> Engagement meetings have been held with the Spitalfields Market Tenants' Association and the London Fish Merchants Association and preparations are underway for the next round of design workshops. A new website has been launched for the Markets Programme to provide information to all stakeholders ( <a href="http://www.wholesalemarkets.co.uk">www.wholesalemarkets.co.uk</a> )
MKT02	Ensure that the Wholesale Markets continue to be managed to deliver safe, compliant trading environments for our tenants.	<b>Period 1: April – July 2020</b> <ul style="list-style-type: none"> <li>An interim maintenance strategy for the Markets has been approved and forward maintenance plans are being reviewed to ensure they align with the requirements of the strategy.</li> </ul>
MKT03	<u>Smithfield Market</u> Investigate the opportunity to increase the number of vehicles charging points in the Car Park in line with the transport strategy.	<b>Period 1: April – July 2020</b> <ul style="list-style-type: none"> <li>Quotes have been received for the installation of additional charging points which this will potentially increase the number of points from 6 to 18. Currently consulting with procurement to ensure correct governance route.</li> </ul>
MKT04	<u>Smithfield Market</u> Participate and contribute towards a new Car Park Management operating model with membership of a Corporate review board.	<b>Period 1: April – July 2020</b> <ul style="list-style-type: none"> <li>First draft tender submission detail from Smithfield sent to DBE. Invitation to tender currently planned for September 2020, award November 2020, Court approval March 2021, contract start September 2021.</li> </ul>
MKT05	<u>Smithfield</u> Manage and control the risk associated with HGV duties	<b>Period 1: April – July 2020</b> <ul style="list-style-type: none"> <li>Quarterly operational audits continue. July audit highlighted a 7% non-compliance result. One transport company was responsible for half of this and has been written to along with the recipient traders.</li> </ul>
MKT06	<u>New Spitalfields &amp; Smithfield</u> Work with the Energy team to optimise the Building Management System and realise cost saving from reduced energy consumption.	<b>Period 1: April – July 2020</b>  <b>Smithfield</b> <ul style="list-style-type: none"> <li>£9k saving was achieved on energy and a correction on energy costs for January to March resulted in a £31k reverse-accrual in April and therefore actual savings generated in the final quarter of 19/20; this is a combined saving of £40k. In addition, a £22k saving was achieved on water services (Citygen) as a result of amended running times to operational equipment. The underspend is expected to reduce as demand for cooling increases over the summer months.</li> </ul>

Ref:	Objective	Progress to date
		<p><b>New Spitalfields</b></p> <ul style="list-style-type: none"> <li>A meeting with the energy team to discuss the next steps happened 28.7.2020 and the outcomes from the meeting are:               <ul style="list-style-type: none"> <li>The Energy team will arrange for their new engineer to carry out a site inspection at the end of September with a view to realising what other energy reduction measures can be explored, and these will include common parts, and the tenants' areas of the Market.</li> <li>Energy team will write an advisory tenant report and do a site presentation to SpMTA end of October 2020.</li> <li>Energy team will chart current ½ hourly usage to identify peaks and they will also load tenant readings kept locally onto Systemslink to reduce spreadsheet usage for meter data.</li> </ul> </li> </ul>
MKT07  Page 22	<p><u>New Spitalfields</u> Maintain and enhance the controlled barrier entry system and pedestrian gateway.</p>	<p><b>Period 1: April – July 2020</b></p> <ul style="list-style-type: none"> <li>A meeting was arranged with the contractor and sub-contractors to discuss the problems of completion and the outstanding tasks required. The barrier is not performing to its optimum level due to problems with the software, payment machine and lack of training due to Covid 19.</li> <li>An action plan has been devised with the contractors to complete works by end of August 2020. System training commenced on 27 July 2020.</li> <li>A draft letter was resent to the Comptroller for comment on 16 July in relation to compensation for this project. The Superintendent will brief the Chairman and Director on when this letter should be sent, as requested. Either the Chairman or the Director will be able to sign the letter.</li> <li>Superintendent is awaiting advice from Comptroller as of 28 July 2020.</li> </ul>
MKT08	<p><u>New Spitalfields Market</u> Improve communication with tenants and customers.</p>	<p><b>Period 1: April – July 2020</b></p> <ul style="list-style-type: none"> <li>In the last quarter eleven liaison meetings with the SpMTA have been arranged and these include:               <ul style="list-style-type: none"> <li>one barrier-specific meeting,</li> <li>Three relocation/consolidation meetings,</li> <li>Two service charge finance specific meetings,</li> <li>One Health and Safety specific meeting.</li> </ul> </li> <li>There have been twenty written communications (letters and leaflets) to tenants and customers mainly, but not solely, in relation to Covid 19.</li> </ul>
MKT09	<p><u>Billingsgate Market</u> Support Tenant Businesses</p>	<p><b>Period 1: April – July 2020</b></p> <ul style="list-style-type: none"> <li>Continue to work with Seafish, the Centre for Environment, Fisheries and Aquaculture Science (CEFAS) and other industry organisations to ensure flow of</li> </ul>

Ref:	Objective	Progress to date
		information to tenants. Information has been provided throughout lockdown to tenants regarding rates, grants, furlough and other business information.
MKT10	<u>Billingsgate Market and Smithfield Market</u> Review CCTV at Billingsgate and Smithfield Markets and prepare specifications for procurement based upon the review findings.	<b>Period 1: April – July 2020</b> <b>Billingsgate</b> <ul style="list-style-type: none"> <li>Impact of Covid-19 and the passing of Head of Security has meant that there has been limited progress with this objective.</li> </ul> <b>Smithfield</b> <ul style="list-style-type: none"> <li>CCTV is fit for purpose and no further review is intended.</li> </ul>
MKT11	<u>Billingsgate Market</u> Generate additional income at Billingsgate Market.	<b>Period 1: April – July 2020</b> <ul style="list-style-type: none"> <li>An enquiry into filming was received in late July, the first since lockdown, and the aim is to facilitate as many enquiries as we can safely accommodate.</li> <li>Over 100 permit holders have resigned their car parking space since lockdown, and as a result the Superintendent is actively looking into all suitable alternative uses that can be made of our facility, but turned down the approach to be a drive-in cinema.</li> </ul>

This page is intentionally left blank

**Matters of General Interest to the Committee****Billingsgate Market**

	<b>Visitors/Filming/photography</b>	<b>Fee Received</b>
<b>April</b>	Due to Covid 19 no visits have happened.	None
<b>May</b>		
<b>June</b>		
<b>July 17th</b>	Policy and Resources Chair, Catherine McGuinness held a virtual meeting with the Chairman and Deputy Chairman of Markets Committee and Chairman and Members of the Council of the London Fish Merchants Association. This visit was arranged as part of the Markets Consolidation Project.	

**Smithfield Market**

	<b>Visitors/Filming/photography</b>	<b>Fee Received</b>
<b>April</b>	Due to Covid 19 no visits have happened.	None
<b>May</b>		
<b>June</b>		
<b>July</b>		

**New Spitalfields Market**

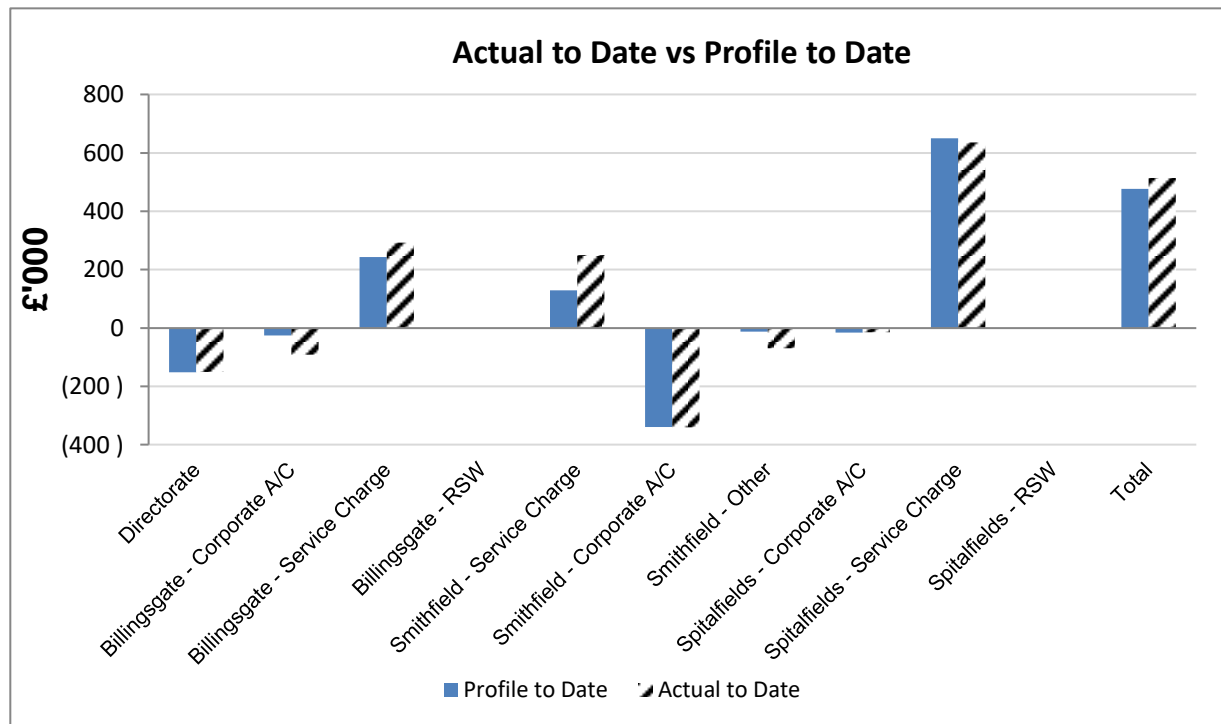
	<b>Visitors/Filming/photography</b>	<b>Fee Received</b>
<b>April</b>	Due to Covid 19 no visits have happened.	None
<b>May</b>		
<b>June</b>		
<b>July 10th</b>	Policy and Resources Chair, Catherine McGuinness held a virtual meeting with the Chairman and Members of the Council of the Spitalfields Market Tenants Association. This visit was arranged as part of the Markets Consolidation Project.	None

