



## Markets Committee

**Date:** MONDAY, 23 JANUARY 2017  
**Time:** 11.30 am  
**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

**Members:**

|                                   |                           |
|-----------------------------------|---------------------------|
| John Scott (Chairman)             | Ann Holmes                |
| James Tumbridge (Deputy Chairman) | Deputy Jamie Ingham Clark |
| Randall Anderson                  | Oliver Lodge              |
| Alex Bain-Stewart                 | Edward Lord               |
| Nicholas Bensted-Smith            | Professor John Lumley     |
| Chris Boden                       | Alderman Julian Malins    |
| Revd Dr William Campbell-Taylor   | Wendy Mead                |
| Deputy Michael Cassidy            | Deputy Robert Merrett     |
| Deputy John Chapman               | Deputy Joyce Nash         |
| Dominic Christian                 | Chris Punter              |
| Karina Dostalova                  | Adam Richardson           |
| Alderman John Garbutt             | Ian Seaton                |
| Deputy Stanley Ginsburg           | Angela Starling           |
| Deputy Brian Harris               | Patrick Streeter          |
| Tom Hoffman                       | David Thompson            |
| Michael Hudsonon                  | Mark Wheatley             |

**Enquiries:** Gemma Stokley  
tel. no.: 020 7332 1407  
gemma.stokley@cityoflondon.gov.uk

**Lunch will be served in the Guildhall Club at 1pm**  
**N.B. Part of this meeting could be the subject of audio or visual recording**

**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. **PUBLIC MINUTES**  
To agree the public minutes of the meeting held on 30 November 2016.  
**For Decision**  
(Pages 1 - 12)
4. **TERMS OF REFERENCE OF THE MARKETS COMMITTEE AND FREQUENCY OF MEETINGS**  
Report of the Town Clerk.  
**For Decision**  
(Pages 13 - 14)
5. **APPOINTMENT OF CHAIRMEN OF SUB-COMMITTEES**  
Resolution of the Policy and Resources Committee.  
**For Information**  
(Pages 15 - 16)
6. **MARKETS BUSINESS PLAN UPDATE PERIOD 2 2016/17 (AUGUST - NOVEMBER)**  
Report of the Director of Markets and Consumer Protection.  
**For Information**  
(Pages 17 - 36)
7. **HGV UNLOADING RISK REPORT**  
Report of the Director of Markets and Consumer Protection.  
**For Decision**  
(Pages 37 - 40)
8. **MARKETS COMMITTEE RISK**  
Report of the Director of Markets and Consumer Protection.  
**For Information**  
(Pages 41 - 46)
9. **PEDESTRIAN SEGREGATION BARRIER - NEW SPITALFIELDS MARKET (NSM) - GATEWAY 7 OUTCOME REPORT**  
Report of the Director of Markets and Consumer Protection.  
**For Information**  
(Pages 47 - 50)

10. **SMITHFIELD MARKET - CONDENSER WATER COOLING SYSTEM - UPDATE**  
Report of the City Surveyor.  
**For Information**  
(Pages 51 - 54)
11. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
12. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
13. **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.

### **Part 2 - Non-Public Agenda**

14. **NON-PUBLIC MINUTES**  
To agree the non-public minutes of the meeting held on 30 November 2016.  
**For Decision**  
(Pages 55 - 62)
15. **BILLINGSGATE ROOF RENEWAL - FLAT ROOF - GATEWAY 7 - OUTCOME REPORT**  
Report of the City Surveyor.  
**For Decision**  
(Pages 63 - 68)
16. **SMITHFIELD POULTRY MARKET, MAJOR REPAIRS PROJECT - POST GATEWAY 4 - PROGRESS REPORT**  
Report of the City Surveyor.  
**For Information**  
(Pages 69 - 72)
17. **NEW SPITALFIELDS MARKET WASTE CONTRACT AWARD**  
Joint report of the Chamberlain and the Director of Markets & Consumer Protection (TO FOLLOW).  
**For Decision**
18. **SMITHFIELD CAR PARK USAGE - CHRISTMAS 2016**  
Report of the Director of Markets and Consumer Protection.  
**For Information**  
(Pages 73 - 78)
19. **DEBT ARREARS MARKETS - PERIOD ENDING 31ST DECEMBER 2016**  
Report of the Director of Markets and Consumer Protection.  
**For Information**  
(Pages 79 - 88)

20. **TENANCIES AT WILL AND ASSIGNMENTS**  
Report of the Director of Markets and Consumer Protection.

**For Information**  
(Pages 89 - 92)

21. **NON PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
22. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

## MARKETS COMMITTEE

**Wednesday, 30 November 2016**

Minutes of the meeting of the Markets Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Wednesday, 30 November 2016 at 11.30 am

### **Present**

#### **Members:**

|                                   |                        |
|-----------------------------------|------------------------|
| John Scott (Chairman)             | Edward Lord            |
| James Tumbridge (Deputy Chairman) | Professor John Lumley  |
| Alex Bain-Stewart                 | Alderman Julian Malins |
| Chris Boden                       | Wendy Mead             |
| Deputy Michael Cassidy            | Deputy Robert Merrett  |
| Karina Dostalova                  | Deputy Joyce Nash      |
| Deputy Stanley Ginsburg           | Adam Richardson        |
| Ann Holmes                        | Ian Seaton             |
| Michael Hudson                    | Patrick Streeter       |
| Deputy Jamie Ingham Clark         | David Thompson         |

### **In Attendance**

#### **Officers:**

|                      |   |
|----------------------|---|
| Gemma Stokley        | - Town Clerk's Department                       |
| Julie Zhu            | - Town Clerk's Department                       |
| Debbie Howard        | - Chamberlain's Department                      |
| Julie Smith          | - Chamberlain's Department                      |
| Paul Hickson         | - Comptroller and City Solicitor's Department   |
| Steven Chandler      | - City Surveyor's Department                    |
| Andrew Crafter       | - City Surveyor's Department                    |
| Nicholas Gill        | - City Surveyors Department                     |
| Nicholas Sommerville | - City Surveyor's Department                    |
| Ian Hughes           | - Department of Built Environment               |
| Sam Lee              | - Department of Built Environment               |
| Steve Presland       | - Transportation & Public Realm Director        |
| Jon Wallace          | - Department of Built Environment               |
| David Smith          | - Director of Markets and Consumer Protection   |
| Don Perry            | - Department of Markets and Consumer Protection |
| Matthew Hill         | - Superintendent, Smithfield Market             |
| Malcolm MacLeod      | - Superintendent, Billingsgate Market           |
| Ben Milligan         | - Superintendent, New Spitalfields Market       |
| Philip Everett       | - Project Director, Museum of London Relocation |

### **1. APOLOGIES**

Apologies for absence were received from Randall Anderson, Nicholas Bensted-Smith, Deputy John Chapman, Dominic Christian, Alderman John Garbutt, Deputy Brian Harris, Tom Hoffman, Chris Punter, Angela Starling and Mark Wheatley.

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

The Chairman and Alderman Malins declared a standing interest as Members of the Board of Governors of the Museum of London, which was the subject of agenda item 15.

3. **PUBLIC MINUTES**

The public minutes of the meeting held on 21 September 2016 were considered and approved as a correct record.

**MATTERS ARISING**

**New Covent Garden Market Visit (page 2)** – The Chairman reported that the Director had met with the Managing Director of New Covent Garden to discuss a future Markets Committee visit to the site. Due to ongoing changes at the market it was not felt that it would be appropriate for the Committee to visit at this time but the Director would look to progress this further later in the New Year.

**ClearChannel Delegated Authority (page 3)** – The City Surveyor reported that the heads of terms with advertising hoarding company ClearChannel were likely to be agreed next week. The Committee therefore agreed further delegated authority for the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Markets Committee, to sign off on this matter.

**Debt Settlement Targets (page 4)** – In response to a suggestion made at the last Markets Committee meeting regarding the possibility of tightening targets around debt settlement beyond the corporate level, the Director reported that he believed that this would result in further, unnecessary administrative burden for Officers for relatively little gain given the low level of debts involved.

**Billingsgate Market – Chairman of the Market's Tenants Association (page 5)** – The Chairman confirmed that he had written to the Chairman of the Market's Tenants Association to offer him his best wishes on behalf of the Committee.

**Spitalfields Market – Waste Contract Tenders (page 6)** – The Chairman reported that tenders were now in for the Spitalfields Market waste disposal contract but that these were yet to be assessed. Members were informed that this would form the subject of a further report to the next meeting of the Markets Committee.

4. **PUBLIC MINUTES OF THE REFERENCE SUB (MARKETS) COMMITTEE**

The public minutes of the Reference Sub (Markets) Committee held on 22 November 2016, which were separately circulated, were received.

5. **REVENUE AND CAPITAL BUDGETS - 2016/17 AND 2017/18**

The Committee considered a joint report of the Chamberlain and the Director of Markets and Consumer Protection seeking approval to the latest revenue

budget for 2016/17 and provisional revenue budget for 2017/18, for subsequent submission to the Finance Committee.

The Chairman, on behalf of the Committee, thanked the Chamberlain for a very comprehensive report and for helpfully summarising the key information within a table at the beginning of the report.

**RESOLVED –** That, the Committee:

1. are content that the latest 2016/17 revenue budget reflects their objectives and approve the budget for submission to the Finance Committee;
  2. are content that the provisional 2017/18 revenue budget reflects their objectives and approve the budget for submission to the Finance Committee;
  3. approve the draft capital budget; and
  4. authorise the Chamberlain to revise these budgets to allow for changes to the Additional Works Programme and in respect of recharges as well as any changes from Markets Service Reviews, City of London Procurement initiative savings and Carbon Trading Allowances. If the revisions vary by more than 10% of total expenditure a further report will be submitted to the Markets Committee for approval.
6. **SMITHFIELD MARKET - CONDENSER WATER COOLING SYSTEM - UPDATE**

The Committee received a report of the City Surveyor providing Members with a summary of progress on the City's trial to increase the operating temperature of Smithfield Market's Water Cooling System, which provides cooling to the Market Tenants' refrigeration equipment.

The City Surveyor confirmed that the system was now operating at 24 degrees Celsius with no complaints or reports of problems to date. He added that the final increase to 25 degrees Celsius would take place next week.

