

## **MARKETS COMMITTEE**

**Wednesday, 4 March 2020**

Minutes of the meeting of the Markets Committee held at Committee Rooms 3 & 4 -  
2nd Floor, West Wing, Guildhall on Wednesday, 4 March 2020 at 11.30 am

### **Present**

#### **Members:**

James Tumbridge (Chairman)	Michael Hudson
John Chapman (Deputy Chairman)	Deputy Henry Jones
Matthew Bell	Gregory Lawrence
Nicholas Bensted-Smith	Deputy Edward Lord
Mark Bostock	Wendy Mead
Deputy David Bradshaw	Deputy Joyce Nash
John Edwards	John Petrie
Deputy Kevin Everett	Stephen Quilter
Helen Fentimen	Dawn Wright
Alderman David Graves	

### **Officers in Attendance**

Jon Averbs	- Director of Markets and Consumer Protection
Donald Perry	- Markets and Consumer Protection Department
Debbie Howard	- New Spitalfields Market Superintendent
Daniel Ritchie	- Billingsgate Market Superintendent
Mark Sherlock	- Smithfield Market Superintendent
Steven Chandler	- City Surveyor's Department
Peter Young	- City Surveyor's Department
Simon Owen	- Chamberlain's Department
Leyla Dervish	- Chamberlain's Department
Andrew Fothergill	- Comptroller & City Solicitor's Department
Antoinette Duhaney	- Town Clerk's Department

#### **1. APOLOGIES**

Apologies for absence were received from Peter Bennett, Alderman Bronek Masojada, Deputy Robert Merrett, Deputy Brian Mooney, John Scott, Ian Seaton, Deputy Giles Shilson and Mark Wheatley.

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

There were no declarations.

#### **3. PUBLIC MINUTES**

That the public minutes of the meeting held on 29.01.20 be approved as a correct record.

## Matters arising

In response to a follow up question from a Member, Chamberlain advised that efforts were made to ensure that Departments did not incur overspends by a combination of reducing expenditure and/or increasing income streams and that any overspends were carried forward to the following financial year and remedial action taken to achieve a balanced budget.

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

#### **Billingsgate**

- Billingsgate Market had received an award for Market of the year from NABMA and received special recognition for the resilience demonstrated during climate activist protests and the collaborative engagement with stakeholders.
- Officers had attended the NABMA centenary event and the Superintendent of Billingsgate Market had been appointed to the NABMA Board of Directors.

Members congratulated officers for their achievements and on the recommendation of a Member, the Committee unanimously agreed to report the award and the board appointment to the Court of Common. It was also agreed that the Committee's congratulations be conveyed to Billingsgate Market tenants.

#### **New Spitalfields**

- The entry barrier had been operational since 4<sup>th</sup> February 2020. There were some minor technical issues post implementation, most of which had been addressed and one of the payment machines was being converted for cash payments. Officers were exploring the scope for claiming compensation from the supplier for the operational delays and the SMTA would be kept informed of developments.
- A small group of Members visited the market on 28<sup>th</sup> February 2020 to engage with traders and stakeholders in respect of the MCP project and the visit was well received.
- Measure were being explored to reduce pollution and improve air quality including prohibited vehicle idling, using nearest vehicle exits and phased replacement to ULEZ compliant vehicles.

#### **Smithfield**

- Energy saving measures were continuing and the installation of LED lighting in the car park was expected to realise savings of approximately £30-£40k.
- Representatives from TfL visited on 28<sup>th</sup> February to engage with traders and buyers to promote the ULEZ scrappage scheme which had been enhanced by the Mayor of London. However, TfL received some

feedback that although appreciated, some still felt it did not compensate for the pressure that the ULEZ would put on small businesses.

5. **MARKETS COMMITTEE TERMS OF REFERENCE AND FREQUENCY OF MEETINGS**

The Committee considered a report of the Town Clerk seeking the views of Members on the Committee's terms of reference and proposed frequency of meetings for 2020/21 and the Committee supported the current frequency of meetings being held 6 times a year.

The Committee considered the existing terms of reference and felt that they were not fit for purpose. Members felt very strongly that the changes made to the Committee's terms of reference by the Policy & Resources Committee in April 2019 had resulted in the Markets Committee not having overall oversight of the developing MCP. This had also led to key information not always being communicated to the Chairman, Deputy Chairman and Markets Committee Members in a timely manner.