This page is intentionally left blank



## Appendix C

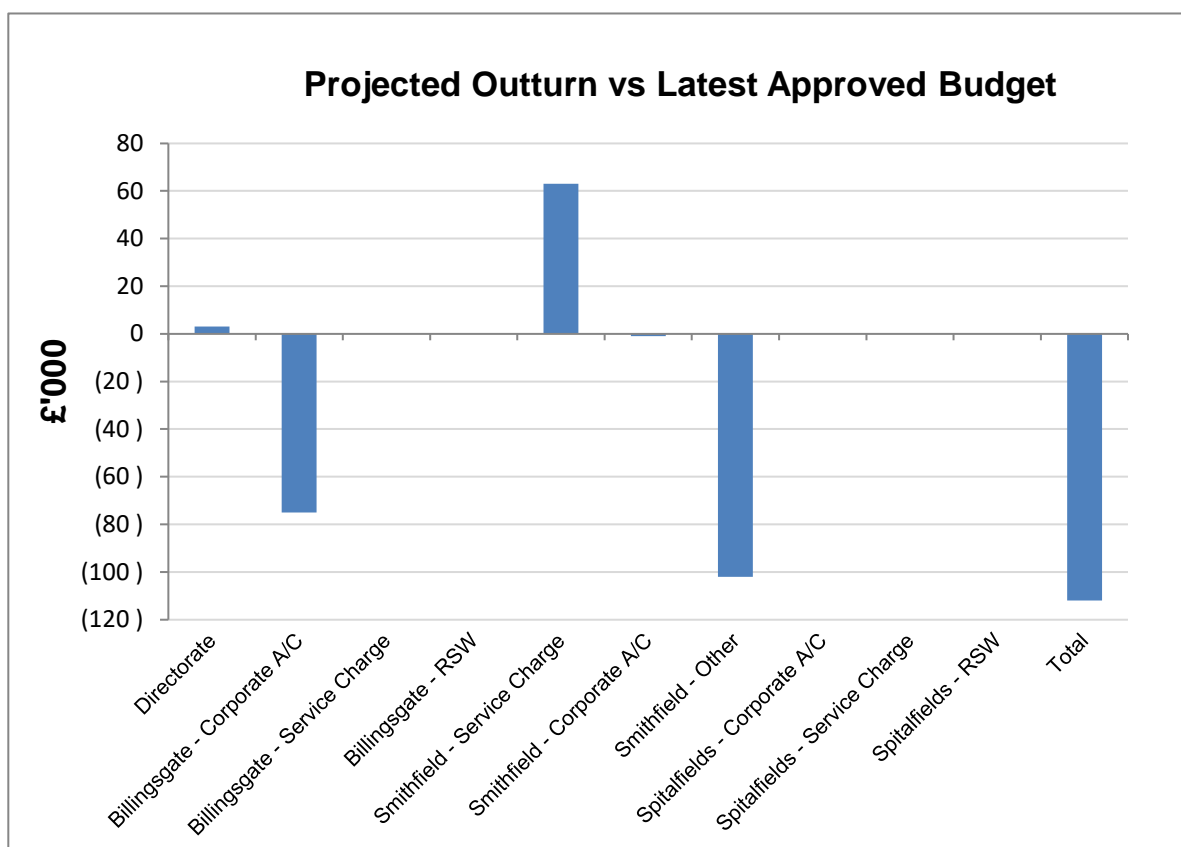
1. The end of July 2020 monitoring position for Department of Markets & Consumer Protection services reporting to Markets Committee is provided below. This shows a net underspend to date for the Department of £37k (7.8%) against the overall local risk budget to date of £477k for 2020/21.



**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 expenditure income of £514k is £37k better than the profiled budget to date of £477k.

2. Overall, the Director of Markets & Consumer Protection is currently forecasting a year end overspend position of £112k (6.7%) 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 £112k at year end.

3. The reasons for the significant budget variations are detailed in the table below, which sets out a detailed financial analysis of each individual division of service relating to this Committee.
4. The better than budget position at the end of July 2020 relates mainly to delays in receiving energy bills at Smithfield Market, a reduction in the cost of the waste collection contract at Spitalfields Market, and current staffing vacancies.
5. The Director of Markets & Consumer Protection anticipates this current better than budget position will be offset by year end mainly by reductions in income from car parking and filming together with reductions in service charge recovery from tenants, resulting in an overall overspend for 2020/21.

[illegible]

This page is intentionally left blank

# Agenda Item 12

<b>Committee:</b> Markets Committee	<b>Date:</b> 11 September 2020
<b>Subject:</b> Markets Committee Risk Update – September 2020	<b>Public</b>
<b>Report of:</b> Director of Markets and Consumer Protection	<b>For Information</b>
<b>Report author:</b> 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-SM 0012 East Poultry Avenue Canopy Failure Smithfield (Current Risk: RED constant)
- 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 011 Brexit - impact of no-deal Brexit on traders and imports, (Current Risk: AMBER)

## 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 (the City) requires each Chief Officer to report regularly to Committee the key risks faced in their department.

## **Current Position**

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

## **Risk Management Process**

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

## **Identification of New Risks**

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

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

7. As part of the City Corporation's response to the threat of the Covid-19 virus affecting the operation of services and support for its stakeholders, a command and control structure has been implemented with Gold, Silver and Bronze levels to manage the on-going situation.

Gold requested that all Silver Groups should develop Covid-19 risks that may affect the departments that report to these groups. These risks are now recorded on the Pentana Risk system.

Guidance has been issued to all Chief Officers to report relevant Silver Group risks to their appropriate service/Grand Committee with the regular risk update reports that committee would receive. These risks are attached as Appendix B. Members are

asked to note that no target date has been included for the mitigation of each risk given the current uncertainty of the duration of this pandemic.

This approach enables Members to question and seek assurance that departmental Covid-19 risks, held at Silver Group, are being managed and mitigated effectively.

## **Summary of Key Risks**

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

### **MCP-SM 0012 East Poultry Avenue Canopy Failure Smithfield (Current Risk: RED constant)**

A combination of extreme weather and lack of maintenance inspections could result in a failure of overhead masonry or structures at Smithfield Market.

On Saturday 15 August 2020 at 11:50am a major incident occurred. Three sections of an overhead concrete canopy fell onto the pavement in East Poultry avenue from a height of approximately 5 metres after a period of extreme weather. No one was injured as a result of this event.

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

### **MCP-BG 001 – Workplace 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 all 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 staff that there has been a recent increase in non-compliance 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 all 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.

#### **MCP-SM 011 Brexit - impact of Brexit on traders and imports (Current Risk: AMBER constant)**

The outcome of Brexit negotiations between the UK government and the EU fails to secure continuity of contracts and/or security of supply chains.

If the market tenants fail to prepare appropriately for the end of the Brexit transition period on 31 December 2020, this could lead to delays and disruption in the food supply chain, and shortages of product over a prolonged period. There is a risk, albeit unlikely, that this could impact the financial viability of some tenants' businesses. This in turn could lead to business failures and vacant premises at the markets but given the current position this seems highly unlikely.

### **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
- Appendix B – Markets Covid-19 Risk 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](mailto:donald.perry@cityoflondon.gov.uk)

Smithfield Market:

Superintendent – Mark Sherlock

T: 020 7332 3747

E: [mark.sherlock@cityoflondon.gov.uk](mailto:mark.sherlock@cityoflondon.gov.uk)

New Spitalfields Market:

Superintendent – Debbie Howard

T: 020 8518 7670

E: [debbie.howard@cityoflondon.gov.uk](mailto:debbie.howard@cityoflondon.gov.uk)

Billingsgate Market:

Superintendent – Daniel Ritchie

T: 020 7332 3067

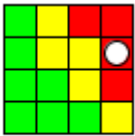
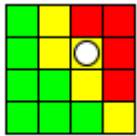

E: [daniel.ritchie@cityoflondon.gov.uk](mailto:daniel.ritchie@cityoflondon.gov.uk)

# MCP Markets Committee Risk Report Appendix A

Report Author: John Smith

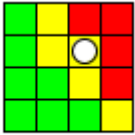
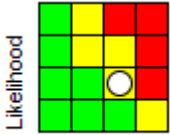

Generated on: 18 August 2020



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 0012 EPA Canopy Failure	Major incident – On Saturday 15th August 2020 @ 11:50am. A section of the existing concrete canopy and gutter (circa 10m long) fell onto the carriageway on the East side of East Poultry Avenue. Surveys and inspections are underway to determine the cause.	Likelihood  Impact	24	Saturday 15 August at 11:50am, a 10m section of the concrete canopy and gutter on East Poultry Ave collapsed causing a major incident of concrete and debris falling to the ground.  CS and Safety teams were on site Sunday 16 August & Monday 17th August 2020 to assess the damage to the remaining canopy structure, including the canopy on West Poultry Ave.  Structural Engineers and Demolition contractor assessing safe method of removal which may include crash decks and props to ensure support is given to the remaining concrete canopy.  Overall the removal of all concrete gutters / canopies will remedy any future threat of failure.  Weekly review will be required.	Likelihood  Impact	12	02-Oct-2020	

17-Aug-2020 Mark Sherlock				17 Aug 2020				Constant
------------------------------	--	--	--	-------------	--	--	--	----------

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
MCP -012a EPA Canopy Review	Survey and review all existing canopies in East Poultry & West Poultry Ave. Erect crash decks and support props to secure remaining structure.		Mark Sherlock		28-Aug-2020

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
<div>Page 37</div> MCP-BG 001 Workplace Transport  26-Apr-2017 Daniel Ritchie	<b>Cause:</b> A lack of suitable and sufficient training and adequate management controls in relation vehicle movements at Billingsgate Market. <b>Event:</b> There is a risk of a life changing injury to a pedestrian if vehicle movements including forklift trucks are not appropriately managed and controlled. <b>Effect:</b> 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.	<div> <div>Likelihood</div>  <div>Impact</div> </div> 12	This risk has been reviewed and is being held at Amber until we have total compliance with our traffic management policies.  <b>18 Aug 2020</b>	<div> <div>Likelihood</div>  <div>Impact</div> </div> 8	31-Dec-2020	<div>     Constant </div>

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
MCP-BG 001e Produce action plan	Respond to recommendations and agree an action plan.	An action plan has been put in place to deal with the highest risk factors.	Daniel Ritchie	18-Aug-2020	31-Dec-2020

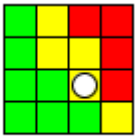
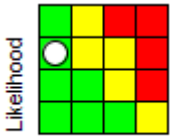

