

Committee(s):	Date(s):
Markets	11 May 2016
Subject: Markets Business Plan Update Period 3 2015/16 (December – March)	Public
Report of: Director of Markets and Consumer Protection	For Information
Report author: Don Perry	

Summary

This report provides an update on progress for Period 3 (December-March) of 2015-16 against key performance indicators (KPIs) and objectives outlined in the Markets' Business Plan.

The report consists of:

- Performance against the key performance indicators (KPIs) and progress report on the business plan – Appendix A
- Matters of general interest to the Committee – Appendix B
- Financial information – Appendix C
- Sickness statistics – Appendix D

Key points from the appendices to the report are:

Billingsgate.

- SBR (Service Based Review) commitments:
 - Billingsgate car park is running at capacity and on target to produce an income in excess of £400,000 in 2015/16; the target is £305,000.
 - The reduction of the administration team by 1 FTE, which was to be delivered by the start of 2016/17, has been achieved.
- From 1st April 2016 car park prices were reviewed, the new charges are noted in Appendix A.
- The roof project and the Additional Facilities project are being put on hold until the full extent of how much each project will cost is established. In the meantime, short term solutions to address the corrosion problem on the roof are being sought from City Surveyors.

Smithfield.

- SBR (Service Based Review) commitments
 - The Rotunda car park achieved an increase in income for the year of £17,314.18 compared to the SBR target of £31,000.
- A review of car park charges has been completed and a report on the proposed changes will be brought to the July Markets Committee.
- The new Constabulary structure was introduced in January 2016. The Superintendent is now beginning a planned review that will be completed by early June and implemented in July 2016.

Spitalfields.

- The working manual is now a final draft and its content has been agreed by the SpMTA.
- Initial negotiations led by the City Surveyor did not reach agreement on renewal lease terms or the market rent payable at renewal. The Court has approved a proposal for dispute resolution through Arbitration, which is less expensive for both sides than formal Court action. An application to the RICS for a surveyor arbitrator will be made if a realistic offer from the tenants has not been received within the next month.
- Actions from the Traffic Management Plan are being implemented on time.

● **Sickness MKPI 1.** The underperformance at Billingsgate Market for period 3 (December - March) was due to three long-term cases. The sickness for the year was exceptionally high with 319 days higher than the target days of 720. The cause was due to exceptionally high cases of sickness in period 1 (April – July), improvements were made in period 2 and period 3. (Appendix D).

● **People.** The third Workforce Planning Group meeting was held on 8th March and the group focused on key areas: Leadership, Mobile Working, succession Planning and the need to identify critical roles within the department.

● **Finance.** At the end of February 2016, the Department of Markets & Consumer Protection was £255k (16.2%) underspent against the local risk budget to date of £1.57m, over all services now managed by the Director of Markets & Consumer Protection covering the Markets Committee

Recommendation(s):

It is recommended that your Committee notes the content of this Report and its appendices.

Main Report

Background

1. The 2015-16 Markets Business Plan sets out six Key Performance Indicators (KPIs) and 14 Key Improvement Objectives against which the Markets performance will be measured throughout the year.
2. The KPIs and objectives are updated in Appendix A.

Current Position

3. To ensure that your Committee is kept informed of progress against the current business plan, progress against KPIs (Appendix A) and matters of general interest (Appendix B), financial summary (Appendix C) are reported on a periodic (four-monthly) basis, along with sickness statistics (Appendix D). This approach allows Members to ask questions and have a timely input on areas of particular importance to them. Members are also encouraged to ask the Director for information throughout the year.
4. Periodic progress is also discussed by Senior Management Groups (SMG) to ensure any issues are resolved at an early stage.

Financial and Risk Implications

5. The end of February 2016 monitoring position for Department of Markets & Consumer Protection services covered by Markets Committee is provided at Appendix C. This reveals a net underspend to date for the Department of £255k (16.2%) against the overall local risk budget to date of £1.57m for 2015/16.
6. Overall the Director of Markets & Consumer Protection is currently forecasting a year end underspend position of £129k (7.5%) 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	48	48	0	0%
City Cash	1,670	1,541	(129)	(7.7%)
Total Markets Services Local Risk	1,718	1,589	(129)	(7.5%)

7. The reasons for the significant budget variations are detailed in Appendix C, 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.

8. The better than budget position at the end of February 2016 relates mostly to underspends at Smithfield Market for salary savings on vacant cleaning posts; savings on the water, Citigen and energy budgets due to lower usage resulting from favourable weather conditions; and delays against the agreed carry forward budgets, as these works will be completed by year by the City Surveyor.
9. The Director of Markets & Consumer Protection anticipates this current better than budget position will continue to year end, subject to income activity achieving projected levels. The full year end figures will be reported separately by the Chamberlain as part of the outturn report to Committee.

Strategic Implications

10. 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

11. 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 – Financial Information

Appendix D – Sickness statistics

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