The Committee were informed that a pump breakdown had been reported in West Market on the evening of 23 November 2016, maintenance engineers were called on site and restored the system after four hours. Investigations into the cause of the breakdown were still continuing although the suspected cause was a power surge.

Finally, the City Surveyor highlighted that some of the tenants' condensers were still under sized which could lead to problems in the future.

A Member questioned what plans were in place to address this issue or further issues that might arise again as a result of warmer weather in the Summer. The City Surveyor reported that the pumps were due to be replaced before the Summer period and that the operating temperature could also be temporarily reduced if problems arose.

Another Member questioned what powers the City had to address the fact that a number of tenants' equipment was still deemed to be a risk to the efficient operation of the system. The City Surveyor confirmed that a total of 12 refrigerators with undersized condensers were currently on the City's 'at risk' list and that the Superintendent would be writing again to the tenants concerned suggesting that they upgrade their equipment in the strongest possible terms. However, as the equipment was owned by the tenants, any upgrades were at their discretion and they would take the consequences of any equipment failure. Members commented that it seemed odd that there was no way to enforce this given that it was a problem that could potentially affect all and jeopardise the entire system.

The Director clarified that, from 1 April 2018, costs associated with running the system would fall within the service charge which might lead to some peer pressure on those tenants who were jeopardising the efficient running of this.

A Member noted that, at 25 degrees Celsius, the cooling system would still be operating 5 degrees lower than was originally specified.

#### **RECEIVED.**

#### **7. STRATEGIC REVIEW - DRAFT SPECIFICATION**

The Committee considered a report of the Director of Markets and Consumer Protection regarding a future Strategic Review of the City's Wholesale Markets.

The Deputy Chairman stated that the review objectives should make it explicitly clear that the suitability and long-term sustainability of each site as well as the potential consolidation of the markets would be covered.

A Member commented that the report did not provide any real detail on cash flow and how, for example, a new site might be purchased and built on whilst continuing to maintain the existing sites. The Members went on to question whether the Policy and Resources and Corporate Asset Sub Committee should also be sighted on this report from the outset.

The Deputy Chairman confirmed that the report would be submitted to the Policy and Resources Committee in due course and that there was already dialogue with the Chairman and Deputy Chairman of Policy and Resources on this matter. Members noted that the Markets Committee had sought to undertake a similar review approximately 14 years ago but that this had been rejected by the Policy and Resources Committee. Members wanted to ensure that this would not be repeated before any costs were incurred.

In response to a question regarding costs, the Director reported that there had been no costs associated with producing this initial report except for Officer time. He was now looking at the necessary budget for the actual review and discussing how this might be funded with the Chamberlain.



**RESOLVED** – That, Members approve the draft Specification for the Review of the City of London Wholesale Markets.

**8. MARKETS COMMITTEE RISK**

The Committee received a report of the Director of Markets and Consumer Protection providing Members 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.

The Chairman highlighted that the risk relating to ‘HGV Unloading Operations’ had moved from an amber to a red risk. This was due to a lack of suitable and sufficient training and adequate management controls to Heavy Good Vehicle banksman activities, undertaken by staff employed by Smithfield Market tenants. The Superintendent of Smithfield Market confirmed that he was currently in discussion with tenants to resolve this as quickly as possible. The Chairman reported that, as a red risk, this matter would be referred back to every meeting of the Markets Committee. He asked that the narrative to the risk and the actions taken to date be updated accordingly.

A Member commented that the SMTA had agreed to take this responsibility on board. He was now concerned that, in identifying this risk, the City were at risk in not fully addressing and controlling it. He suggested that, if the tenants were not fulfilling their role here, control should be taken back in-house and this should be added to the tenant’s service charge.

The Superintendent reassured the Committee that Officers were continuing to manage the risk and that the number of incidents/accidents relating to HGV Unloading Operations were very low at the Market. He added that the SMTA were aware that the Superintendent was now pushing for tenants to fully address this.

Whilst accepting that the number of incidents relating to HGV Unloading Operations at the Market were low, a Member quoted the Health and Safety Executive website which listed reversing vehicles as accounting for a disproportionate number of accidents/deaths in the work place. It was therefore important to address this risk without further delay.

The Chairman agreed with the points made and requested that a report be submitted to the next meeting of the Markets Committee examining the possibility of taking the training and management of Heavy Good Vehicle banksman activities back in house if tenants had not fully complied by this time.

**RESOLVED** – That, Members:

- a) note the report and the actions taken in the Department of Markets and Consumer Protection to monitor and manage effectively risks arising from its operations; and
- b) request a further report on the possibility of bringing the training and management of Heavy Good Vehicle banksman activities back in house if tenants had not fully complied with the need for this.

## 9. **SUPERINTENDENT'S UPDATES**

The Committee received oral updates from the Market Superintendents as follows:

### Billingsgate Market

The Superintendent reported that tenants were now threatening to withdraw part of the service charge for the Seafood School. £38,000 in charges were currently paid for the School who had indicated that they would continue to pay £18,000 of this but would need to find an additional £20,000 going forward. He reported that the School might now write to individual tenants to seek contributions.

With regard to the long-term sickness case the Committee had been made aware of, the Superintendent reported that the associated court case had now concluded and a sentence had been pronounced. The Superintendent and Corporate HR would now be meeting with the member of staff concerned later this week to discuss a return to work programme.

The Committee were informed that the Chairman of the Tenants Association remained in hospital after being admitted back in June 2016. He was now awaiting transfer to a rehabilitation centre but was unlikely to be out of hospital before Christmas.

Finally, the Superintendent updated the Committee on trade at the Market. As far as vehicles entering the market were concerned, this was 8% down on last year. Members were informed that customers were charged for parking at the site which gave an indication as to numbers entering the market. Data here suggested that numbers were 13% down on last year. The amount of fresh fish coming in to the market was 2% down versus the previous year. The Superintendent added that one trader had recently been through two rounds of redundancies involving many staff. Members were informed that, whilst the premises was still fully occupied at present, there were now far fewer enquiries as to potential vacancies.

### Spitalfields Market

The Superintendent was pleased to report that the City had now reached the final stages of the rent and lease negotiations and Members would see a report on this in the non-public agenda.

With regard to tenders for the Waste Contract, the Superintendent reported that all tenders had now been received and would need to be evaluated by the 12 December 2016. At a glance, it appeared that all of the tenders received met the original specification very well. The idea was to legitimise waste brought on to the site and to control it's a disposal – this would involve a significant culture change. In response to questions, the Superintendent recognised that the market's CCTV system needed improving to help 'police' waste management. He reported that there would be a municipal site at which cardboard and plastic waste could be disposed of and that this would generate an income for the market going forward. If any waste was left elsewhere on site, the individual

concern would be charged with fly tipping and would face a fine of up to £1,000 if found guilty.

The Superintendent went on to report on work place transport at the site. He reported that the pedestrian segregation barrier had now been installed and had been well received with no accidents reported. Forklifts were now also banned from parking in the area. A Gateway 7 (Outcome) report on this matter would be produced in January 2017, effectively closing the project.

Pedestrian crossings were to be re-instated with £100 fines issued to those parking in the wrong place. Parking on site was now strictly enforced and there had been positive feedback on this. Penalty charge notices had been erected on site which had served to reduce parking non-compliance (e.g. illegal parking in disabled bays and across several bays). In response to questions, the Superintendent reported that the Market Sergeants and Head of Security served the parking fines and that this was always done in pairs for reasons of personal safety. The £100 fine was reduced to £50 if paid promptly. The Superintendent reported that the City had waived their share of the income generated from fines for a set period of time which had resulted in a cost neutral solution. The scheme had been implemented by District Enforcement Limited at no cost to the City on the understanding that they would retain all income generated by the fines issued on site until the cost of implementing the scheme had been repaid. The Superintendent clarified that the intention had always been for this to be a control and not an income generation mechanism

Members were informed that the tenants/staff car park was to be relocated to the far end of the site which would result in faster deliveries on site and the potential to create better pedestrian access in that area.

Finally, the Superintendent reported that documents concerning the installation of an entry barrier on site were currently being reviewed with the City Surveyor and the Department of Built Environment. It was hoped that an invitation to tender on this could be prepared before Christmas.

#### Smithfield Market

The Superintendent regrettably informed the Committee of the recent death of long serving market cleaner Tony Richards. The Superintendent reported that the Committee/City of London had been represented at Mr Richard's funeral. The Chairman asked that the commiserations of the Committee be passed on to the family of Mr Richards.

The Superintendent went on to report of recent 'flare ups' whereby some tenants had been using parking bays to store pallets. He reported that he had worked alongside the SMTA to put pressure on the worst offending tenants to cease this practice and that this had resulted in some improvements.

Finally, the Superintendent highlighted that this would be his last appearance at the Markets Committee given that he was to step down from his role at the end of the year. He thanked Members for their kind wishes regarding his departure.

The Chairman, on behalf of the Committee, gave his thanks and best wishes to the Superintendent.

In response to a question regarding rubbish collection, the Superintendent reported that he believed that this commenced at 5am on site but that staff did not generally pick up any rubbish outside of the market unless specifically reported to them. If the waste was off site the matter could be progressed by the Department of Built Environment or by Islington Council as appropriate.

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

There were no questions.

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

With the Chairman's permission, the Committee considered the following two late, separately circulated, urgent items of business:

**NORTH – SOUTH CYCLE SUPERHIGHWAY PHASE 2: THE CITY'S RESPONSE**

The Committee received a report of the Director of the Built Environment concerning the City's response to the North-South Cycle Superhighway Phase 2.

The Committee were informed that Officers in DBE had been working alongside colleagues at Smithfield, the SMTA and TfL to finalise proposals to extend their North-South Cycle Superhighway. Officers believed that the revised proposals offered significant road safety benefits and highlighted that 15 of the 17 road traffic injury collisions that had occurred at the Farringdon Street/West Smithfield junction in the past three years could have been prevented if the current proposals were implemented.