MCP-BG 001f Actions complete	Complete actions and record evidence with a view to reducing the risk rating (if appropriate).	Actions are currently being addressed in order of priority.	Daniel Ritchie	18-Aug-2020	31-Dec-2020
---------------------------------	--	---	----------------	-------------	-------------

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
<b>MCP-NS 001 Workplace Traffic Management</b>  14-Feb-2015 Sean Benton; Debbie Howard	<b>Cause:</b> Over 200 forklift trucks operate on the New Spitalfields Market site. <b>Event:</b> There is a serious risk of life changing injury to a pedestrian if vehicle movements in this constrained space are not appropriately managed and controlled. <b>Effect:</b> An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City and have an adverse impact on the operation and sustainability of the service.	 Likelihood Impact	12	SpMTA are to arrange further training sessions for the remainder of tenants. This will not now happen until after the current situation is over. Once sessions are complete any tenant who has not attended the training will be subject to an admin fee in line with the tenants compliance inspection process.  <b>18 Aug 2020</b>	 Likelihood Impact	8	31-Dec-2020	  Constant

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.	Most tenants have complied and taken the training. There are a few SME's still to carry out the training and these tenants will receive an enforcement notice under the enforcement policy until they are compliant.		Sean Benton; Debbie Howard	18-Aug-2020	31-Dec-2020

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
<b>MCP-SM 001 HGV Unloading Operations</b>          24-Feb-2015  Mark Sherlock  P	<b>Cause:</b> 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. <b>Event:</b> Serious or life changing injury to members of the public, market staff and other service users caused by uncontrolled or unguided reversing vehicles. <b>Effect:</b> Realisation of this risk could result in a prosecution, fine and reputational damage for the City.	<div> <div>Likelihood</div> <div>Impact</div> </div>	8	Following extensive audits of the banksman control process, the target and current risk have been reduced to 8. Across the last 18 months of audit, the non-compliance rate has averaged 1.5% reducing the level of likelihood. However the current score and target score will not reduce any further in order to maintain focus on the need to reduce the average still further as much as possible.  <b>18 Aug 2020</b>	<div> <div>Likelihood</div> <div>Impact</div> </div>	8	01-May-2021	<div> </div>          Constant

Action no, date,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
MCP-SM 001k Traffic Management Audit Review	Keep the risk under review.	An HGV audit will commence on Friday pm (21 August), to access the number of vehicles that are sitting over the weekend idling. We have received a complaint, linking pollution to COVID-19 infection. A formal response has been sent by the Air Pollution team as well as the Superintendent of Smithfield, to showcase that the air quality in and around Smithfield, is lower than expected, with legal levels being adhered to.	Mark Sherlock	18-Aug-2020	01-Sep-2020

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
<b>MCP-SM 011 Brexit - impact of Brexit on traders and imports</b>  06-Sep-2019 Mark Sherlock	<b>Cause:</b> The outcome of Brexit negotiations between the UK government and the EU fails to secure continuity of contracts and/or security of supply chains. <b>Event:</b> The market tenants fail to prepare appropriately for the end of the Brexit transition period on 31 December 2020. Uncertainty around the potential outcomes until it is too late to react. <b>Effect:</b> Delays and disruption in the food supply chain, and shortages of product over a prolonged period. There is also a risk, albeit unlikely, that this could impact the financial viability of some tenants' businesses. This in turn could lead to business failures and vacant premises at the markets but given the current position this seems highly unlikely.	 Likelihood Impact	8	The Prime Minister has insisted he will not consider an extension to the negotiations. The next round of negotiations has begun and will be followed by a summit with the Prime Minister and the head of the European Commission.  <b>18 Aug 2020</b>	 Likelihood Impact	3	31-Dec-2020	  Constant

Action no, Title,	Action description	Latest Note		Action owner	Latest Note Date	Due Date
<b>MCP-SM 011a Review HGV parking</b>  Open	Review the possibility of establishing HGV parking / holding areas in the vicinity of the market to cope with the anticipated increased volume of traffic, including the suspension of some on-street parking bays for this purpose. Other suggestions were West Poultry Avenue, where there is currently an contractors compound, and Giltspur Street, which is apparently used for parking buses overnight at present.	MS met with Kay English and shared proposals. In principle the suspension of pay parking bays is ok. The Market will provide a plan/list of the locations for consideration. West Poultry is unlikely to become available due to the project site compound. Giltspur St is highly contentious. If opened, CoLP have to man it so unlikely to be an option.		Mark Sherlock	18-Aug-2020	30-Sep-2020
MCP-SM 011b Reschedule staff hours	Reschedule working hours for market staff to cover possible extended trading hours.	MS is reviewing annual leave remaining entitlements and will place a moratorium on leave if necessary across the Maintenance and Constabulary function. There could be the need for additional resource particularly in the Rail man and cleaning teams. No budget for this.		Mark Sherlock	18-Aug-2020	30-Sep-2020
MCP-SM 011c Review parking hours	Extend parking permissible on-street parking periods. Be prepared to be flexible in response to demand possibly up to 1pm each day.	KE is open to this.		Mark Sherlock	18-Aug-2020	30-Sep-2020
MCP-SM 011d Allow two-way traffic	Open Charterhouse Street and Long Lane to two-way traffic.	KE to review road safety audits and traffic management plans.		Mark Sherlock	18-Aug-2020	30-Sep-2020

## M&CP Covid-19 Silver - Appendix B

Report Author: John Smith

Generated on: 18 August 2020



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
<b>CVD19 SGPS 03 Wholesale Markets (M&amp;CP)</b> 18-Apr-2020 Jon Avern	<b>Cause:</b> The spread of COVID-19 continues to escalate affecting staff, businesses and stakeholders. <b>Event:</b> Trading at the markets reduces to a point where businesses will begin to close, either temporarily or cease trading permanently. Absence levels of CoL staff increase to a point where we are unable to provide critical services. This includes maintaining regulatory compliance <b>Effect:</b> The spread of COVID-19 impacts on the City's ability to safely operate the three wholesale food markets leading to partial or full closure which may lead to permanent business closures and affect the future viability of the markets. Reputational and damage to the City and public health risks may be realised due to overcrowding. The City may also be unable to recover debts if businesses are not sufficiently able to mitigate the threat of coronavirus to enable them to reopen post lockdown.		8	Trading is currently at a steady state and will be kept under review.  18 Aug 2020		4		 Constant

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CVD19 SG BE 03a Planning	Prepare and implement plans that will be deployed based upon the continuing /evolving situation.	A fresh plan is currently being drafted with Public Health England for Smithfield.	Jon Avern	18-Aug-2020	31-Dec-2020
CVD19 SG BE 03b Review plans	Review and revise emergency and business continuity plans	Plans are being constantly reviewed as the situation develops. Including, developing Standard Operating Procedures with Public Health England which is currently in the draft phase.	Jon Avern	18-Aug-2020	31-Dec-2020

CVD19 SG BE 03c Market operations	Review market operations to evaluate the possibility of implementing social distancing, PPE and delivery of orders to reduce the need for collection and other measures to keep people safe.	<p>All three markets have implemented social distancing and public information measures. The following.</p> <p>The constabulary are visible on the market floor and advising the public to stay apart. Posters are in place and visitors are given flyers reminding them of social distancing guidelines.</p> <p>During trading hours there are regular public address system announcements reminding market users of social distancing guidelines.</p> <p>Entry is refused to non-wholesale customers and groups of people. One member of the group will be admitted access.</p> <p>The Superintendents will speak with tenants whose businesses attract more public sales and instruct them to do more to manage their customers.</p> <p>It has been decided that line marking is not an option as the tape will not stick to market flooring and coloured lines would fade quickly. These measures compare favourably with the steps taken by other UK wholesale markets. We are currently following UK Government guidance on the wearing of face masks.</p>	Jon Avern	18-Aug-2020	31-Dec-2020
CVD19 SG BE 03d Financial considerations	Evaluate the implementation of temporary financial help for market tenants if packages provided by Central Government prove to be insufficient.	RASC agreed a further set of support measures which are to be applied as appropriate by the respective service Committees. Letters offering financial support have been issued and we are awaiting responses.	Jon Avern	18-Aug-2020	31-Dec-2020



<b>Committee(s):</b>	<b>Date:</b>
Markets	11 <sup>th</sup> September 2020
<b>Subject:</b> Smithfield Market – Car Park Utilisation February 2020 – July 2020	<b>Public</b>
<b>Report of:</b> Director of Markets & Consumer Protection	<b>For Information</b>
<b>Report author:</b> Mark Sherlock, Superintendent, Smithfield Market	

## Summary

This report updates Members about the utilisation of Smithfield Market Car Park for the 6 month period from February 2020 to July 2020. This includes the impact of Covid-19 and at short notice, the re-introduction and increase of the congestion charge fee, widening of hours and seven day a week extension by Transport for London. It also reports on the successful trial implementation of Just Park, a third-party concierge parking service brought in to increase revenue from alternative sources.

## Recommendation(s)

Members are invited to note the contents of this report.