Members expressed the view that the Markets Committee was integral to the developing MCP and it was essential that the Markets Committee was retained with a higher profile to facilitate meaningful input onto the evolving MCP aspirations and to retain oversight of the management of the largest wholesale markets in the UK which were crucial to supplying traders and businesses across the country.

The Chairman urged Members to make representations as part of the Governance Review and it was felt that the Markets Committee should be retained as a Ward Committee with a more significant role in leading the MCP, in close dialogue with the Chairmen of the Finance and Policy & Resources Committees and that the existing terms of reference be updated to reflect this.

The Chairman moved, the Deputy Chairman seconded, and it was

**RESOLVED –**

1. That the report be noted.
2. That in light of the deliberations of the Markets Committee, the Policy & Resources Committee be recommended to alter the terms of reference of the Markets Committee to read as follows: ***(additional wording in emboldened italics)***

“To be responsible for:

- (a) Oversight of the ***provision and*** 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)."

- 3. That in light of the deliberations of the Markets Committee, Lord Lizvane's review and in turn the Policy & Resources Committee be recommended to retain the Markets Committee as a Ward Committee with a more significant role in leading the MCP, given that the Committee is integral to the management of the largest wholesale markets in the UK and the supply of traders and business nationally.

6. **MARKETS COMMITTEE RISK UPDATE**

The Committee considered a report of the Director of Markets and Consumer Protection updating the Committee on Risk Management Measures in accordance with the Corporate Risk Management Framework.

In response to questions and observations from Members, Officers advised that replacement parts had been ordered which would resolve the number of fire alarm activations at Smithfield Market and reduce the risk level to its intended target. It was also reported that random audits of HGV unloading were carried out regularly to monitor compliance of safety standards required of tenants for their deliveries. With reference to the Smithfield Brexit risk, there was no indication currently of when proposed changes to traffic flow on Charterhouse Street might be implemented.

**RESOLVED –**

That the report be noted.

7. **MARKETS CONSOLIDATION PROGRAMME GOVERNANCE UPDATE: WORKING PARTY CREATION**

The Committee considered a joint report of the Town Clerk and the City Surveyor outlining proposals to establish a dedicated Working Party of the Policy & Resources Committee to advise on options and make decisions on certain practicalities.

The Chairman welcomed the establishment of this group following the cessation of the previous Relocation of the Markets Working Party. The Chairman and Deputy Chairman suggested that given the key input required from the Markets Committee, both the Chairman and another member, perhaps the Deputy Chairman of the Markets Committee (or nominated representative) should be appointed to the new Working Party and this suggestion was endorsed by Members. Concerns were also raised in respect of the lack of detail on governance and reporting arrangements for the new working party.

It was moved, seconded, and

## **RESOLVED –**

1. That the report be noted.
2. That it be noted that whereas on 20<sup>th</sup> February 2020, the Policy & Resources Committee resolved to establish a working party based on the Chairman meetings initiated at the original request of the Markets Committee, this new working party is not something that was discussed with the Markets Committee in advance of the Policy & Resources Committee resolution.

### **Recommendation to Policy & Resources Committee**

3. Whereas: On February 20<sup>th</sup> the Policy & Resources Committee resolved to establish a working party based on the chairman meetings initiated at the original request of the Markets Committee. This new working party is not something that was discussed with the Markets Committee in advance of the Policy & Resources Committee resolution.

Request: The Markets Committee is naturally keen to provide input to the work on the Markets Consolidation Programme, and whilst welcoming the inclusion of the Markets' Committee Chairman in the working party, the Markets Committee asks that it be allowed to nominate another member in addition to the Chairman of the Markets Committee, to the working party, to ensure there is always someone with knowledge of the Markets Committee available to participate in any meetings, and to reflect the significant interests of the Markets Committee as the service committee that initiated this programme and will oversee the future market.

### **8. SMITHFIELD MARKET - CAR PARK UTILISATION FROM AUGUST 2019 - JANUARY 2020**

The Committee considered a report of the Director of Markets and Consumer Protection outlining recent Smithfield Market car park usage levels. The Committee noted that usage levels were lower than the corresponding period for the previous year and this was due largely to the implementation of the ULEZ. It was also reported car parks across the CoL had witnessed a similar decline in usage.