However, Members were informed that the SMTA and the Department of Markets and Consumer Protection had expressed concern at the proposed banned left turn into West Smithfield and were requesting that TfL permit this left turn during the main hours of market operation. They felt that a ban on this would unnecessarily increase congestion and traffic around the Market. Officers reported that vehicles turning left into West Smithfield equates to about 25 vehicles per hour during the main market operating hours and that this was considered to be very low.

The Streets and Walkways Sub Committee would be encouraged to support the revised proposals as set out in the report at their meeting next week but to also direct Officers to continue to work with TfL to establish if a timed suspension of the banned left turn was practicable during key market operating times.

The Chairman reported that this Committee would like to see the ban lifted from 9pm – 5am every weekday so as not to disrupt operations at the market. The Committee asked that a resolution underlining this be sent to the Streets and Walkways Sub Committee ahead of their next meeting.

A Member noted that, an average of 25 vehicles per hour (approximately one vehicle every two and a half minutes) using this left turn during the main market operating hours demonstrated that the impact of banning this would be significant.

**RECEIVED.**

#### **CROSSRAIL URBAN REALM PROJECTS: UPDATE REPORT – GATEWAY 4 (STAGE 1) UPDATE REPORT**

The Committee received a report of the Director of the Built Environment advising Members of the status of the Crossrail proposals for the areas immediately surrounding the three station accesses in the City.

Officers drew Members' attention to the proposals regarding the eastern side of Lindsey Street, highlighting that there were no significant proposals regarding the west side. Members were informed that the area would experience significant additional pedestrian movement given the development of the Crossrail site, the over-site office development and a separate site development nearing completion in nearby Islington. Proposals therefore involve the widening of the eastern footway to account for this anticipated, additional pedestrian movement. Officers had agreed a compromise with Crossrail to accommodate a formal, 15 metre long, loading bay for market trader use towards the northern end of Lindsey Street. This compromise proposal would now be recommended to the Streets and Walkways Sub Committee for approval at their meeting next week. The SMTA, however, remained dissatisfied with this.

A Member commented on the proposed installation of cycle stands which he felt were unnecessary on the widened footway and could also lead to problems for any large, artic lorries navigating this corner. Officers reported that Crossrail had used computer modelling to demonstrate that a 16 metre refrigerated vehicle could successfully make this turn with the new cycle stands in place. Other Members argued that computer modelling did not take into account the driving capabilities of individuals and shared the concerns raised about the installation of the cycle stands in this location. Officers stated that Crossrail were conscious of the issues in this location and were of the belief that the installation of cycle stands here would deter vehicles from mounting the footway in order to successfully navigate the corner. Concerns about the additional restriction being placed on lorries turning right on the corner in this area were also shared by Officers at the market.

Members were unconvinced by this argument and maintained the view that the cycle stands were surplus to requirements.

Officers assured the Committee that these proposals had not yet been finalised and that more detailed designs were to be produced in the new year. Officers undertook to feed the Markets Committee's comments in to the Streets and Walkways Sub Committee and any further discussions with Crossrail.

**RECEIVED.**

**12. 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:-

| <b>Item</b> | <b>Paragraph</b> |
|-------------|------------------|
| 13-18       | 3                |
| 19          | 3, 5 & 7         |
| 20-21       | 3                |

**13. NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 21 September 2016 were considered and approved as a correct record.

**14. NON-PUBLIC MINUTES OF THE REFERENCE SUB (MARKETS) COMMITTEE**

The non-public minutes of the Reference Sub (Markets) Committee held on 22 November 2016, which were separately circulated, were received.

**15. MUSEUM OF LONDON PROPOSED RELOCATION - WORKS UPDATE AND HEADS OF TERMS**

The Committee received a report of the City Surveyor updating Members on the Museum of London proposed relocation works and heads of terms.

**16. POULTRY MARKET MAJOR REPAIRS PROJECT - GATEWAY 4 - DETAILED OPTIONS APPRAISAL (COMPLEX)**

The Committee received a report of the City Surveyor regarding the Poultry Market Major Repairs Project.

**17. POULTRY MARKET LETTING UPDATE AND THE LETTING OF UNITS 206, 210-213 AND 224**

The Committee considered and approved a joint report of the City Surveyor and the Director of Markets & Consumer Protection seeking approval to final terms of the letting of unit 206 to an alternative tenant, where the originally approved tenant has withdrawn, approval to final terms of a letting of unit 210-213, and approval to final terms of a letting of unit 224.

**18. SPITALFIELD'S LEASE RENEWALS**

The Committee considered and approved a report of the City Surveyor regarding the Spitalfields Market bulk lease renewal.

**19. DEBT ARREARS MARKETS - PERIOD ENDING 30TH SEPTEMBER 2016**

The Committee received a report of the Director of Markets and Consumer Protection informing Members of invoiced income raised and outstanding as at 30<sup>th</sup> September 2016 from 31 days to 121+ days.

20. **REVIEW OF PUBLIC CAR PARK PROVISION IN THE CITY**

The Committee considered and approved a joint report of the Director of the Built Environment and the Director of Markets and Consumer Protection recommending short, medium and long term strategies for the on-going management of the City's five public car parks.

21. **REVIEW OF CAR PARK USAGE AT SMITHFIELD**

The Committee received a report of the Superintendent of Smithfield Market informing members of the use of Smithfield car park.

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

Members posed questions on the anticipated cost of a Strategic Review of the Markets and on the departure of the Superintendent of Smithfield Market.

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

There were no additional, urgent items of business for consideration in the non-public session.

**The meeting ended at 1.18 pm**

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Chairman

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|  |                                 |
|--|---------------------------------|
| <b>Committee:</b><br>Markets Committee   | <b>Date:</b><br>23 January 2017 |
| <b>Subject:</b><br>Terms of Reference of the Markets Committee and Frequency of Meetings | <b>Public</b>                   |
| <b>Report of:</b><br>Town Clerk  | <b>For Decision</b>             |
| <b>Report Author:</b><br>Gemma Stokley, Town Clerk's Department                          |                                 |

**Summary**

1. As part of the post-implementation review of the changes made to the governance arrangements in 2011 it was agreed that all Committees should review their terms of reference. This will enable any proposed changes to be considered in time for the reappointment of Committees by the Court of Common Council.
2. The terms of reference of the Markets Committee are set out at Appendix A for your consideration. It is proposed that the approval of any further changes to the Committee's terms of reference be delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman.
3. The Committee is also required to review the frequency of its Committee meetings. At present, the Markets Committee meet six times a year – in January, March, May, July, September and November.
4. It should be noted that at the Markets Committee meeting on 4 September 2013 it was agreed that the number of meetings per annum be arranged in consultation with the Chairman, Deputy Chairman and the Director of Markets & Consumer Protection, in order for them to align with the anticipated work programme for the year.

**Recommendations**

- a) That, subject to any comments, the terms of reference of the Committee be approved for submission to the Court of Common Council , as set out at Appendix A, and that any further changes required in the lead up to the Court's appointment of Committees be delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman; and
- b) Members agree that the frequency of meetings per annum be arranged in consultation with the Chairman, Deputy Chairman and the Director of Markets & Consumer Protection, in order for them to align with the anticipated work programme for the year.

**Contact:**  
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 Email: [gemma.stokley@cityoflondon.gov.uk](mailto:gemma.stokley@cityoflondon.gov.uk)

**MARKETS COMMITTEE**

**Terms of Reference**

To be responsible for:-

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

# Agenda Item 5

TO: **MARKETS COMMITTEE**

Monday, 23 January 2017

FROM: **POLICY AND RESOURCES COMMITTEE**

Thursday, 15 December 2016

## **APPOINTMENT OF CHAIRMEN OF SUB-COMMITTEES**

Members considered and approved a report of the Town Clerk and Comptroller and City Solicitor regarding the appointment of Sub-Committee Chairmen.

### **RESOLVED – that:-**

- when a Chairman does not wish to exercise his/her right to be the Chairman of a Sub-Committee and wishes a specific Member to be appointed, Committees adopt a convention whereby the Chairman submits his/her nomination for Chairman and/or Deputy Chairman to the service committee for approval; and
- a resolution to this effect be circulated to all relevant Committees to endorse this convention.

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# Agenda Item 6

|   |                        |
|---|------------------------|
| <b>Committee:</b>   | <b>Date:</b>           |
| Markets   | 23 January 2017        |
| <b>Subject:</b><br>Markets Business Plan Update Period 2 2016/17<br>(August – November) | <b>Public</b>          |
| <b>Report of:</b><br>Director of Markets and Consumer Protection                        | <b>For Information</b> |
| <b>Report author:</b><br>Don Perry - Department of Markets and Consumer Protection      |                        |

## Summary

This report provides an update on progress for Period 2 (August-November) of 2016-17 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:

- Revised terms have been agreed with advertising hoarding company Clearchannel and it is expected that the contract will be signed in January 2017. The rent will increase from £350k to £475k per year from a date to be confirmed.

##### General activities

- Billingsgate Code of Practice has been completed and issued to tenants.
- Billingsgate successfully defended an accident claim in court after a Fishmonger claimed he slipped in a puddle of fish slime. The judge ruled in the Market's favour as he felt there were adequate cleaning systems in place.
- From 1<sup>st</sup> April 2017 the LFMA/Billingsgate Traders will reduce their annual service charge contribution towards the Seafood School's facilities from £39,000 to £18,000. The LFMA feel that the Seafood School should now be financially self-sufficient and no longer need the contribution the LFMA have been providing.

## **Smithfield**

SBR (Service Based Review) commitments:

- Smithfield car park review of charges has been completed and approved by Planning & Transportation and Markets Committees and the revised charges will come in to effect from 1 June 2017. The car park is forecast to exceed the additional revenue target of £31k by the end of 2016/17.
- The letting of seven vacant meat trading premises in the Poultry market will reduce the cost to the city of service charge voids on vacant premises. Savings of £40,452 have already been achieved and provisional agreement has been reached on two leases that should realise a further £94,900 in 2017/18. We are hoping to complete negotiations shortly with another two tenants that will provide an additional £66,441 in 2017/18. When these negotiations are finalised they will represent some £200k of savings in 2017/18.