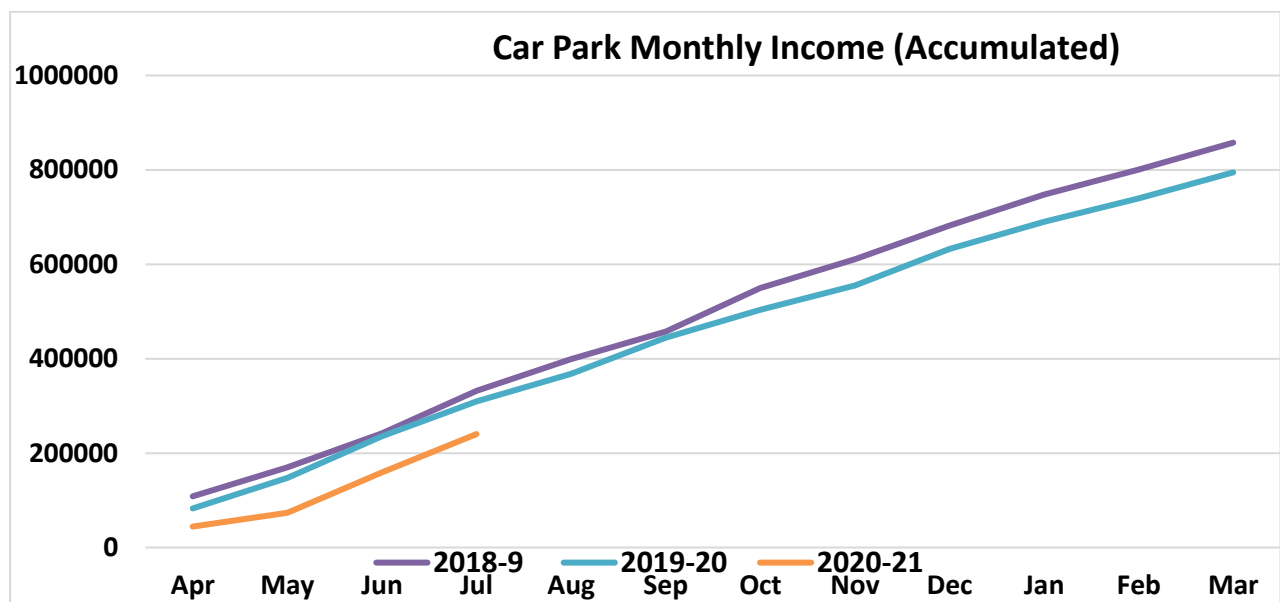
## Main Report

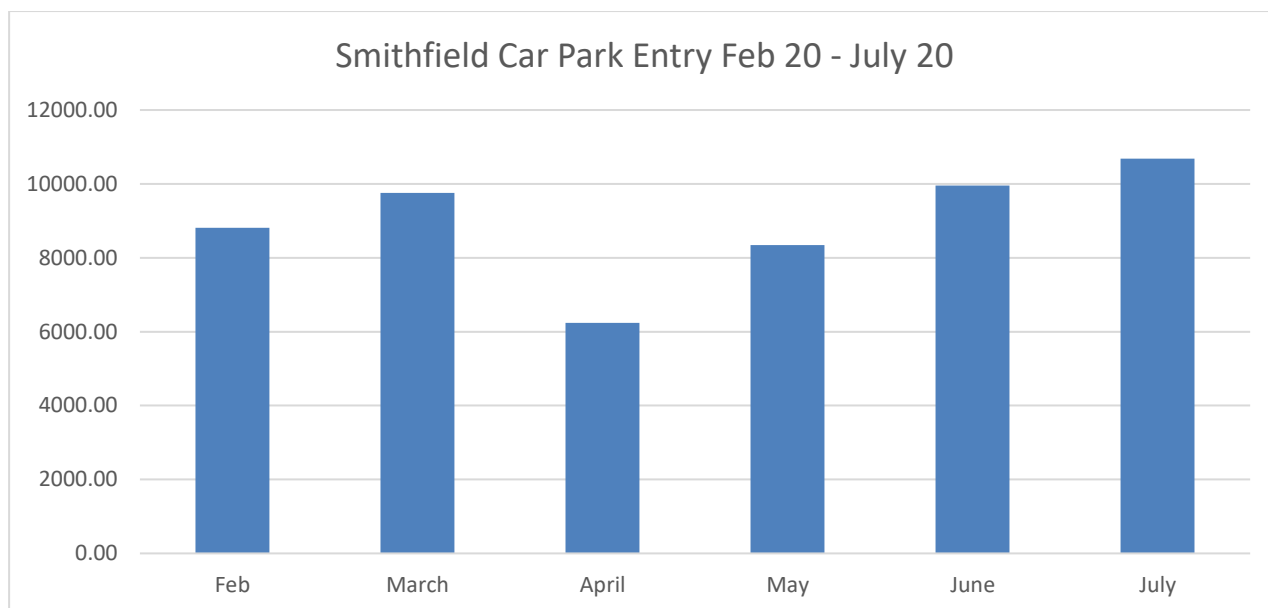
### Background

1. Saba, the City parking contractor have met 95-100% of their monthly targets for repair and response, ensuring issues with ticket machines, Automatic Number Plate Recognition (ANPR) or barriers are rectified within service level agreement parameters.
2. Capital works started in the car park in March 2020, with new bay marking completed within a six week period. In addition, Smithfield locally funded kerb markings, safety give-way and directional signs were upgraded to increase usability and way-finding.
3. From mid-March, Covid-19 restrictions had a major impact on traffic movement into the City and with restrictions to travel, there was a consequent decrease in parking usage and loss of income.

## Current Position

4. Income for the 6-month period February 2020 to July 2020 was £345,258; a decrease of £74,434 (18%) for the same period last year. Income for the first four months of this financial year is £340,329; a decrease of £69,169 (22%) against last year. The decrease in income compared to last year is predominantly due to the current Covid-19 pandemic and latterly congestion charge increases, resulting in a decline in the number of vehicles in the City. Due to restrictions being eased, May to July has seen a slow but steady recovery.
5. Due to Covid-19 and the increased pressure on the NHS, more staff were required to work in local hospitals and medical practices. To ease this pressure, Smithfield allocated 150 free parking spaces to NHS staff. 415 free parking sessions were recorded for St Bartholomew's staff and 176 for patients.





6. Since March 2020, Just Park, a third-party parking solution company, are now utilising up to 40 spaces within the car park. Bookings are taken through their booking portal and complement other car parks in London and beyond that their service offers. March to July recorded 814 Smithfield bookings, generating £5,020 in additional income to the Corporation.
7. The Department for the Built Environment is currently drafting a Committee paper for decision on the proposed future pricing strategy for the next 3 years across all City car parks from April 2021.

## Conclusion

8. The car park is currently operating 16% under budget. At the present time there is no expectation that this shortfall will be fully recovered due to the current Covid-19 situation and the congestion charge levies. Additional income from Just Park will go some way to alleviate this but is not likely to recover the full deficit.

## Mark Sherlock

Superintendent, Smithfield Market, Department of Markets and Consumer Protection

T: 020 7332 3747

E: [Mark.Sherlock@Cityoflondon.gov.uk](mailto:Mark.Sherlock@Cityoflondon.gov.uk)

This page is intentionally left blank

<b>Committee(s):</b> Markets Committee – For Information Policy and Resources Committee – For Decision	<b>Date:</b> 11 September 2020 24 September 2020
<b>Subject:</b> Markets Co-location Programme: Food School	<b>Public</b>
<b>Report of:</b> City Surveyor and Director of Markets & Consumer Protection	<b>For Information</b>
<b>Report author:</b> Jon Avern – Chief Officer, Markets & Consumer Protection	

## Summary

The Counterculture food education study has concluded that an on-site food school should be established as part of the Markets Co-location Programme (“MCP”), which has been reflected in the preferred market design option. The educational facility would be composed of a combination of teaching kitchens, preparation spaces, and flexible classrooms to deliver a range of training on food craft as well as complementary business skills to best train tomorrow’s market traders and the wider food industry. The facility is estimated to be up to 2,000m<sup>2</sup> and is likely to be a new self-sustaining ‘not for profit’ entity, which would coordinate delivery by a range of contracted specialist providers. The facility would complement the London Borough of Barking and Dagenham’s (“LBBD”) and Be First’s aspirations for a retail focused food hub in Barking Town Centre as well as the food production focus of Barking Riverside. Officers are developing a food activation programme to ensure that the right types of courses are developed and relationships are established with potential providers and end users before the food school opens in 2025/6.

## Recommendations

Members are asked to:

- **Note** the recent work and solutions recommended by Counterculture.
- **Note** that the City of London Corporation (“CoLC”) will provide an education facility as part of the Dagenham Dock co-located market as approved by the Markets Committee on 29 January 2020 and the Policy and Resources on 20 February 2020.
- **Agree** that the delivery of an on-site food school at Dagenham Dock to the scope outlined in the report should become embedded in the requirements for the new market.
- **Note** that a new retail food offer in Barking Town Centre is being brought forward by LBBD and Be First, which will complement the market and will be subject to an umbrella governance to ensure the synergistic activities work together.
- **Note** the intention for further work on the development of a food school, early delivery of enhanced training, and a food activation programme in

collaboration with LBBD and Be First, all of which will be the subject of a future report and budget request.

## **Main Report**

### **Background**

1. The CoLC is planning to relocate its three wholesale food markets (Billingsgate, New Spitalfields and Smithfield) to Dagenham Dock in the LBBD by 2025/6. The MCP will deliver regeneration in Dagenham Dock, jobs for the Borough at the markets and from complementary uses such as food production, and improvements in the carbon emissions of the food supply chain to the benefit of all Londoners.
2. As part of the new market build, the CoLC and LBBD shares a commitment to food education and the establishment of a food school on the new site at Dagenham Dock as well as complementary activity in Barking Town Centre as part of the Borough's revised Food & Beverage ("F&B") offer. As such, the Markets Committee on 29 January 2020 and the Policy and Resources Committee on 20 February 2020 approved the appointment of Counterculture Partnership LLP to complete further research on the economic case for a food school and relevant retail offer. This was a joint commission with Be First, a development company, wholly owned by LBBD, who have the remit to provide planning, regeneration and development services on behalf of LBBD.
3. Counterculture's final 135-page report has now been received and their findings and recommendations form the basis of this Committee report.

### **Brief**

4. The brief was to research the education needs and best practice facilities and programmes required to train tomorrow's market traders as well as develop a world-class retail market in Barking Town Centre. This covered: an overview of existing food skills and the education landscape, a gap analysis, agreeing priorities, developing options and a final preferred option, as well as outlining a business case and identifying potential partners.
5. Recognising the importance of education and improved business skills to the future prosperity of the markets and competitiveness of its traders, the CoLC's high-level priorities were identified as follows:
  - a. Training tomorrow's market traders, providing the skills required to develop our future butchers, fishmongers, and fruiterers;
  - b. Developing a food skills and education programme to support and enhance the MCP;
  - c. Complementing and realising the wider benefits of the MCP to regenerate the food offer in LBBD; and
  - d. Developing ambitious F&B facilities which will attract investors, partners, and businesses to the Borough and engage local stakeholders.

### **Current Landscape**

6. Nationally, the provision of training and education across the food, catering and hospitality sector makes for a varied landscape with a complex mix of

qualifications, learning experiences and providers in a wide range of subject areas. A combination of reduction in educational options and negative career perceptions has led to a steady decline in the uptake of food-related qualifications at Further Education (“FE”) and Higher Education (HE”) level across London and the UK. This is set against a growth in demand (pre-Covid-19) from the food sector in general and the hospitality sector in particular.

