

Committee: Markets Committee	Date: 11 September 2020
Subject: Markets Committee Risk Update – September 2020	Public
Report of: Director of Markets and Consumer Protection	For Information
Report author: Donald Perry Department of Markets and Consumer Protection	

Summary

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

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

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

- MCP-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

Smithfield Market:

Superintendent – Mark Sherlock

T: 020 7332 3747

E: mark.sherlock@cityoflondon.gov.uk

New Spitalfields Market:

Superintendent – Debbie Howard

T: 020 8518 7670

E: debbie.howard@cityoflondon.gov.uk

Billingsgate Market:

Superintendent – Daniel Ritchie

T: 020 7332 3067

E: daniel.ritchie@cityoflondon.gov.uk

MCP Markets Committee Risk Report Appendix A

Report Author: John Smith

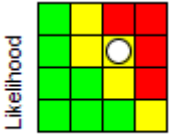
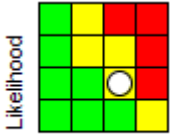

Generated on: 18 August 2020



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.	<div> <div>Likelihood</div> <div>Impact</div> </div>	24	<p>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.</p> <p>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.</p> <p>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.</p> <p>Overall the removal of all concrete gutters / canopies will remedy any future threat of failure.</p> <p>Weekly review will be required.</p>	<div> <div>Likelihood</div> <div>Impact</div> </div>	12	02-Oct-2020	

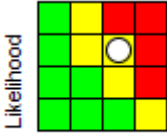
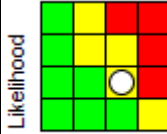

17-Aug-2020 Mark Sherlock				17 Aug 2020				Constant
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Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
MCP -012a EPA Canopy Review	Survey and review all existing canopies in East Poultry & West Poultry Ave. Erect crash decks and support props to secure remaining structure.		Mark Sherlock		28-Aug-2020

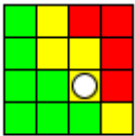
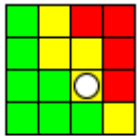

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
MCP-BG 001 Workplace Transport 26-Apr-2017 Daniel Ritchie	Cause: A lack of suitable and sufficient training and adequate management controls in relation vehicle movements at Billingsgate Market. Event: There is a risk of a life changing injury to a pedestrian if vehicle movements including forklift trucks are not appropriately managed and controlled. Effect: An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City.	 Likelihood Impact	12	This risk has been reviewed and is being held at Amber until we have total compliance with our traffic management policies. 18 Aug 2020	 Likelihood Impact	8	31-Dec-2020	 Constant

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

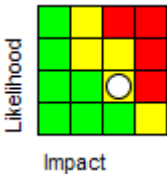
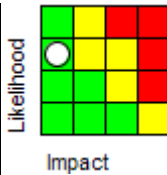

MCP-BG 001f Actions complete	Complete actions and record evidence with a view to reducing the risk rating (if appropriate).	Actions are currently being addressed in order of priority.	Daniel Ritchie	18-Aug-2020	31-Dec-2020
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Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
MCP-NS 001 Workplace Traffic Management 24-Feb-2015 Sean Benton; Debbie Howard	Cause: Over 200 forklift trucks operate on the New Spitalfields Market site. Event: There is a serious risk of life changing injury to a pedestrian if vehicle movements in this constrained space are not appropriately managed and controlled. Effect: An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City and have an adverse impact on the operation and sustainability of the service.	 Likelihood 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. 18 Aug 2020	 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
MCP-SM 001 HGV Unloading Operations 24-Feb-2015 Mark Sherlock	Cause: A lack of suitable and sufficient training and adequate management controls in relation to Heavy Goods Vehicle banksman activities undertaken by staff employed by Smithfield Market tenants. Event: Serious or life changing injury to members of the public, market staff and other service users caused by uncontrolled or unguided reversing vehicles. Effect: Realisation of this risk could result in a prosecution, fine and reputational damage for the City.	 Likelihood Impact	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. 18 Aug 2020	 Likelihood Impact	8	01-May-2021	 Constant

Action no, Title,	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 assess 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
MCP-SM 011 Brexit - impact of Brexit on traders and imports 06-Sep-2019 Mark Sherlock	Cause: The outcome of Brexit negotiations between the UK government and the EU fails to secure continuity of contracts and/or security of supply chains. Event: 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. Effect: 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.		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. 18 Aug 2020		3	31-Dec-2020	 Constant

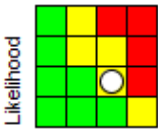
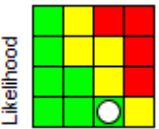
Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
MCP-SM 011a Review HGV parking	Review the possibility of establishing HGV parking / holding areas in the vicinity of the market to cope with the anticipated increased volume of traffic, including the suspension of 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
CVD19 SGPS 03 Wholesale Markets (M&CP) 09-Apr-2020 Jon Avern	Cause: The spread of COVID-19 continues to escalate affecting staff, businesses and stakeholders. Event: 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 Effect: 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.	 Likelihood Impact	8	Trading is currently at a steady state and will be kept under review. 18 Aug 2020	 Likelihood Impact	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