## **Spitalfields**

General activities

- All rents have been now been agreed and leases are being prepared to be issued to tenants.
- The tenants are satisfied with the content of the Working Manual and the revised version has now been signed off.
- The full specification for the multi barrier entry system has been written and is with City Procurement to start the tender process.
- The issuing of Parking Charge Notices (PCN) commenced on 14 November and this action is having a noticeable reduction in parking problems.

## **Finance**

- At the end of November 2016, the Department of Markets & Consumer Protection was £150k underspent against the local risk net budget to date of £63k, over all the services now managed by the Director of Markets & Consumer Protection covering the Markets Committee. Appendix C sets out the detailed position for the individual services covered by this department. Overall the Director of Markets & Consumer Protection is currently forecasting a year end underspend position of £60k (3.8%) for his City Fund and City Cash services.

## **Main Report**

### **Financial and Risk Implications**

1. The end of November 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 £150k (238.1%) against the overall local risk budget to date of £63k for 2016/17.

2. Overall the Director of Markets & Consumer Protection is currently forecasting a year end underspend position of £60k (3.8%) 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<br>£'000 | Forecast Outturn<br>£'000 | Variance from Budget<br>+Deficit/(Surplus) |               |
|--|---------------------------------|---------------------------|--|---------------|
|  |                                 |                           | £'000                                      | %             |
| City Fund                                | 47                              | 38                        | (9)  | (19.1%)       |
| City Cash                                | 1,518                           | 1,467                     | (51)                                       | (3.4%)        |
| <b>Total Markets Services Local Risk</b> | <b>1,565</b>                    | <b>1,505</b>              | <b>(60)</b>                                | <b>(3.8%)</b> |

3. 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.
4. The better than budget position at the end of November 2016 relates mostly to Smithfield Market due to salary savings on vacant posts and delays in the commencement of projects/maintenance of agreed carry forward budget works, plus additional income due to backdated car park income miscoded to Tower Hill car park account, which has now been corrected.
5. 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.

### Recommendation:

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

### Appendices

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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## APPENDIX A

### 2016-2017 Progress against Markets Business Plan

This Report aims to bring Members up to date on progress in achieving the objectives set out in the annual Business Plan for the 2<sup>nd</sup> period in 2016/17 (August– November inclusive).

| To end of Period 2 (August - November)  |   |              | Period 2 days lost<br>(August- November) |                 |
|---|---|--------------|--|-----------------|
|   |   |              | Period 2 Target                          | Period 2 Actual |
| MKPI 1  | Achieve an overall sickness level of no more than 6 days per person by 31 March 2016, and a total of no more than 678 days across all markets¹. | Billingsgate | 158                                      | 308             |
|   |   | Smithfield   | 152                                      | 389             |
|   |   | Spitalfields | 120                                      | 150             |
|   |   | Directorate  | 22                                       | 0               |
|   |   | Total        | 452                                      | 847             |
| Comments: Billingsgate – 15 employees had a total of 42 days of short term absence in the 2 <sup>nd</sup> period. The remainder of days lost in the period was due to one employee who has been on long term absence since 6 <sup>th</sup> April but is due to return to work in December.<br>Smithfield – The unprecedented high sickness numbers at Smithfield is predominately due to six employees who have been off on long-term sickness over the 1 <sup>st</sup> / 2 <sup>nd</sup> period. Sickness should reduce now the long-term cases have returned to work.<br>New Spitalfields- Slightly above target is down to one long-term case. |   |              |  |                 |
| MKP2  | 90% of debts to be settled within 60 days and 100% of debts settled within 90 days.   |              | 60days                                   | 90days          |
|   |   | Billingsgate | 99%                                      | 100%            |
|   |   | Smithfield   | 99%                                      | 98%             |
|   |   | Spitalfields | 83%                                      | 96%             |
| Comments: Spitalfields - 83% of debts settled by 60 days is due to the timing of the quarterly charging system, all outstanding debts have been chased locally at the Market by the Finance Officer and most have been paid in December.  |   |              |  |                 |
| MKP3  | Divert 90% of waste from landfill at the Markets  | 90%          | Billingsgate                             | 100%            |
|   |   |              | Smithfield                               | 100%            |
|   |   |              | Spitalfields                             | 100%            |
| MKP4  | Achieve 95% occupancy of all lettable space at Billingsgate, Smithfield and New Spitalfields Markets.   | 95%          | Billingsgate                             | 100%            |
|   |   |              | Smithfield                               | 88%             |
|   |   |              | Spitalfields                             | 100%            |
| Comments: The underperformance at Smithfield Market during Period 2 is due to vacant space in the Poultry Market Building remaining unlet.  |   |              |  |                 |

Target based upon Full Time Equivalent (FTE) members of Markets staff at 31 March 2015 (no. 120).

|      |  |  |              |      |
|------|--|--|--------------|------|
| MKP5 | 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% |
|      |  |  |              |      |

|   |   |   |
|---|---|---|
| 1 | <p><b><u>Customer and Stakeholder Focus.</u></b><br/> <i>Deliver statutory and non-statutory services to a high quality with regulatory services being increasingly intelligence and risk-based, in line with the Government's Deregulation agenda and the risks accepted by Members in the Service Based Review.</i></p>   |   |
|   | <p><u>Billingsgate Market</u><br/> <b>Refresh the Code of Practice at Billingsgate to include all areas that require compliance.</b><br/>         ●The Code of Practice will clearly set out the responsibilities of the landlord, tenants and market workers in terms of day-to day market activities.<br/>         ●This will assist with ensuring that food hygiene standards and safety are maintained.</p> | <p>●The reviewed and updated Billingsgate's Code of Conduct was completed in November 2016 and the updated code, which has now been issued to tenants, sets out the responsibilities of the landlord, tenants and market workers in terms of day-to-day market activities.</p> <p>●From January 2017, any tenant caught trading ahead of the official trading start time will be charged a £50 administration fee which will assist in deterring this activity.</p>   |
|   | <p><u>New Spitalfields Market</u><br/> <b>Complete and implement the Working Manual for New Spitalfields Market in consultation with the tenants.</b><br/>         ●The Working Manual will clearly set out the responsibilities of the landlord, tenants and market workers in terms of day-to day market activities.</p>  | <p>● The tenants are satisfied with the content of the Working Manual and the revised version has now been signed off. The working manual will be able to be implemented once the new leases are signed.</p>  |
|   | <p><u>Smithfield Market</u><br/> <b>Review the Working Manual and have an updated copy agreed and signed by the tenants.</b><br/>         ●The Working Manual will clearly set out the responsibilities of the landlord, tenants and market workers in terms of day-to-day market activities.</p>   | <p>●The Superintendent is working with the Comptroller and City Solicitor to work out a legal process of proceeding with amendments to the Working Manual as a way of moving forward.</p>   |
|   | <p><b>Initiate a comprehensive strategic review of the City's three wholesale markets – including transport needs and location.</b><br/>         ●A report to Markets Committee on the proposed way ahead for the City's Markets.</p>   | <p>●Following the decision that the GLA had decided not to proceed with their intended review of Wholesale Markets, the Director of Markets and Consumer Protection presented a report to Members at the November Committee proposing the way in which the City will proceed with its Strategic Review of Markets. This was approved by Members.</p> <p>●The Markets Committee approved both the draft Specification and the following timetable.</p> <ul style="list-style-type: none"> <li>•Early January - issue ITT to industry</li> <li>•Mid-February - response from industry</li> <li>•Early March - issue contract</li> <li>•March to September - review conducted - milestones and timing of draft report</li> </ul> |

|  |  |  |
|--|--|--|
|  |  | <p>to be agreed</p> <ul style="list-style-type: none"><li>•September - Final Report presented to the City</li><li>•Autumn onwards - Report considered by Committees - and probably Court of Common Council</li></ul> <p>The issue of the ITT has been temporarily delayed while funding is agreed with the Chamberlain</p> |
|--|--|--|

|   |   |   |
|---|---|---|
| 2 | <p><b><u>Finance.</u></b><br/> <b><i>Achieve greater value for Money for all our services, including developing and implementing Action Plans for the Service Based Reviews and rigorous reviews locally of Service Charge costs and increased income generation.</i></b></p>   |   |
|   | <p><u>New Spitalfields Market</u><br/> <b>Manage the lease renewals in collaboration with City Surveyor's department.</b><br/>         •Successful completion of the lease negotiation process.</p>   | <p>•Rent and terms have now been agreed with all tenants. Leases are currently being prepared by the Comptroller and City solicitor and will be issued to tenants for signature in due course.</p>  |
|   | <p><u>Smithfield Market</u><br/> <b>Agree service specifications with the SMTA under the terms of the current leases.</b><br/>         •The work of the Joint Specification Committee will be completed, with specification agreed for all services that are provided to our tenants including: Security, Cleaning, Maintenance, Administration, Condenser Water, Waste and Electricity (common parts).</p> | <p>•The Joint Specification Committee (JSC) have agreed and implemented specifications for the following operational areas:</p> <ul style="list-style-type: none"> <li>•Security</li> <li>•Cleaning</li> <li>•Maintenance</li> <li>•Condenser water cooling system – The City trialled an increase to the operating temperature at Smithfield Markets, which provides cooling to the Market Tenants' refrigeration equipment. The trial to increase the temperature to 25°C from 20°C is successfully underway.</li> </ul> <p>•<u>Administration</u><br/>         Work is currently underway on this operational area.</p>  |
|   | <p><u>Billingsgate &amp; Smithfield Markets</u><br/> <b>Implement Service Based Review (SBR) proposals.</b><br/>         •Billingsgate – Pursue opportunities to increase income from commercial car parking<br/><br/>         •Smithfield – The seven vacant meat trading premises in the Smithfield Poultry Market will be let, and income opportunities maximised.</p>                                   | <p>•<u>Billingsgate:</u> All SBR savings measures for Billingsgate Market have now been delivered, with the exception of the increased income from the advertising hoardings. Revised terms have been agreed with advertising hoarding company, Clearchannel, and it is expected that the contract will be signed early in January 2017. The rent will increase from £350k to £475k per year from a date to be confirmed.</p> <p>•<u>Smithfield:</u> The SBR saving of £173,000 in Service Charge costs from the seven vacant meat trading premises at Smithfield Market is expected to be achieved in 2017/18. Savings of £40,452 have already been achieved and provisional agreement has been reached on two leases that should realise a further £94,900 in 2017/18. It is hoped that negotiations will be concluded shortly with another two tenants that will provide an additional £66,441 in 2017/18. When the above negotiations are finalised they will represent some £200k of savings in 2017/18.</p> |