7. In LBBD, there is limited provision for post-16 and adult education and skills in the food sector. The current offer is a standard mixture of FE, apprenticeship, and leisure courses without any clear career pathways into trades associated with the possibilities created by the MCP.
8. The Technical Skills Academy (“TSA”) part of Barking & Dagenham College (“BDC”) in Barking Town Centre has modern training kitchens and a restaurant where students can get real work experience. The kitchens are currently underutilised, especially out of term-time and in the evenings. The TSA currently offers 9 Level 1/2/3 courses in cookery and food. Local destination data post-16 is variable, but skills development appears to lead to progression outside of the borough and not to employment within the borough.
9. The CoLC already provides learning opportunities and apprenticeships which are available to existing traders as part of its commitment to foster and support lifelong learning. Over half of the apprenticeship and skills training courses are delivered in-house, in the Guildhall. The more specialist training areas, such as Food and Poultry, Horticulture, and Animal Care are ‘contracted out’.

## **Gap Analysis**

10. Currently there is limited take up of training and apprenticeship opportunities at the existing markets. Over the past 4 years there have been 8 butchery apprenticeships at Smithfield and a modest take up of training more broadly across the markets. Approximately 60 traders have taken up other courses such as basic skills in maths, English, business administration, plumbing and customer service. Other potential areas of delivery provided by the CoLC include bookkeeping, digital marketing, procurement, facilities management, and finance.
11. Consultation with the market Superintendents revealed a low demand at present beyond the need for basic statutory training. There is limited engagement at Spitalfields and Smithfields beyond Forklift Instruction, which is organised by the traders themselves at New Spitalfields. However, the Billingsgate Superintendent reported that some traders have a greater level of engagement, in part because the Billingsgate Seafood Training School (“BSTS”), an independent charity on site providing relevant training for the industry. There have been no apprenticeships provided through the traders at Billingsgate, however, there have been apprentices in the CoLC’s administrative team.

## **User Groups**

12. The on-site food school could cater for a diverse range of user groups which have unique training needs requiring bespoke responses, as follows:



- a. Market Traders;
  - b. Industry / Corporate Sector;
  - c. Local and Regional Small and Medium-Sized Enterprises (“SMEs”) and Start-Ups;
  - d. Local Schools, Academies, and Community Outreach;
  - e. Private Training Provision: ‘Career Changers’;
  - f. Private Training Provision: Leisure; and
  - g. Young People (16-19).
13. For market traders, their core needs include: food identification, food hygiene, health & safety, manual handling, equipment training and licensing, technology and data, business systems, process engineering, finance and accounting, funding, business training, mentoring, business continuity, and apprenticeships. See Appendix 1 for more detail on the needs of each user group.
14. Feedback from existing providers of public ‘leisure courses’ is that successful courses are centrally located and near to affluent audiences. This demographic does not match that of LBBD now but that is set to change as the new market becomes more established. Therefore, the initial offer could be limited but with the possibility to grow over time as demand does. There is more opportunity to initially offer longer courses for retraining, partly due to individuals willing to invest in their careers will be more amenable to travel.
15. Travel to learn patterns at FE levels mean that students want local and easily accessible provision. The Dagenham Dock site presents challenges in that respect. There is also underused local capacity in LBBD’s FE sector at the TSA in Barking Town Centre, which is where most further Education courses will be held.
16. A public food retail offer at the new co-located market is still under review, and there is recognition that the Dagenham Dock site is not easily accessible for mainstream day-to-day retail customers. There are also operational difficulties of combining members of the public with wholesale activities. Locating this in Barking Town Centre responds to identified future consumer need in the town centre and offers additionality to the Dagenham Dock site as traders have the option to sell their produce in the town centre.
17. The LBBD and Be First concept for a retail focused food hub in Barking Town Centre is still to be finalised, however the two favoured options include being co-located within the larger redevelopment of the Vicarage Field site next to Barking Station or part of the redevelopment of the Clockhouse Avenue/East Street site overlooking Abbey Green. This will enable the food hub (including educational facilities) to be developed along with new retail, residential and potentially hotel facilities. The hub would be delivered to a similar timescale to the food school at Dagenham Dock to realise the full synergistic potential.

## **Options**

18. In order to address the identified gaps and provide a facility that best meets trader needs, multiple options were considered against various metrics including

strategic fit. The preferred Option 3 is the intermediate approach, however it should be noted that the less ambitious Option 2 still provides the basic elements required to upskill our future traders.

Option No.	1	2	3	4
Option Type	Minimum / Baseline	Basic	Intermediate	Maximum
<b>Strategic Fit</b>	Minimum	Core objectives met only	<b>Core and desirable objectives met</b>	Core and desirable and optional objectives met
<b>Scope (What?)</b>	Re-provision of existing BSTS facilities; basic classroom facility for traders	Basic facilities at Dagenham Dock (see baseline + 1 x butchery kitchen which could also be available for fruit and vegetable training) <i>Retail functions and FE/HE facilities in Barking Town Centre</i>	<b>School at Dagenham Dock with wider range of facilities such as additional kitchens to allow diversified offer - leisure training and support for local SMEs and food start-ups. Retail functions and FE/HE facilities in BTC</b>	As intermediate plus primary base for an FE/HE provider and adopting more ambitious retail and public-facing activities upfront, provision of which is currently assumed as part of Barking Town Centre development
	Discounted	Carried Forward	<b>Preferred Way Forward</b>	Discounted
<b>Scope at DD Site (How Much Space?)</b>	c. 700 sqm	c. 1,000 sqm	<b>1,500 - 2,000 sq m</b>	Over 2,500 sq m
	Discounted	Carried Forward	<b>Preferred Way Forward</b>	Discounted
<b>Service Solution At DD Site (How?)</b>	Local Authority (direct delivery)	BSTS, Butchery provider and CoLC	<b>Single independent entity coordinating delivery by a range of contracted specialist providers</b>	Single independent entity responsible for all delivery
	Discounted	Carried Forward	<b>Preferred Way Forward</b>	Discounted

## Preferred Option

19.A 'food school' at Dagenham Dock could mean many different things, and as plans for the co-located market evolve and the local demographics shift, so will its components. However, at this point in time, what is being proposed is the following:

- a. A food school at the co-located market site offering a combination of teaching kitchens, preparation spaces, and flexible classrooms to deliver a range of training and education – covering food craft and related business and technology skills – to market traders, the wider food industry in London and the South East, visiting students. and local communities;
- b. Facility between 1500 – 2000 m<sup>2</sup>;
- c. A managing entity (most likely a charitable company) delivering the food school in partnership with a range of contracted specialist providers;

- d. Formal and branded links with core FE / HE providers, who will also be occasional users of spaces at the food school;
- e. Formal and branded links with a new food court style F&B offer in Barking Town Centre, which will have a number of associated commercial kitchen space for SMEs;
- f. Launch in 2025/6, with potential for more immediate provision of courses as part of a food activation programme as well as activity in Barking FE facilities from 2023; and
- g. Capital funding for shell and core provided by the CoLC with potential to raise funding for fit out from grants / sponsorship / fundraising.

## **Required Facilities**

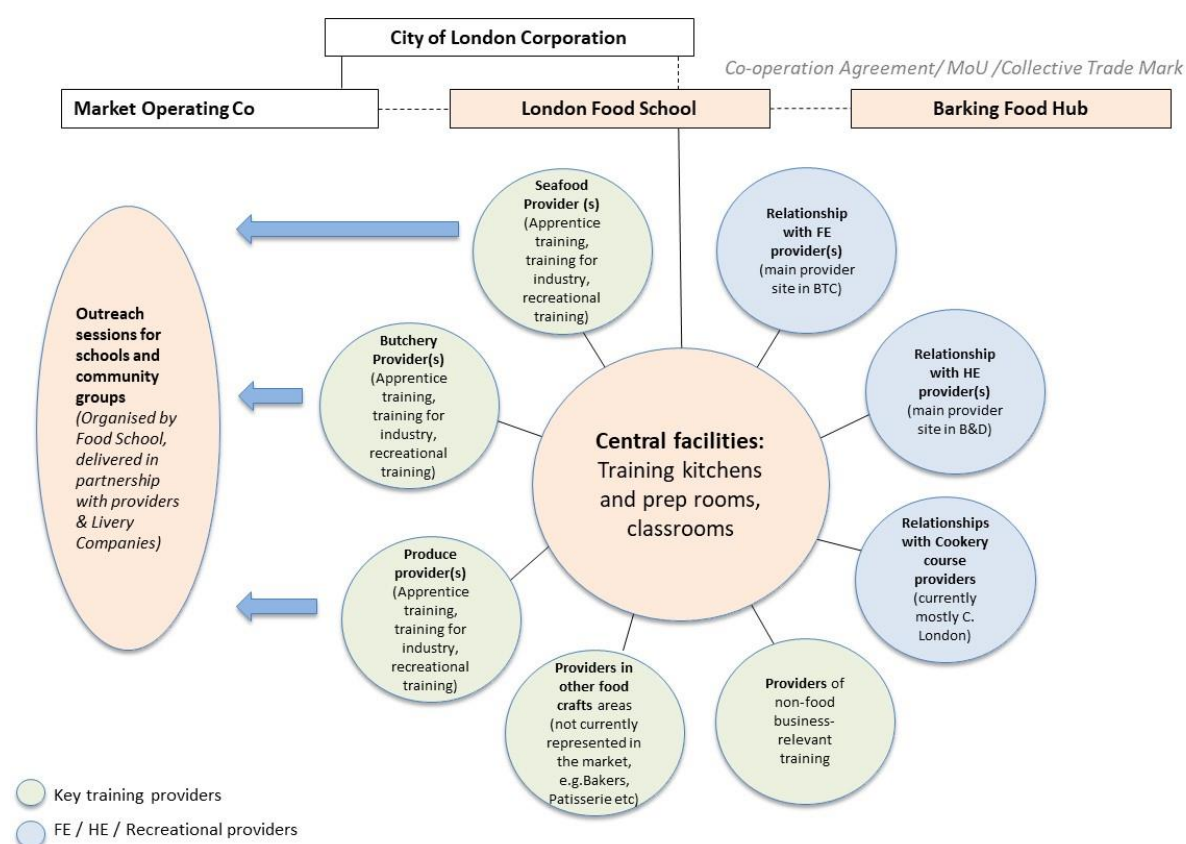
20. The facilities will be flexible with shared spaces which will allow the food school to operate across a range of functions, rather than operate in silos, as well allow the operator to sweat the assets. The following facilities will be required:
- a. 5 training kitchens;
  - b. Preparation rooms;
  - c. 3/4 flexible classrooms / lecture room;
  - d. Study space; and
  - e. Common room / dining hall.
21. The current estimated floorspace is: 1,700m<sup>2</sup> (18,400 sqft). This space provision has been established from a bottom-up approach via interviewing existing providers like MEAT Ipswich, Waltham Forest College, and the BSTS as well as a study conducted by Aecom in January 2020.
22. This space provision is reflected in the preferred design for the co-located market at Dagenham Dock and has been costed on the same basis as the office provision (walls, power, water).
23. Some consultees have noted that it would be desirable to provide accommodation for week-long block courses. Given it is likely that a hotel will be developed as part of the wider regeneration of Barking Town Centre, it is felt that a commercial partnership with this nearby development is preferable to on-site accommodation.