## **RESOLVED**

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That the report be noted.

### **9. CONCESSIONARY PARKING AND PROVISION OF TRAFFIC STEWARDS AT SMITHFIELD MARKET DURING THE EASTER PERIOD 2020**

The Committee considered a report of the Director of Markets and Consumer Protection recommending concessionary rates for car parking immediately prior to Easter. Officers reported that on the basis of the 2.3% decline in car park usage compared to the corresponding period last year, officers were recommending that 1 night of concessionary parking was granted for 8<sup>th</sup>/9<sup>th</sup> April (Wednesday night – Thursday morning).

A member requested that additional concessions should be granted on the grounds that the 2 nights leading up to Good Friday were historically the busiest trading nights of the year. In response the Chairman stated that although he did not dispute that the days immediately prior to Easter were a busy time for traders, the data on car park usage showed a general decline in usage overall and on this basis, 2 nights of concessions prior to Easter could not be justified. Furthermore, if the downward trend in car park usage continued, the Committee would consider whether future pre-Easter parking concessions were necessary.

Members requested information on further analysis on the reasons for the decline in car park usage and modes of transport being used for visitors to the market, with input from the SMTA be presented to a future meeting. This should be evidence/data based.

## **RESOLVED**

1. That option 2 was agreed, as recommended by officers
2. That information on further analysis on the reasons for the decline in car park usage and modes of transport being used for visitors to the market be presented to a future meeting, with input from the SMTA.

## **10. ENERGY COSTS UPDATE**

The Committee considered a report of the City Surveyor setting the context for energy pricing and options for future energy procurement for the City's wholesale markets

The Chairman requested further details on the mitigation measures referred to in paragraph 8 of the report and in response, Officers stated that a number of actions were proposed including

- Energy efficiency measures at Smithfield Market which had generated savings of £350k.
- Proposals for advance buying of energy through a 15 year Power Purchase Agreement to secure the best commercial advantage and remove volatility/fluctuation for 50% of the City's energy costs including the wholesale markets.
- Updated risk profiling to assess whether further mitigation measures are required.

Officers also advised that different rates were charged for day and night consumption and that the CoL would take full advantage of the reductions in energy charges and these reductions would be passed on to tenants and traders.

The Chairman urged officers to engage with tenants and traders so that they were kept informed of developments and requested that a briefing paper be prepared within the next few days so that the Chairman could formally respond to the concerns raised by SMTA. Officers agreed to provide draft notes and a letter to the Chairman that could be sent to the tenant associations before the Committee Dinner on 12<sup>th</sup> March 2020.

**RESOLVED –**

1. That the report be noted.
2. That a briefing paper be prepared within the next few days so that the Chairman can formally respond to the concerns raised by tenants associations, in particular Spitalfields tenants.

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

There were no questions.

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

There were no urgent items.

**13. EXCLUSION OF THE PUBLIC**

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

Item(s)	Paragraph
14 - 20	3

**14. NON-PUBLIC MINUTES**

**RESOLVED** – That the non-public minutes of the meeting held on 29.01.20 be approved as a correct record.

**15. CITY'S WHOLESALE MARKETS - INTERIM MAINTENANCE STRATEGY, EXISTING SITES LEASING STRATEGY, FUTURE LEASING STRATEGY AND RELOCATION PRINCIPLES**

The Committee considered a joint report of the Director of Markets and Consumer Protection and the City Surveyor covering a range of issues including the leasing and maintenance strategies and relocation principles for the MCP.

**16. LEASE RENEWAL - NEW SPITALFIELDS MARKET**

The Committee considered a joint report of the City Surveyor and the Director of Markets and Consumer Protection regarding a lease renewal at New Spitalfields Market.

17. **DEBTS ARREARS - MARKET - PERIOD ENDING - 31ST JANUARY 2020**  
The Committee considered a report of the Chamberlain regarding debt levels in respect of services provided at Billingsgate, New Spitalfields and Smithfield Markets.
18. **POULTRY MARKET PARABOLIC DOME REPAIRS**  
The Committee considered a report of the City Surveyor in respect of repairs to the parabolic dome roof of the Poultry Market.
19. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**  
There was one question.
20. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**  
There was one urgent item.

**The meeting ended at 1.25 pm**

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Chairman

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