|   |   |  |
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| 3 | <b>Operations and Business Processes.</b><br><i>Actively manage both operational and health &amp; safety risks in all aspects of our operations. Collaborate with the City Surveyor to improve the quality of maintenance at our real estate in the short and medium term and, where possible, to improve it.</i>   |  |
|   | <u>Billingsgate Market</u><br><b>Renew the metal roof and adjacent balcony.</b><br>●Safer roof and compliance with the food hygiene regulations.<br><br><u>Billingsgate Market</u><br><b>Additional Fish Handling facilities, modernisation works.</b><br>●Increased capacity for fish handling transit areas. Tenants will have adequate temperature controlled building space to safely handle each day's fish volumes. | ●Due to the high projected costs the renewal of the metal roof and adjacent balcony project has been put on hold at the request of the tenants. In the meantime, short term solutions to address the corrosion problem on the roof will continue to be pursued by the City Surveyors. A stock of spare roof panels is held at the Market so that in the case of roof leaks, panels can be quickly replaced if necessary.<br>●The Additional Fish Handling project has been put on hold at the request of the tenants   |
|   | <u>New Spitalfields Market</u><br><b>Improve safety in relation to workplace transport operations in and around the Market Hall with a focus on forklift truck manoeuvres.</b><br>●The Pedestrian Segregation Action will be fully implemented, reducing the risk of accidents and near misses.   | ● Installation of Crossing Points outside tenants' stalls in the pedestrian walkways has been completed.<br>●A-Safe barriers have been installed and are working effectively to prevent Fork Lift Trucks from using fire paths.<br>●PA system used for safety messages.  |
|   | <u>Smithfield Market</u><br><b>Continue with the project to refurbish the Poultry Market roof.</b><br>●Roof repairs complete and all historic repairs for the building completed.   | ●The Poultry Market – Historic Repairs project received Gateway 4 approval on 9 December 2016. Survey work is now being carried out. Topographic survey information is substantially complete with only minor elements of the mechanical and electrical surveys outstanding.   |
|   | <u>Smithfield Market</u><br><b>Implement the action plan, agreed with the SMTA, to control the risks associated with HGV Banksman duties.</b><br>●The health and safety risk associated with Banksman duties will be controlled and the target risk status achieved.  | ●Unloading operations has been reclassified from Amber to a Red risk on the Department's Risk Register. Although some safety improvements have been delivered against the action plan, there was specific concern about the level of co-operation of the market tenants in training and managing their own staff in carrying out banksman duties. At the November 2016 Markets Committee, Members voiced concern about the status of this risk and asked for a report on whether the banksman's duties should be taken back in house by the City. A separate report to |

|  |  |   |
|--|--|---|
|  |  | the January Committee addresses these concerns and identifies actions that have been taken to reduce this risk.   |
|  | <b>Review our property holdings with City Surveyors Department to ensure that we do not occupy buildings and land in excess of our identified operational need, in accordance with Standing Order 55.</b> <ul style="list-style-type: none"> <li>• That our property holdings are appropriate for our operational needs and future needs.</li> </ul>   | <ul style="list-style-type: none"> <li>• Markets property holdings are reviewed annually with the City Surveyor and were subject to an in depth review in 2014 as part of the Service Based Review (SBR), from which property-related rental opportunities were identified. The department's property holding were also included in the City's Operational Property Review in 2015.</li> </ul>  |
|  | <b>Provide input to the renewal of the corporate BRM contract. Work with the City Surveyor, through end-user workshops, to develop the technical specification and individual Site Data Packs for each of our sites.</b> <ul style="list-style-type: none"> <li>• A specification for the new BRM contract that meets the requirements of the three Market sites.</li> </ul>   | <ul style="list-style-type: none"> <li>• This action is now complete and all the Heads of Maintenance at each Market contributed to the preparation of site data packs, to ensure that the specification for the next BRM Contract meets the Markets' operational requirements.</li> </ul>  |
|  | <b>Risk Management</b> <ul style="list-style-type: none"> <li>• Complete transition of all M&amp;CP business risks on to the Covalent database. All risks, both departmental and local, to be migrated on to the system and Risk and Action Owners to be able to update the system as necessary.</li> <li>• Populate the Covalent system with M&amp;CP Top X risks. Top X risks to be migrated on to the system and Risk Owners to be able to update the system as necessary.</li> </ul> | <ul style="list-style-type: none"> <li>• All relevant Markets Business risks and Top X risks have been entered onto the Covalent database.</li> <li>• The department's Covalent Superuser is the only person with access to enter new risks onto the system, but once risks have been added, the individual Risk Managers can then amend and update them as necessary.</li> <li>• All Risk Managers have been trained on the use of the Covalent browser system.</li> </ul> |
|  | <u>New Spitalfields Market</u><br><b>Investigate options for a multi barrier entry system to the market.</b> <ul style="list-style-type: none"> <li>• Improve access and traffic management into the Market. Income from entry charge to offset 20 year plan.</li> </ul>   | <ul style="list-style-type: none"> <li>• The report for a multi barrier entry system to the Market has been through Gateway 1&amp;2 and signed off by the Project Board, Project Sub-Committee, and Markets Committee.</li> <li>• Soft market testing has been completed and the full specification has been written and is with City Procurement to begin the tender process.</li> </ul>   |

|   |   |   |
|---|---|---|
| 4 | <b>People and Innovation.</b><br><i>Enhance the quality of our leadership and people-management in line with the corporate values of “Lead, Empower, and Trust”. Instil a greater sense of responsibility in our middle management cadre.</i>   |   |
|   | <b>Implement the priorities outlined in the Departmental Workforce Plan.</b><br>●Our workforce will have both the capability and resources to meet the markets' business objectives.  | ●The Workforce Working Group met in October and discussed identifying critical roles. The group decided as well as roles being identified, critical tasks also need to be identified and mapped out.  |
|   | <b>Senior managers to review and implement all relevant actions in the M&amp;CP liP Business Improvement Plan and work towards providing evidence for the relevant indicators to achieve the Gold liP Standard.</b><br>●The markets will contribute towards the corporate stretch target of attaining the Gold liP Standard in 2016.  | ● It was decided by the Summit Group to put working towards attaining the Investors in People Gold level on hold until 2018 and until then the City of London's Silver accreditation will stand until September 2018. A mid-term review at the 18 month stage needs to be undertaken if we are to maintain our 'Silver' accreditation. This will be a light touch review with one day on site and written evidence reviewed. This review will take place around May 2017. |
|   | <b>Work with IT Department to identify options for mobile working at the markets.</b><br>● Greater efficiency and effectiveness of security operations in monitoring Health and Safety incidents and breaches of local operational rules.   | ●Following on from the success of mobile working at the Ports a project to investigate the use of mobile working for security staff at the Markets so incidents can be logged continues to be explored with the IT department.  |
|   | <b>Deliver a Leadership Development Programme for a cohort of 10-12 current and future managers. (Linked to Corporate Equalities priority within the Equalities and Inclusion Action Plan 2016)</b><br>- Delegates will be able to:<br>-Lead effectively in times of constant change.<br>-Think strategically and see how strategies can be actioned through effective planning and implementation.<br>-Develop their skills as flexible, agile and resilient managers.<br>-Recognise issues key to the City and adapt team priorities and performance to address them. | ●The Leadership and Development Programme course was successfully delivered and based on its success will run again in 2017.  |



## **Matters of General Interest to the Committee**

### **Billingsgate Market**

#### **Visitors**

##### Aug

Tuesday 2<sup>nd</sup> – Home Office – General discussion on illegal working

##### Sept

Wednesday 21<sup>st</sup> – Lord Mayor visit & breakfast

##### Oct

Tuesday 4<sup>th</sup> - Malaysia Fishermen Organisation

Thursday 6<sup>th</sup> – British Plastics Association – Polystyrene Recycling discussions

Tuesday 18<sup>th</sup> – Ambassador of Uzbekistan visit & Breakfast

Thursday 27<sup>th</sup> – Town Clerk Visit

##### Nov

Friday 11<sup>th</sup> – Rev Fiona Stewart-Darling – Remembrance Day Service & breakfast

#### **Filming/photography**

##### Aug

Weds 3<sup>rd</sup>-Thurs 4<sup>th</sup> – Photography for personal use

Friday 5<sup>th</sup> – Tricks of the Restaurant Trade – Filming, Presenter buying fish - £300+VAT

Saturday 6<sup>th</sup> – Photography for personal use

Friday 12<sup>th</sup>-Saturday 13<sup>th</sup> – Triumph – Unit Base Parking - £370+VAT

Saturday 13<sup>th</sup> – Photography for personal use

Wednesday 17<sup>th</sup> – Zanskar Productions – Filming documentary- £200+VAT

Saturday 20<sup>th</sup> – Photography for personal use

Wednesday 24<sup>th</sup> – SBS News – Filming regarding Brexit

Wednesday 31<sup>st</sup> – Photography for personal use

##### Sept

Saturday 3<sup>rd</sup> – HAAL Media Ltd – Views of the Market

Tuesday 6<sup>th</sup> – Photography for personal use

Monday 12<sup>th</sup> & Tuesday 13<sup>th</sup> – BBC – Filming Silent Witness – £12,800+VAT

Tuesday 13<sup>th</sup> – CCTV Europe – Filming News for China

Thursday 14<sup>th</sup> – Photography for personal use

## Appendix B

Saturday 17<sup>th</sup> – Photography for personal use  
Friday 23<sup>rd</sup> – Photography for personal use  
Saturday 24<sup>th</sup> – Photography for personal use  
Sunday 25<sup>th</sup> – Carnival Productions – Unit Base Parking - £500+VAT  
Tuesday 27<sup>th</sup> – Photography for personal use  
Friday 30<sup>th</sup> – Through the Eye – Promotional Film for Seafish.org