## **Establishing Demand**

24. Until a firm proposition has been tested with potential operators and end users, it is not possible to say what the real demand for a new food school would be. However, the MCP team and Counterculture have interviewed a range of stakeholders such as industry professionals and potential education partners to establish the likely demand against the backdrop of a population growth in the LBBD of 28% by 2034, an additional c.122,000 people. A combination of market trader need, commerce and industry interest, and the potential to train people seeking to change careers, suggests there would be uptake for the Dagenham Dock food school. See Appendix 2 for further detail.

## Organisational Structure

25. The food school activities could be organised in the following way:



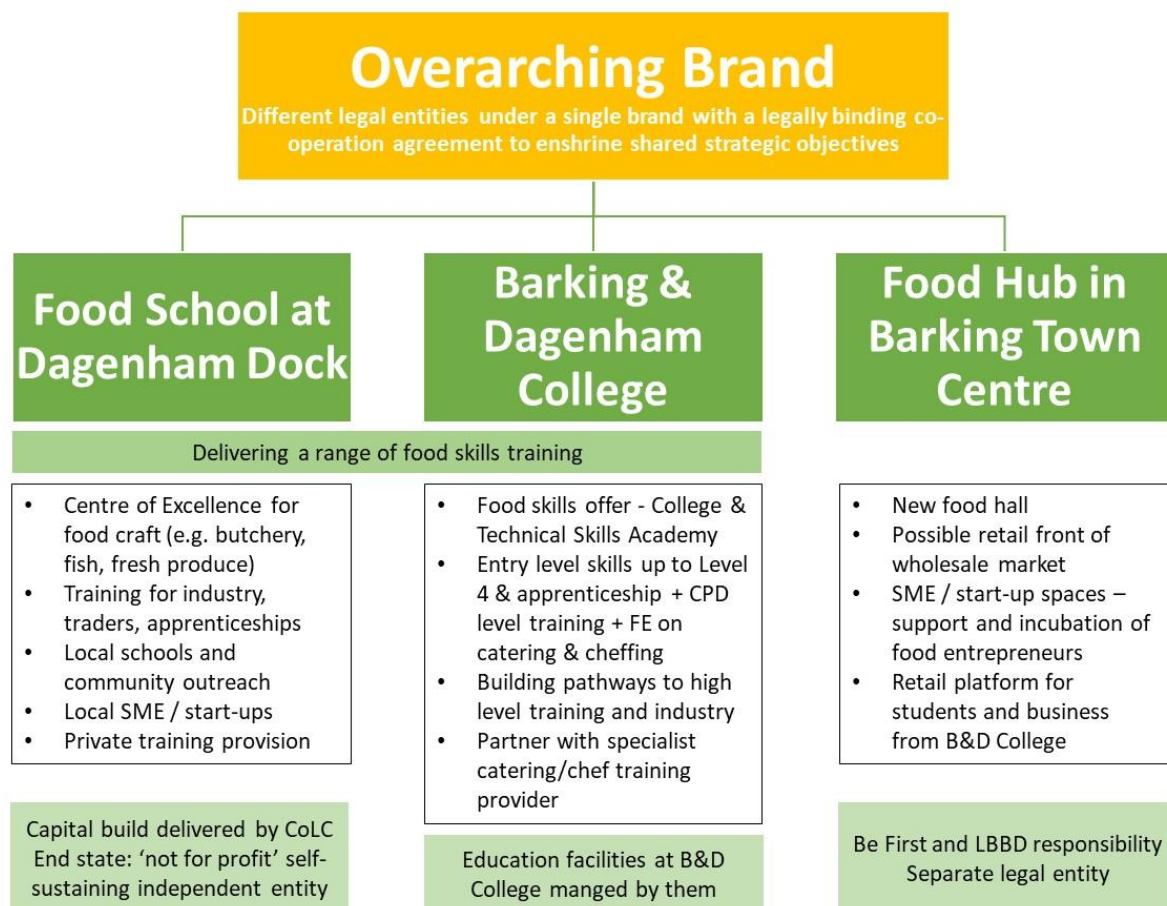
## Entity Status

26. Different options were considered for what status the food school should adopt, from being part of the CoLC's real estate capacity through to a completely independent body. The preference is for the food school at Dagenham Dock to be a new 'not for profit' self-sustaining entity, independent from the CoLC but with senior officer or Member representation on the Board. Although this is not the simplest structure, it relieves the CoLC from day-to-day administration burdens and is preferable in terms of an independent body being able to raise charitable donations and win grants/ external funding. Like with other charities that the CoLC supports, consideration could be given to whether the CoLC part-funds the entity for the first 3 years to help it get established. In the establishment and first few years of operation, the CoLC would need to provide a dedicated staff member to ensure the food school delivers on Corporate objectives and to provide an overall coordination role, which would require new funding.

27. The food hub in Barking Town Centre would be a separate entity, however both bodies could work together via a legally binding co-operation agreement to deliver the strategic objectives, including local outreach and support for local start-ups and/or SMEs. It is also recommended that a single brand be adopted so that the public face of the food school and food hub can be understood as one; this could be managed via a non-binding Memorandum of Understanding.

28. The food hub in Barking Town Centre will likely be some type of ‘for profit’ joint venture in which the LBBD will have an interest, potentially with a commercial partner either linked with the developer of the preferred site or with an established food hall/market provider. It is not anticipated that the CoLC will have any financial input or responsibility for this element of a broader food offer.

29. This multi-organisational but separate legal entities model is articulated below:



### Expert Training

30. Researching other delivery models, including the new Institute of Technology hubs and the papers published on the proposed London Food College, the best approach to meeting anticipated demand is considered to be through a matrix of partnerships with existing providers, who would provide access to both accredited practical training provision and government funding streams for FE and apprenticeship delivery.

31. Accordingly, it is recommended that while the food school is led and managed by a single entity, it oversees the delivery of a range of activities by highly respected independent providers. For example, Westminster Kingsway College (“WKC”) has welcomed the idea of partnering with the CoLC or an independent food school associated with the co-located market, and the BSTS has expressed an interest in providing its industry training and outreach programmes at Dagenham

Dock. The CoLC already provides training for apprentices and could do more in the future, especially business-related training and Fusion Skills.

32. Providers would pay rent and service charge to the food school to cover central costs and take fees and other income from individuals, companies or other funders. The food school would have direct partnerships with existing local FE and HE providers who would use the school's facilities and benefit from access to the markets in order to enhance their own provision as well as offer greater breadth and depth to the school's offer. The two primary local FE and HE providers both have existing facilities in Barking, so the primary scenario is for them to augment these facilities by using the food school facilities when required, as well as linking with the food hub in Barking Town Centre.
33. With regard to community and schools outreach, this is currently undertaken at Billingsgate by the BSTS. If BSTS were a delivery partner at the food school, it would also be able to deliver a similar programme here albeit across all the different food groups. There is a real opportunity to focus activities on specific ethnic groups, fully engaging a diverse group of potential participants.

## **Outline Business Case for Preferred Option**

### **Business Model**

34. The business model will be based on independent providers accessing government and industry funding streams, as well as income from learner fees and organisations investing in skills development.
35. Delivery partners will be charged for the use of the food school facilities having indicated that they would not be in a position to invest in large upfront capital costs but may be able to invest in the fit out costs or assist in gaining sponsorship or in-kind support from manufacturers to offset such costs. The initial capital cost of the food school (shell and core) will form part of the wider MCP budget.
36. The food school will charge a pro-rata split of shared costs based on turnover to reflect a fair proportion of the school's administration running cost. Costs that will be recharged include: administration and staff costs (excluding outreach staffing); marketing; utilities; maintenance; and other premises related overheads.
37. The level of charging has in the first instance been modelled to give an indication of income required to reach a breakeven budget. It should be noted that these types of entities, mostly based in the FE sector, generally have business models where the nature of their building and land ownership means that they do not pay rent and they pay minimal service charge. Provisional income is based on what is known about the BSTS's level of industry training and applies similar figures, weighted for different spaces across other areas of provision.
38. The advantage of this proposed model is that it keeps fixed costs for the food school to a minimum and spreads the risk across the range of partners. In addition, should charitable status be pursued, all the school's income from the independent providers will be treated as charitable and surpluses will not be

subject to corporation tax. Similarly, it is expected that charitable status would minimize any business rates liability.

### Rent and Service Charge

39. A key variable, which is yet to be determined, is the nature and level of any rent and service charge that might be levied on the food school by the CoLC. If rent and service charge were levied on the same basis as it will be to market traders (i.e. fully commercial basis), based on the current floorspace, the combined annual charge would be c.£600,000 per annum. This would make the food school unsustainable as it is currently conceived. The BSTS currently receives a substantial discount on rent and service charge. If both these rates are applied to the proposed new food school floorspace, the annual charge equates to c.£230,000 at today's prices. The potential implications of this are explained below.
40. **Scenario A: No rent or service charge.** This scenario suggests that with no rent or service charge, the providers would need to turnover just over £1 million of trading in order to enable the food school to reach a breakeven point, assuming it received some additional income from FE/HE and SME rental. The providers would be paying circa 36% of their income in school-related costs, leaving 64% for their staff costs, materials and profit. It should be noted that ideally, the school would generate a greater surplus in order to build reserves (assuming it is a not-for-profit charity which wishes to follow good practice).
41. **Scenario B: Rent and service charge at BSTS levels.** This scenario suggests that with rent and service charge levied at the levels as the BSTS, the providers would need to pay 48% of their income assuming similar turnover. It would also require a higher level of recreational courses.
42. Further work is required to test the percentage level of charge to providers for premises and overheads that is acceptable for the providers' business models to work. It may well be that the level of contribution required in Scenario B renders the school unviable.

