

Committee:	Date:
Markets	14 May 2014
Subject: Markets Business Plan Update Period 3 2013/14 (December – March)	Public
Report of: Director of Markets and Consumer Protection	For Information
Summary	
<p>This report provides an update on progress against the Business Plan of the Markets Department for Period 3 (December-March) of 2013-14 against key performance indicators (KPIs) and objectives outlined in the Business Plan.</p> <p>The report consists of:</p> <ul style="list-style-type: none"> • Performance against the key performance indicators (KPIs) and progress report on the business plan – Appendix A • Matters of general interest to the Committee – Appendix B • Markets Risk Register – Appendix C • Financial information – Appendix D • Sickness statistics – Appendix E <p>Key points from the report are:</p> <p>At the end of the February 2014, the Department of Markets & Consumer Protection was £311k (21.2%) underspent against the local risk budget to date of £1.5m, over all the services now managed by the Director of Markets & Consumer Protection covering the Markets Committee. Appendix D sets out the detailed position for the individual services covered by this department.</p> <p>Overall the Director of Markets & Consumer Protection is currently forecasting a year end underspend position of £142k (8.9%) for his City Fund and City Cash services.</p> <p>Other key topics:</p> <ul style="list-style-type: none"> - Improving Communication - Improving Health & Safety - Recycling - Sickness Absence - Finance <p>Recommendation(s):</p> <p>It is recommended that your Committee notes the content of this report and its appendices.</p>	

Main Report

Background

1. To ensure that your Committee is kept informed of progress against the current business plan, it has been agreed that progress against key performance indicators (KPIs), key objectives, key risks and a financial summary will be reported on a periodic (four-monthly) basis. This approach allows Members to ask questions and have a timely input on areas of particular importance to them.

Financial and Risk Implications

2. The end of February 2014 monitoring position for Department of Markets & Consumer Protection services covered by Markets Committee is provided at Appendix D. This reveals a net underspend to date for the Department of £311k (21.2%) against the overall local risk budget to date of £1.5m for 2013/14.
3. Overall, the Director of Markets & Consumer Protection is currently forecasting a year end underspend position of £142k (8.9%) for his City Fund and City Cash services under his control. The table below details the summary position by Fund.

Local Risk Summary by Fund	Latest Approved Budget £'000	Forecast Outturn £'000	Variance from Budget +Deficit/(Surplus)	
			£'000	%
City Fund	49	0	(49)	(100.0%)
City Cash	1,555	1,462	(93)	(6.0%)
Total Markets Services Local Risk	1,604	1,462	(142)	(8.9%)

4. The reasons for the significant budget variations are detailed in Appendix D, which sets out a detailed financial analysis of each individual division of service relating to this Committee, for the services the Director of Markets & Consumer Protection supports. However, in summary, the favourable variance on City's Cash is mainly due to balancing charges being less than required for Citigen costs (Combined, Heat & Power) for the years 2010-2013; energy savings due to the introduction of energy saving measures such as LED lighting; and salary savings as a result of posts being kept vacant and overtime savings.
5. The better than budget position at the end of February 2014 is largely due to balancing charges being less than originally projected for Citigen costs (combined heat & power) for the years 2010-2013 at Smithfield Market. This underspend will be subsumed within the capped service charge income at Smithfield Market.
6. There were further savings to date at New Spitalfields Market for additional income from recoverable electricity charges, due to an additional uplift in prices agreed with the Spitalfields Market Tenants Association; additional income from

waste collection efficiency savings rewarded from Countystyle and general increases in waste recharges from additional tonnage levels from traders; and increased water recharges due to improved monitoring of water consumption following the installation of check meters. This surplus will be offset at year end by reduced service charge costs to traders.

7. The Director of Markets & Consumer Protection anticipates this current better than budget position will continue until year end for the reason stated above in paragraph 4, subject to income activity achieving projected levels.

Annual assurance statement for data quality

8. By: David A H McG Smith CBE, Director of Markets and Consumer Protection

For the financial year 2013-2014 I give assurance to Members that my department complies with the corporate Data Quality Policy and Protocol in producing its service and performance data. I confirm that my department has effective systems and procedures in place that produce relevant and reliable information to support management decision-making and to manage performance.

Strategic Implications

9. The monitoring of performance indicators across the Division links to all three Corporate Plan Strategic Aims (To support and promote 'The City', To provide modern, efficient and high quality local services for the Square Mile; and, To provide valued services to London and the nation).

Consultees

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

Background Papers

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

Appendix B - Matters of general interest to the Committee.

Appendix C – Markets Risk Tracker

Appendix D – Financial Information

Appendix E – Sickness statistics

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