### Oct

Tuesday 4<sup>th</sup> – Photography for personal use  
Saturday 8<sup>th</sup> – BBC – Filming Songs of Praise - £200+VAT  
Wednesday 12<sup>th</sup> – Photography for personal use  
Wednesday 12<sup>th</sup> – Regulation Delivery Office International Conference  
Thursday 13<sup>th</sup> – BBC – Seafish Interview for Countryfile  
Friday 14<sup>th</sup> – Photography for personal use  
Saturday 15<sup>th</sup> – Photography for personal use  
Wednesday 19<sup>th</sup> – Photography for personal use  
Friday 21<sup>st</sup> – Photography for personal use  
Saturday 22<sup>nd</sup> – Photography for personal use  
Saturday 29<sup>th</sup> – Photography for personal use

### Nov

Saturday 5<sup>th</sup> – Photography for personal use  
Tuesday 8<sup>th</sup> – Photography for personal use  
Friday 11<sup>th</sup> – Photography for personal use  
Saturday 19<sup>th</sup> – Photography for personal use  
Saturday 19<sup>th</sup> – Photography for personal use  
Wednesday 30<sup>th</sup> – Shine TV Ltd – Masterchef - £750+VAT  
Wednesday 30<sup>th</sup> – Photography for personal use

## **Smithfield Market**

### **Visitors**

### Oct

Wednesday 12<sup>th</sup> October – RD International conference study visit

## **Filming/photography**

### Aug

Xanthe Mosley – Exhibition at Richmix – Wednesday 3<sup>rd</sup>- Thursday 4<sup>th</sup> August 2016

## Appendix B

Filming - Eville and Jones – Daniel Pino – Monday 15<sup>th</sup> August 2016 – Role of a veterinary in the Market.

### Sept

Photography - Peer Erikson – Friday 23<sup>rd</sup> September 2016 – Private use photos.

### Oct

Student Photography – Daniel Lewis - Friday 14 October 2016 – University Project.

## **New Spitalfields Market**

### **Visitors**

#### August

Wednesday 31<sup>st</sup> - A delegation from Yangon, Burma

#### Nov

Saturday 26<sup>th</sup> - A delegation from the Embassy of the Philippines & Philippine Mission to the European Union hosted by Sunnyfields Veg Ltd a tenant in the market.

### **Filming/Photography**

#### Nov

Tuesday 8<sup>th</sup> – The departure from the market of Max MacGillivray and Gareth Jones was filmed/photographed by Coreggo on behalf of Pink Lady®, as they headed off on their motor bikes on the “The Great Fruit Adventure Africa 2016” to Cape Town, South Africa. During this trip they will be visiting a huge range of fruit and veg growers and to help raise awareness of how fruit and veg gets from where it is grown to British shop shelves.

Monday 21<sup>st</sup> – Filming of the market took place for a documentary called “Capital” examining our modern globalised world – £800.

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Department of Markets & Consumer Protection Local Risk Revenue Budget - 1st April to 30th November 2016  
(Income and favourable variances are shown in brackets)

|   | Latest Approved<br>Budget 2016/17<br>£'000 | Budget to Date<br>Net Expenditure<br>£'000 | Actual to Date<br>Net Expenditure<br>£'000 | Variance to Date<br>+Deficit / (Surplus)<br>£'000 | Projected Outturn<br>+Deficit / (Surplus)<br>£'000 | Variance from Latest<br>Approved Budget 2016/17 |            | Note |
|---|--|--|--|---|--|---|------------|------|
|   |  |  |  |   |  | £'000   | %          |      |
| <b>Markets (City Cash)</b>                  |  |  |  |   |  |   |            |      |
| Directorate                                 | 436  | 286  | 288  | 2   | 436  | 0   | 0%         |      |
| Billingsgate - Corporate Account            | 135  | 98   | 74   | (24)  | 135  | 0   | 0%         |      |
| Billingsgate - Service Charge               | 0  | (440)                                      | (432)                                      | 8   | (1)  | (1 )  | 0%         |      |
| Billingsgate - Repainting and Special Works | 0  | 65   | 65   | 0   | 0  | 0   | 0%         |      |
| Smithfield - Service Charge                 | 939  | 357  | 302  | (55)  | 918  | (21 )   | -2%        | 1    |
| Smithfield - Corporate and Direct Recovered | 137  | 152  | 120  | (32)  | 137  | 0   | 0%         |      |
| Smithfield - Other (Including Car Park)     | (129)                                      | (201)                                      | (244)                                      | (43)  | (158)  | (29 )   | -22%       | 2    |
|   | 1,518                                      | 317  | 173  | (144)   | 1,467  | (51 )   | -3%        |      |
| <b>Markets (City Fund)</b>                  |  |  |  |   |  |   |            |      |
| Spitalfields - Corporate Account            | 20   | 14   | 5  | (9)   | 11   | (9 )  | -45%       |      |
| Spitalfields - Service Charge               | 27   | (362)                                      | (359)                                      | 3   | 27   | 0   | 0%         |      |
| Spitalfields - Repair and Repainting        | 0  | 94   | 94   | 0   | 0  | 0   | 0%         |      |
|   | 47   | (254)                                      | (260)                                      | (6)   | 38   | (9 )  | -19%       |      |
| <b>TOTAL MARKETS COMMITTEE LOCAL RISK</b>   | <b>1,565</b>                               | <b>63</b>                                  | <b>(87)</b>                                | <b>(150)</b>                                      | <b>1,505</b>                                       | <b>(60)</b>                                     | <b>-4%</b> |      |

Notes:

1. **Smithfield Service Charge** - favourable variance is due to salary vacancies and delays in the commencement of projects/maintenance on agreed carry forward budgets.
2. **Smithfield Other** - favourable variance is mainly due to backdated income miscoded to Tower Hill car park, which will now result in additional income to the car park.

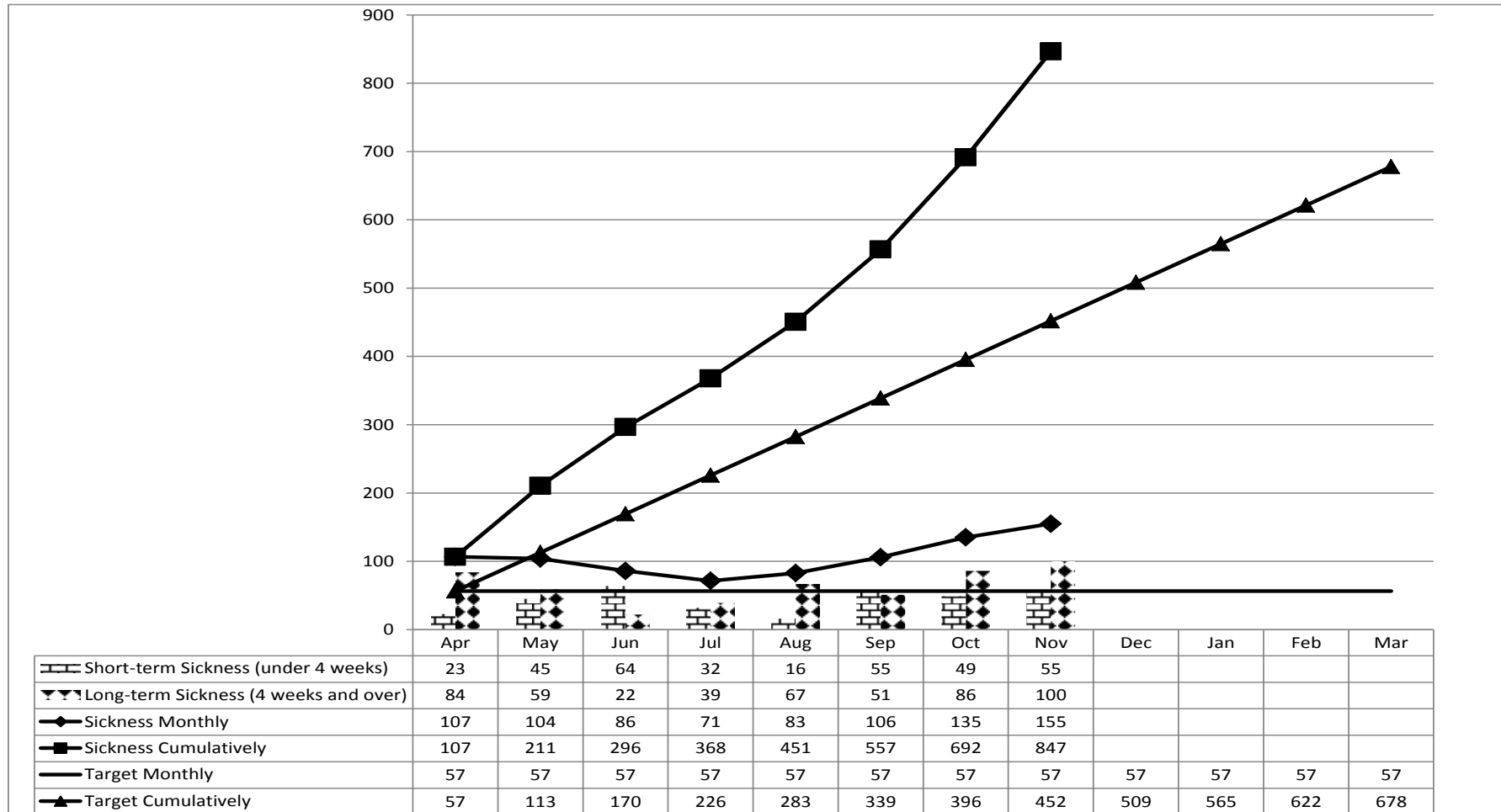
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## Markets Sickness 2016/17

### Attendance Management - 2016/2017

|                                | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Year To Date |
|--------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--------------|
| Total Staff Strength           | 113 | 113 | 113 | 113 | 113 | 113 | 113 | 113 | 113 | 113 | 113 | 113 |              |
| Total Short-term sickness days | 23  | 45  | 64  | 32  | 16  | 55  | 49  | 55  | 0   | 0   | 0   | 0   | 339          |
| Total Long-term sickness       | 84  | 59  | 22  | 39  | 67  | 51  | 86  | 100 | 0   | 0   | 0   | 0   | 508          |
| Total Days Sick                | 107 | 211 | 296 | 368 | 451 | 556 | 691 | 847 | 847 | 847 | 847 | 847 | 847          |
| Target for 2016/17             | 57  | 113 | 170 | 226 | 283 | 339 | 396 | 452 | 509 | 565 | 622 | 678 |              |
| Monthly sickness               | 107 | 104 | 86  | 71  | 83  | 106 | 135 | 155 | 0   | 0   | 0   | 0   |              |