### The First Five Years

43. Modelling of the first five years of opening – along with the set-up year – has been completed in order to project the start-up-costs aside from initial capital investment. The model includes staff and office costs in the two pre-opening years along with development of the operation in the first two years of opening. This model projects a surplus by year 3.
44. The development cost levels in this projection suggest a revenue cost of circa £570,000 in Scenario A (no rent / service charge) and circa £720,000 in Scenario B (rent and service charge model).
45. Scenario B requires a larger provider turnover (an additional £100K per annum) as well as a higher provider contribution as a percentage of turnover in order to

generate a small surplus in order for the school to be able to pay the required rent and service charge to the CoLC.

## Outputs

46. A Treasury Green Book Logic Model<sup>1</sup> has been developed to identify and seek to articulate the 'theory of change' underpinning the rationale and design of the proposed food school. See Appendix 3. This process has helped to identify relevant benefits indicators and assumptions, with a focus on those with quantifiable economic effects (e.g. job creation or productivity growth). Relevant indicators include:

- a. Output indicators: number of beneficiaries trained, amount of workspace created, number of visitors, level of visitor spend.
- b. Impact indicators: percentage increase in productivity resulting from training or workspace provision. Published datasets from the most recent UK Annual Business Survey have been consulted in order to identify relevant benchmarks for Gross Value Added per worker.

47. The model demonstrates that the food school could provide the following annually:

- a. **Traders**: 2,400 individual training days and 2,200 traders trained;
- b. **Apprenticeships**: 2,000 individual training days and 50 apprenticeships;
- c. **Food industry**: 3,500 individual training days and 2,000 workers trained;
- d. **Team building**: 30 activity sessions and 900 people engaged;
- e. **Non-local workers**: 1,000 individual training days and 1,000 workers trained;
- f. **Outreach**: 108 outreach sessions and 4,320 people engaged; and
- g. **Private training**: 120 day-long courses and 1,200 people engaged.

## Economic Impact

48. Counterculture's economic analysis concludes that the new food school at Dagenham Dock has the potential to deliver **almost £260 million in gross economic impact over an initial 10-year period**, of which:

- a. £18 million is from the direct economic effects of expenditure on their development and operation;
- b. £242 million is from the indirect and induced effects of increased productivity by individuals and businesses supported; and
- c. Over £138 million in net economic impact, including over £76m at a local (LBBD) level.

## Potential Partners

49. Building a matrix of potential delivery partners is key to the proposed model for the food school. The CoLC's Department of Community and Children's Services provides Adult Skills Education and apprenticeships and will be an important part of the provision for trader education, especially in the non-food specialisms such

---

<sup>1</sup> A way of articulating a project's development in accordance with the Government guidance on the appraisal of public investments.



as business practice and establishing employment pathways for those who are new to this sector. There are also other specialist providers in these fields who have expressed an interest to partner with the CoLC such as WKC, London South Bank University, Barking & Dagenham College, Waltham Forest College, and Coventry University London.

50. In terms of the range of specialist food training, the BSTS has expressed an interest in transferring its provision for industry and community outreach to Dagenham Dock, with a focus on developing close relationships with surrounding Primary Schools, Secondary Schools, and Academies. It was confirmed at a recent meeting of the Pan-Livery Food Group that the Butchers and Drovers Charitable Institute is interested in the food school project and has funds available for educational purposes. Other private training providers and sector bodies that have expressed an interest in the food school include MEAT Ipswich, Poultec, Fresh Produce Consortium, Food and Drink Qualifications Ltd, and the Catering Association of Butchers.
51. During the next phase of development, the CoLC need to bring on board key food training delivery partners in areas such as meat, poultry, fresh produce and other foodcraft areas. This process should be progressed in a way that will mean eventual users are able to feed into the design brief for the food school.

### **Programme and Early Delivery**

52. Ahead of an opening date to coincide with completion of the new market, during the Development Phase (2021-2025/6) there are a number of activities required to deliver the wider food school model and develop the necessary organisations, programmes and partnerships such as:
- a. A food activation project over the next 12-18 months to create the skills training that will support the longer-term training needs of both existing and new market traders;
  - b. Continue to engage industry and interested partners; and
  - c. Develop the primary cohort of lead providers.
53. The food activation programme could act as an incubator and then main feeder into the food school at Dagenham Dock. It would provide opportunities for market traders to be professionally trained early, therefore giving their business the benefits of having trained and qualified staff, nurturing new talent. These skills would focus on the identified gaps that exist in the food and hospitality sectors, who have been severely affected by the Covid-19 pandemic. It would also ensure that learners from diverse communities are encouraged to engage in this area of learning, whilst working with apprentices to develop a wide range of employable skills and direct routes into industry. Members are asked to note the ongoing work and note that an associated budget request will form part of a later report.

### **Conclusion**

54. The new market build provides a unique opportunity to also deliver an educational facility of scale and ambition which could deliver a range of training on food craft as well as complementary business skills to best train tomorrow's

market traders and the wider food industry. The independent, 'not for profit' entity would coordinate delivery by a range of contracted specialist providers. The LBBD has made its commitment to food education clear and welcomes the synergistic potential of the food school with its aspirations for a retail focused food hub in Barking Town Centre as well as the food production focus of Barking Riverside. In order to develop such a facility with industry and the right providers as well as allow for early delivery of new courses, an exciting food activation programme is being developed.

## **Appendices**

- **Appendix 1** – Food School User Groups.
- **Appendix 2** – Establishing Demand.
- **Appendix 3** – Food School Logic Model.

## Appendix 1 – Food School User Groups

User Group	Need	Offer	Funding
<b>Market Traders</b>	<ul style="list-style-type: none"> <li>Food skills: food ID, food hygiene, health &amp; safety</li> <li>Manual handling, equipment training and licensing</li> <li>Technology and data, business systems, process engineering</li> <li>Finance and accounting, funding, business training, mentoring</li> <li>Business continuity</li> <li>Apprentices – provision of day release</li> </ul>	<ul style="list-style-type: none"> <li>Bespoke training courses to cover the breadth of courses identified in “need” section</li> <li>Apprenticeships in the various food disciplines as well as a generic “markets” apprenticeship scheme or introduction/foundation course</li> </ul>	<ul style="list-style-type: none"> <li>Full cost from traders; potential for training levy as part of service charge to encourage uptake</li> </ul>
<b>Industry / Corporate Sector</b>	<p>Main markets:</p> <ul style="list-style-type: none"> <li>Independent food retail, food preparation businesses in London and the South East</li> <li>F&amp;B kitchen staff and food SME staff</li> </ul> <p>Requirements/need identified through initial consultation:</p> <ul style="list-style-type: none"> <li>Food ID and preparation skills</li> <li>Food hygiene and food safety</li> <li>Related business skills (e.g. maximizing yields from a carcass)</li> <li>CPD – short course updating skills for existing workforce</li> <li>CPD ‘away days’ for workforces of larger companies</li> </ul>	<ul style="list-style-type: none"> <li>Training for food sector responding to range of identified needs including: <ul style="list-style-type: none"> <li>Apprenticeship day release</li> <li>1-2 day skills courses</li> <li>1 day CPD courses</li> <li>1-2 week block courses for apprentices / can be offered internationally (as MEAT Ipswich do)</li> </ul> </li> <li>Possibility to extend this offer to non-food training to other local and regional businesses</li> </ul>	<ul style="list-style-type: none"> <li>Full cost recovery: businesses pay</li> </ul>
<b>Local and Regional SMEs and Start-Ups</b>	<p>As above, plus:</p> <ul style="list-style-type: none"> <li>Dedicated kitchen space</li> <li>Product development</li> <li>Small scale production</li> </ul>	<ul style="list-style-type: none"> <li>Traders, catering, F&amp;B processing, etc. provision of co-working and private kitchen / office / incubator space</li> </ul>	<ul style="list-style-type: none"> <li>Full cost recovery: businesses pay. However, potential to subsidise through future business support schemes</li> </ul>
<b>Local Schools and Community Outreach</b>	<p>Local need for:</p> <ul style="list-style-type: none"> <li>Health education</li> <li>Food awareness</li> <li>Community cohesion</li> <li>Community / young people awareness of career pathways</li> </ul>	<ul style="list-style-type: none"> <li>Site visits / classroom activities for schoolchildren KS1-4; educational visits for the public, outreach to adult groups including: <ul style="list-style-type: none"> <li>Introduction to the markets</li> <li>Food / species ID</li> <li>Basic preparation and cookery</li> <li>World food</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Raised income from external funders – e.g. charities, Livery Companies and Industry sponsors</li> </ul>

		○ Health and diet	
<b>Young People (16-19)</b>	<p>Workforce needs in following areas:</p> <ul style="list-style-type: none"> <li>• Co-located market</li> <li>• London F&amp;B sector</li> <li>• London independent food sectors</li> <li>• Wider food manufacturing sector</li> </ul> <p>Current local FE/HE sector not providing significant provision due to lack of existing pathways. Market and associated activities have potential to change this and open up pathways</p>	<ul style="list-style-type: none"> <li>• Entry-level courses (Levels 1-3) across a range of food and catering subjects</li> <li>• Partnerships with existing providers to host course elements at the Food School</li> </ul>	<ul style="list-style-type: none"> <li>• Apprentice training funded via employers / Apprenticeship Levy</li> <li>• FE student engagement funded via their institutions via direct grants. Usage fees paid to the Food School</li> </ul>
<b>Higher Level Courses (HE)</b>	As above, but for those with higher level professional ambitions in the food sector	<ul style="list-style-type: none"> <li>• Level 4+ courses (HE levels and specialist professional training, including apprentices in food trades)</li> <li>• Partnerships with existing providers to host course elements at the food school</li> </ul>	<ul style="list-style-type: none"> <li>• HE student engagement funded via their institutions via: OFS Direct Grant; Student Loans (HE)- SLC; ALL – SLC; Student Fees; International Students</li> <li>• Usage fees paid to the Food School</li> </ul>
<b>Private Training Provision: Leisure</b>	<ul style="list-style-type: none"> <li>• Recreational leisure courses for ‘food lovers’</li> <li>• Expanding market in London in recent years</li> <li>• USP of market adjacency has potential to offset potential access issues associated with a non-central site</li> </ul>	<ul style="list-style-type: none"> <li>• Market experience</li> <li>• Food / species ID</li> <li>• Preparation (e.g. butchery, fishmonger, produce prep)</li> <li>• Cooking</li> <li>• 1-2 day courses</li> </ul>	<ul style="list-style-type: none"> <li>• Full cost: individuals pay</li> </ul>
<b>Private Training Provision: ‘Career Changers’</b>	<ul style="list-style-type: none"> <li>• Longer courses for individuals who want to re-train in food / catering</li> </ul>	<ul style="list-style-type: none"> <li>• Full range of food skills from species ID, preparation, cooking, business related skills</li> <li>• In-house diploma</li> </ul>	<ul style="list-style-type: none"> <li>• Full cost: individuals pay</li> </ul>

## **Appendix 2 – Establishing Demand**

Potential demand has been assessed from the following user groups:

### **a. Market Traders**

- There will be a requirement to change behaviours, business practices, and develop technology skills in the transfer to the co-located market. Based on international comparators, including evidence from France and Australia, more progressive traders are likely to perform better at the new market. Businesses that see opportunity to grow and develop are likely to increase as a proportion of the businesses on site. It is expected that this will result in increased demand for training as well growth in opportunities for apprenticeships.
- Growth in number of traders and their staff (to c.2,500) will increase potential demand; at the three existing markets there is an annual staff turnover of 8%-9%, suggesting that there will circa. 200+ new staff at the market each year to be trained.
- Provision of training on site would increase the likelihood of take-up. One approach to ensure that this desired improvement in skills and business practice is achieved would be to mandate a certain level of training as part of traders' leases or including a training levy as part of the service charge.