# Appendix D





|  |                               |
|--|-------------------------------|
| <b>Committee(s):</b>   | <b>Date(s):</b>               |
| Markets Committee  | 23 <sup>rd</sup> January 2017 |
| <b>Subject:</b><br>Heavy Good Vehicle (HGV) Unloading Risk at Smithfield Market - Banksman Activities  | <b>Public</b>                 |
| <b>Report of:</b><br>The Director of Markets and Consumer Protection   | <b>For Decision</b>           |
| <b>Report Author:</b><br>Donald Perry, Head of Business Performance, Markets & Consumer Protection   |                               |
| <p style="text-align: center;"><b>Summary</b></p> <p>In November 2016 the HGV Unloading risk at Smithfield Market was reclassified from an Amber risk to a Red risk on the Department's Risk Register due to the lack of progress that had been achieved against the Market's action plan.</p> <p>At the November 2016 Markets Committee, Members voiced concern about the status of this risk and asked for a report on whether the banksmen's duties should be taken back in house by the City. This report addresses these concerns and identifies actions that have been taken since November to reduce this risk.</p> <p>This report shows that, following the Committee's interest, the Smithfield Market Tenants' Association (SMTA) are being more positive in their level of co-operation, and progress is being made through a partnership working approach with the them and, whilst this is complex, improvements have been made. Attempting to bring the banksmen duties back under the control of the Constabulary will entail significant additional cost to the City and may potentially hamper future progress with the SMTA.</p> <p><b>Recommendation:-</b></p> <p>It is recommended that the partnership working approach is continued, subject to regular review of progress, and in the context of any further recommendations the FTA may make in the follow up audit.</p> |                               |

## Main Report

### **Background**

1. As part of the 2013 lease negotiations the Smithfield Market Tenants' Association took on the responsibility of banksmen duties from the Market Constabulary.
2. Under the terms of the 2013 leases, the Joint Specification Committee (JSC) was set up and considered the Security Service at the Market as its first task. The JSC agreed a specification for security at the Market, to reflect both the SMTA's and the City's requirements. However, this specification excluded the Constabulary

undertaking banksmen duties and, as a result of this, savings in terms of staff numbers were identified and delivered.

3. During the handover process, the constabulary mentored tenants' staff ahead of the transfer in responsibility.
4. Subsequent monitoring by the Constabulary of HGV unloading activities managed by tenants' staff revealed poor practices, an increase in the number of 'near miss' incidents, and serious damage to the loading bay equipment.
5. In early 2016 the City commissioned the Freight Transport Association (FTA) to carry out an audit of vehicle movements at the market. The audit report was published in April 2016, and was used as the basis of an action plan to reduce the risk associated with vehicle movements at the market.
6. In November 2016 the HGV Unloading risk at Smithfield Market was reclassified from an Amber risk to a Red risk on the Department's Risk Register due to the lack of progress that had been achieved against the Market's action plan. Although some safety improvements had been delivered in terms of physical controls measures (e.g. barriers and signage), there was specific concern about the level of co-operation of the market tenants in training and managing their own staff in carrying out banksmen duties.
7. At the November 2016 Markets Committee, Members voiced concern about the status of this risk and asked for a report on whether the banksmen's duties should be taken back in house by the City. This report addresses these concerns and identifies actions that have been taken since November to reduce this risk.

## **Current Position**

8. Following the November Markets Committee, officers at the market put pressure on the SMTA to provide information on the action they propose to take in order to provide the City with the necessary assurances that tenants' staff are adequately trained by a suitably accredited training provider, and that satisfactory procedures and insurances are in place for their staff that undertake banksmen activities.
9. In December of 2016 the SMTA provided an action plan update stating that it had decided to commission the FTA to provide some refresher training for their members' staff. The FTA have stated that they aim to commence this work by the end of January 2017.
10. A follow up to the original audit, commissioned by the City, is scheduled to be carried out by the FTA on 11 January 2017.

## **Implications**

11. Should the decision be taken to pursue the return of the management of unloading operations to the Market Constabulary, this could have a negative impact on the current JSC agreement with the SMTA and potentially delay future progress.
12. Such a decision will inevitably increase costs due to the need to recruit additional Constabulary members and this is likely to be opposed by the SMTA.

## **Conclusion**

13. It can be seen then that progress is being made through a partnership working approach with the SMTA, and whilst this is complex, improvements have been made in terms of both training and additional safety measures introduced by the Market e.g. tape barriers, signage, and road markings/hatchings.
14. It is recommended that the partnership working approach is continued, subject to regular review of progress, and in the context of any further recommendations the FTA may make in the follow up audit.

## **Proposal**

15. It is proposed that :-
  - a. Members agree to continue with the partnership working approach with the SMTA in order to deliver improved performance of banksmen activities by their members' staff.
  - b. The progress of this approach is closely monitored and reported to Committee until the risk is reduced to Amber. Thereafter the risk will be monitored by the routine risk reporting procedure.

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# Agenda Item 8

|  |                                 |
|--|---------------------------------|
| <b>Committee:</b><br>Markets Committee   | <b>Date:</b><br>23 January 2017 |
| <b>Subject:</b><br>Markets Committee Risk  | <b>Public</b>                   |
| <b>Report of:</b><br>David Smith<br>Director of Markets and Consumer Protection      | <b>For Information</b>          |
| <b>Report author:</b><br>John Smith<br>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-NS 001 – Workplace Traffic Management (Current Risk: AMBER)
- MCP-SM 001 – HGV Unloading Operations (Current Risk: RED)

## 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 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.

## **Summary of Key Risks**

7. The Department of Markets and Consumer Protection's Risk Register for Markets, attached as Appendix A to this report, has one RED risk and one AMBER risk:

### **MCP-NS 001 – Workplace Traffic Management (Current Risk: AMBER)**

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.

### **MCP-SM 001 – HGV Unloading Operations (Current Risk: RED)**

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.

This risk was previously rated as AMBER and although some safety improvements have been made, as yet we do not have the full co-operation of the market tenants and as their collaboration is key to reducing this risk we have temporarily escalated this risk back to its previous RED rating.

## **Conclusion**

8. 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

## **Background Papers**

Department Business Plan  
Department Risk Review  
Department Business Plan Progress Report  
Risk Management Strategy

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Superintendent – Ben Milligan

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Billingsgate Market:

Superintendent – Malcolm Macleod

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E: [malcolm.macleod@cityoflondon.gov.uk](mailto:malcolm.macleod@cityoflondon.gov.uk)

# MCP Markets Committee Risk Report Appendix A

Report Author: John Smith

Generated on: 06 January 2017



Rows are sorted by Risk Score

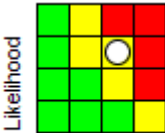
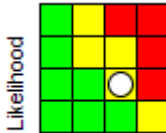

Code & Title: MCP-NS New Spitalfields Risk Register 1 MCP-SM Smithfield Risk Register 1

| 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</b><br><b>HGV Unloading Operations</b><br><br><div>Page 44</div> 24-Feb-2015<br>Matthew Hill | <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.<br><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.<br><b>Effect:</b> Realisation of this risk could result in a prosecution, fine and reputational damage for the City. | <br>Likelihood<br>Impact    | 16 | This risk was previously rated as AMBER and although some safety improvements have been made, as yet we do not have the full co-operation of the market tenants and as their collaboration is key to reducing this risk we have temporarily escalated this risk back to its previous RED rating.<br><br><b>12 Dec 2016</b> | <br>Likelihood<br>Impact   | 8 | 31-Mar-2017 | <br><br>Increased Risk Score        |

| Action no, Title,                     | Description   | Latest Note  |  | Managed By   | Latest Note Date | Due Date    |
|---------------------------------------|---|--|--|--------------|------------------|-------------|
| MCP-SM 001d<br>Work with local venues | Work with local licenced venues to segregate pedestrians from market traffic.                 | Regular contact is maintained with Oriole, Smiths and Fabric. This includes partnership working with the CoL Police throughout events such as the Christmas Traffic Plan where the police took the action to address local business liaison.   |  | Paul Spooner | 06-Jan-2017      | 31-Mar-2017 |
| MCP-SM 001e<br>Review infrastructure  | Review signage, barriers and pedestrian crossing points and make improvements where required. | White lining in East Poultry have been re painted to reinforce vehicle/pedestrian priority. Other measures continue to be reviewed e.g. signage. Traffic calming measures have been installed restricting the width of the road in East Poultry with an enhanced pavement and bollard installation which is a significant improvement and risk reduction. Regular review inspection and maintenance of all lining is in place. Additionally, a signage audit has been undertaken by the DBE who have committed to replace and update all signage on the Market by the end of year 2016/2017. |  | Paul Spooner | 06-Jan-2017      | 31-Mar-2017 |



|   |  |   |              |             |             |
|---|--|---|--------------|-------------|-------------|
| MCP-SM 001f<br>Review delivery practices    | Work with the Market Tenants' Association to review sender delivery practices.             | The SMTA have agreed a meeting to discuss progress before the January Freight Transport Association visit.  | Paul Spooner | 06-Jan-2017 | 31-Mar-2017 |
| MCP-SM 001g<br>Produce guidance for drivers | Produce a pamphlet containing site rules and a map showing delivery points for each stand. | Currently progressing a site rules information document which will include parking information. The Market website is to be updated but no staff have access to the site. This is an IT issue. Staff are to be trained when course are available to enable the change to be made internally. Loading bays are all clearly identified and there are signs displaying the correct classes for use of loading bays.  | Paul Spooner | 06-Jan-2017 | 31-Mar-2017 |
| MCP-SM 001h<br>Monitor traffic routes.      | Monitor market traffic routes.   | Regular checks of pallets in loading bays are conducted by the constabulary and a fall in the amount of loading bays blocked by produce has been recorded. As a result, The Market Superintendent has addressed this by writing to offending company principles. As a result there has been significant improvement.  | Paul Spooner | 06-Jan-2017 | 31-Mar-2017 |
| MCP-SM 001i<br>Review unloading practices   | Work with the Market Tenants' Association to review unloading practices.                   | The COL has made clear to the SMTA that its current level of training is unacceptable. The SMTA have agreed to commission suitable refresher training with the Freight Transport Association and this will be implemented by the end of January 2017, holding sessions on a quadrant by quadrant basis as before. In addition local training by the Head of Maintenance in new barriers and equipment has been completed. Loading bay equipment training took place on the 11th October and tenants have been supplied with a handbook explaining how to operate the equipment. | Paul Spooner | 06-Jan-2017 | 31-Mar-2017 |
| MCP-SM 001j<br>Review forklift management.  | Review and implement the local forklift truck management scheme.                           | The Constabulary continue to be proactive in dealing with this issue.   | Paul Spooner | 06-Jan-2017 | 31-Mar-2017 |