### **b. Commerce and Industry**

- On a macro scale, research published by the Food And Drink Federation ("FDF") identifies a "looming skills gap" in the food manufacturing sector and an aging workforce, which will result in the need for 140,000 new recruits by 2024. In addition to this, there remains uncertainty about the European Union workforce, which makes up 32% of the industry's skilled workforce. Many of the skills gaps in larger scale industry are around automation, technology and innovation.
- 35% of the BSTS activity is currently delivered to industry, which equates to over 150 courses each year. However, there is no recognised centre of excellence for food craft training and apprentices in London, something industry tells us there is demand for.
- Despite the apprenticeship reforms encouraging major employers to take training back in house to maximise the benefit from the apprenticeship levy, smaller scale businesses point to the considerable size of the market in London and the South East for workers and potential workers in smaller scale businesses such as butchers / fishmongers, wholesalers and catering kitchen staff to learn and maintain skills. While there is no data on, for example, the scale of this sector of the meat industry, representatives of both the National Craft Butchers and the British Meat Processing Association noted the lack of centre for this type of training in London and the home counties.
- Therefore, colocation of the markets with new training facilities provides a case for bringing together training in different trades. Bringing together demand for existing provision could develop new demand through breadth of offer.

c. Local and Regional SMEs and Start-Ups

- LBBD's *Every One. Every Day* programme aims to develop and nurture local entrepreneurs over the coming years and food represents a key potential area for growth. Anecdotal evidence from the programme so far suggests a lack of commercial kitchen space for the development of such businesses. This lack of provision is borne by research that suggests the recent boom in rentable commercial kitchen space in London has been concentrated within Zones 1 and 2 with limited supply east of Hackney and Tower Hamlets.
- Population growth and change in demographics will encourage small business, as has happened in Hackney and Newham in recent years.

d. Local Schools and Community Outreach

- There are around 40,000 pupils in all primary and secondary schools in LBBD. There is an active landscape of neighbourhood and community engagement in the borough, in part activated through the Council's *Every One. Every Day* programme.
- LBBD has identified food and food culture as subjects which can encourage healthy lifestyles and community cohesion as well as providing skills and learning which could lead to economic benefits.
- The BSTS has operated a successful and well-used programme of school and college engagement from its current home in LB Tower Hamlets, and is keen to replicate this model in LBBD. Currently, 57 courses over 286 hours are delivered to over 14,000 participants a year.

e. Private Training Provision: Leisure and 'Career Changers'

- Recreational training is an important part of the BSTS model, though in recent years BSTS's income in this area has fallen – partly because of increased competition. BSTS currently do not provide training for 'career changers' and they are exploring a more central venue for this activity. Analysis of providers in London shows how the size of the market (and therefore competition for consumers) has grown in recent years. The location of these competitors also supports the view that a central location with direct access to relatively affluent consumers is desirable (given prices for many day courses are in the £100-£200 per session).
- The demand for such activities in LBBD cannot be confidently asserted at this stage and it is not advisable to rely on this aspect of potential business to support the food school. That said, future demographic changes and the unique selling point of the wholesale market experience means that a potential future offer may be developed in the facilities.
- The continued success of the Greenwich Co-operative Development Agency, a Registered Society and Charity, which provides food based training and short courses as part of its mission to develop individuals and enterprises which promote healthy lifestyles and social benefit, demonstrates demand for such profitable activity.

f. Young People and Higher Education

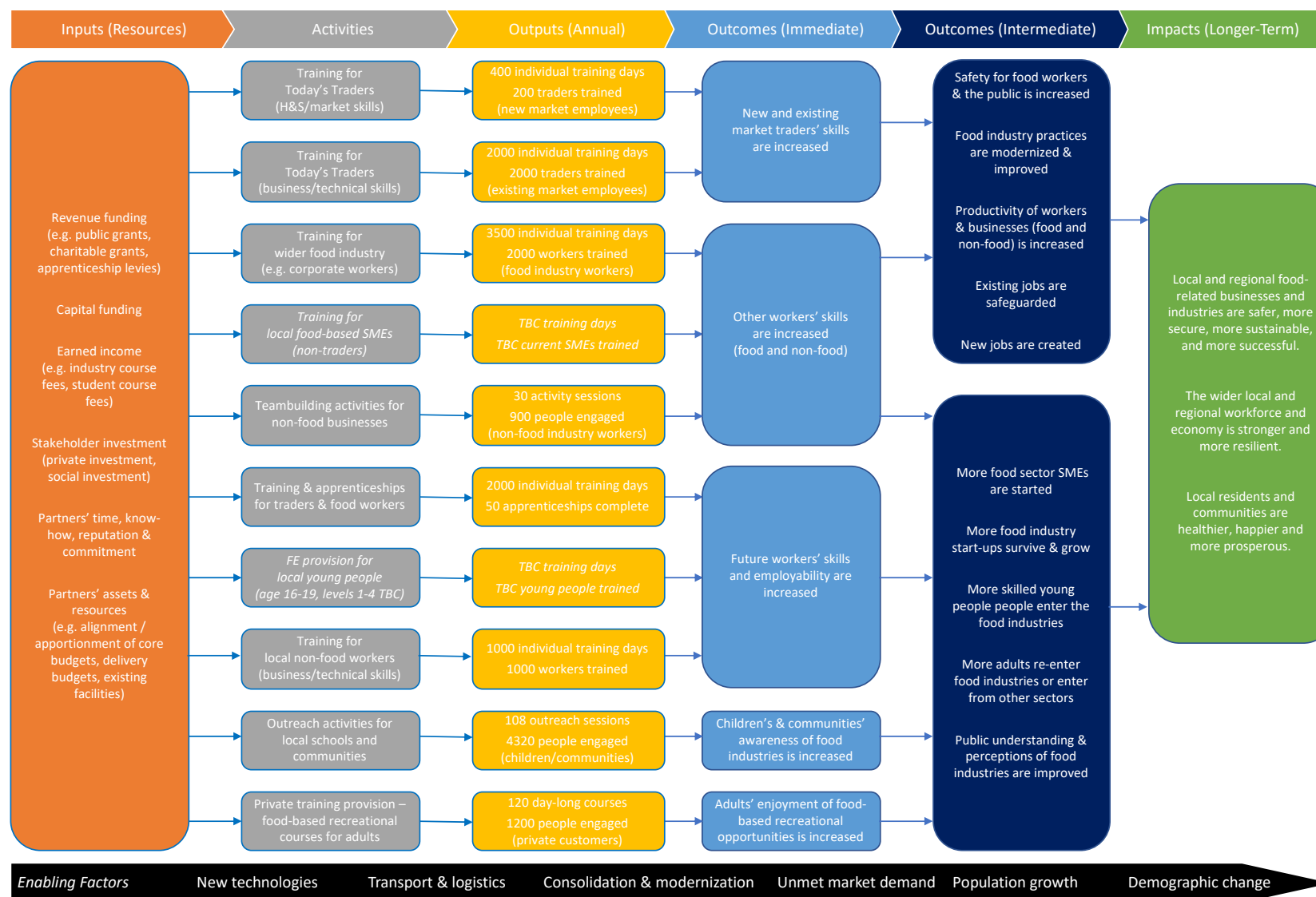
- Future demographics predict an increase of over 2,000 young people per annum over the next 15 years in LBBD. The demand for skilled and semi-skilled workers as a result of the MCP will stimulate demand if good links are developed between the market, local SMEs and the local FE and HE providers.
- The view of existing providers of post-16 skills & education in LBBD is that the MCP creates an attractive proposition for them to expand and broaden their offer in the local area, building on current facilities and taking advantage of the new facilities that will become available. Both FE and HE providers see this as an opportunity to engage with industry, businesses, and SME's to develop pathways into employment and stimulate demand from the local area as regeneration begins to escalate.
- Barking Adult Education College also note that there is an opportunity through Adult Education to engage with key local demographics for whom the MCP could provide employment opportunities notably ex-plant workers (Male 50+ and 60+) and those seeking non-standard hours.

A large number of stakeholders were consulted as part of the research that has led to these demand assumptions and overall report conclusions, a summary of them is as follows:

- a. Staff from across the CoLC, including Community & Childrens Services, MCP, Markets & Consumer Protection;
- b. Staff at LBBD and BeFirst, including officers with responsibility for regeneration, education and training and young people;
- c. FE / HE providers such as Westminster Kingsway College, London South Bank University, Barking & Dagenham College, Waltham Forest College, University of West London, and Coventry University London;
- d. Private training providers, including Billingsgate Seafood Training School, MEAT Ipswich, Poultec;
- e. Other food sector stakeholders, including Food and Drink Qualifications Ltd, Professional Association for Catering Education, Fresh Produce Consortium, the Catering Association of Butchers, British Meat Processing Association, the Institute of Meat;
- f. Retail and SME workspace providers including Mercato Metropolitano and Mission Kitchen; and
- g. Centre for London.

It had been intended to consult with market traders/businesses, unfortunately this has not been possible due to Covid-19. However, these conversations have now begun, and information has been loaded onto the Tenant Portal on the MCP website. Regular MCP channels are being utilised to gain further insight into current provision and attitudes to training opportunities among traders.

## Appendix 3 – Food School Logic Model





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