| 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 001i</b><br><b>Workplace Traffic Management</b><br><br>24-Feb-2015<br>Ben Milligan | <b>Cause:</b> Over 200 forklift trucks operate on the New Spitalfields Market site.<br><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.<br><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. | <br>Likelihood<br>Impact | 12 | Mitigation works are continuing and a program of line marking has commenced to identify no parking areas etc. HGV and van parking areas are being considered to improve safe parking and loading. Due to weather constraints line marking is now proving difficult<br><br><b>05 Dec 2016</b> | <br>Likelihood<br>Impact | 8 | 02-Jan-2017 | <br><br>No change |

| Action no, Title, Category                       | Description  | Latest Note  | Managed By   | Latest Note Date | Due Date    |
|--|--|--|--------------|------------------|-------------|
| MCP-NS 001i<br>Train Managers in Forklift Safety | A member of staff from all tenants to be nominated and trained in FLT safety procedures. | Meeting held with Morgan Training Solutions. They will build a training scheme now to deliver to 15-20 managers at a time. COL will sign off course content and the SpMTA will facilitate the booking/promotion.   | Ben Milligan | 14-Nov-2016      | 27-Jan-2017 |
| MCP-NS 001j<br>Create Time Segregation           | Artic Time Segregation and No Tolerance in market hall.                                  | A parking policy has now been implemented that encompasses HGV parking. Penalty charge notices have been implemented to ensure that vehicles park in their respective areas. Curtain side trucks now have special provision for their parking and unloading. An offence has been created for forklift drivers unloading HGVs outside loading times allowable around the market. HGVs onsite must not unload around the market beyond 3am up until 8am.<br><br>Once the car park at the far end of the market has been reviewed and the parking changed, as required, these HGVs will not be allowed to unload around the market between 12 midnight and 8am. This is the next step in the process. | Ben Milligan | 14-Nov-2016      | 27-Jan-2017 |
| MCP-NS 001k<br>Install Barrier System            | Controlled barriers entry system for pedestrians and vehicles.                           | Project, Project Sub, and Markets Committees all passed with no issues. Procurement are now inviting potential installation companies in to show the level of technical solution they believe should be installed. Once this has occurred, a detailed gateway 5 report will be created for final sign off at the Markets Committee.  | Ben Milligan | 07-Sep-2016      | 01-Oct-2018 |

|   |   |                                    |
|---|---|------------------------------------|
| <b>Committees:</b>  |   | <b>Dates:</b>                      |
| Markets Committee<br>Projects Sub   |   | 23 January 2017<br>31 January 2017 |
| <b>Subject:</b><br>Pedestrian Segregation<br>Barrier – New Spitalfields<br>Market (NSM)   | <b>Gateway 7 Outcome Report<br/>Light</b> | <b>Public</b>                      |
| <b>Report of:</b><br>Director of Markets and Consumer Protection<br><br><b>Report Author:</b><br>Ben Milligan   |   | <b>For information</b>             |
| <p style="text-align: center;"><b><u>Summary</u></b></p> <p>Project status: Green for approved budget, spec and time.<br/>Estimated cost was £118,000. Actual cost was £106,788.72<br/>Project now completed. All fire paths have complete pedestrian segregation from fork lift trucks.</p> <p><b><u>Recommendations</u></b></p> <p>Members to note successful result. Pedestrian segregation must be considered across all areas of the site where there is interaction between pedestrians and vehicles.</p> |   |                                    |

## **Main Report**

|  |   |
|--|---|
| <b>1. Brief description of project</b>                   | Installation of a segregation barrier within New Spitalfields Market to separate Fork Lift Trucks (FLT) from pedestrians. There will be a full, waist height barrier on one side of the market “fire path” to stop FLT coming into contact with pedestrians, and a low level barrier on the other side to prevent FLT hitting the fences surrounding the market stands.   |
| <b>2. Assessment of project against SMART Objectives</b> | <p>Specific: The objective was to segregate pedestrians from FLT in the market fire paths. This has been delivered.</p> <p>Measureable: No accidents in the fire paths since the installation of the barriers.</p> <p>Achievable: All stakeholders agreed the objectives. They were then delivered.</p> <p>Relevant: Pedestrian segregation is a must, whenever possible. There are 233 FLT on site. Safeguards needed to be implemented for pedestrians on site.</p> |

|   |   |
|---|---|
|   | Timely: Delivered within time schedule.   |
| <b>3. Assessment of project against success criteria</b>  | Accident level = zero since installation.   |
| <b>4. Key Benefits</b>  | There is now an engineering solution to safeguard the Health and Safety of pedestrians in the fire paths. Pedestrians can no longer be struck by FLT's or loads carried in these areas. There is no longer a reliance on FLT operators driving correctly and following rules, or pedestrians keeping to marked or lineated areas. |
| <b>5. Was the project specification fully delivered (as agreed at Gateway 5 or any subsequent Issue report)</b> | Yes   |
| <b>6. Programme</b>   | The project was completed within the agreed programme   |
| <b>7. Budget</b><br><br><br><br><br><br><br><b>Final Account Verification</b>                                   | The project was completed within the agreed budget<br><br><br><br><br><br>The total cost was below the agreed budget. Agreed budget - £118,000. Actual spend - £106,788.72.<br><br>Not Verified   |

**\*Please note that the Chamberlain's department Financial Services division will need to verify Final Accounts relating to medium and high risk projects valued between £250k and £5m and all projects valued in excess of £5m.**

#### **Review of Team Performance**

|                         |  |
|-------------------------|--|
| <b>8. Key strengths</b> | This has been a collaborative project across the Corporation. Local teams have worked extremely well in close liaison with the Town Clerk's Health and Safety team, Procurement, and members of the Markets and Consumer Protection Directorate. |
| <b>9. Areas for</b>     | N/A  |

|                        |     |
|------------------------|-----|
| improvement            |     |
| 10.Special recognition | N/A |

### **Lessons Learnt**

|  |   |
|--|---|
| 11. Key lessons                            | Rules and policies cannot always remove risk. Engineering solutions can, when implemented properly, remove risks. Where possible, engineering solutions should be implemented to remove risks to staff, tenants, or members of the public. Where these solutions are reasonable and achievable, they should always be put in place. |
| 12. Implementation plan for lessons learnt | Workplace transport controls, and the solutions implemented here, will be considered across the Department where applicable.  |

### **Contact**

|                  |  |
|------------------|--|
| Report Author    | <b><u>Ben Milligan</u></b>   |
| Email Address    | <a href="mailto:Ben.Milligan@cityoflondon.gov.uk">Ben.Milligan@cityoflondon.gov.uk</a> |
| Telephone Number | 0208 518 7670  |

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|  |                        |
|--|------------------------|
| <b>Committee(s):</b>   | <b>Date:</b>           |
| Markets  | 23 January 2017        |
| <b>Subject:</b><br>Smithfield Market – Condenser Water Cooling System - Update             | <b>Public</b>          |
| <b>Report of:</b><br>The City Surveyor (Report no. CS015/17)                               | <b>For Information</b> |
| <b>Report author:</b><br>Andrew Crafter, Principal Engineer,<br>City Surveyor's Department |                        |

## Summary

This report details the latest position on the City's trial to increase the operating temperature of Smithfield Market's Condenser Water Cooling System, which provides cooling to the Market Tenants' refrigeration equipment.

The trial to increase the temperature of the system resumed after a break for Christmas and the new year. As at 4 January, the temperature setting is 23°C. During the course of the trial at the end of last year, fridge problems occurred after 23 November following a failure of the City's West Market pump on that date, which is believed to have been the main cause.

Further increases to 24° then 25°C will be made over the next two weeks if no material problems emerge. If the fridges operate successfully at 25°C, this temperature will remain the permanent setting.

## Recommendation(s)

Members are invited to note the contents of this report.

## **Main Report**

### **Background**

1. The Market's condenser water cooling system removes waste heat from 120 tenants' refrigeration units in East, West and Poultry Markets and dissipates it to the atmosphere via five cooling towers located in the Poultry Market. The system is operated and maintained by the City Corporation as Landlord.
2. In 2014 the City Corporation completed a programme of works to improve the water circulation in the three Markets and remove dirt contamination in the system. As a result performance has significantly improved.
3. The cooling system was originally specified to provide water to Tenants' fridges at 30°C. Over the years this was gradually reduced and for approximately five years has been set at 20°C. This was done to assist fridges at a time when there were issues with water flow, dirt contamination, system balancing, and Tenants' condenser under-sizing. Following completion of its remedial works, the City wishes to increase the temperature to reduce its operating costs and the risk of cooling tower breakdown and is currently undertaking a trial to evaluate the impact of increasing it, if any, on Tenants' fridges.

### **Current Position**

4. With the agreement of the Smithfield Market Tenants Association (SMTA), the full trial commenced on 18 October 2015 when the cooling system operating temperature was increased from 20° to 22°C. With no reported fridge problems at this time, further increases were made to 23°C on 31 October and 24°C on 22 November.
5. On the evening of 23 November there was a failure of the West Market condenser water duty pump. No damage was found and it is suspected the cause was a spurious mains power surge; further tests did not detect any problem. Market maintenance engineers and fridge engineers were called out and the system was restored by 11.00pm, with West Market standby pump brought into service.
6. It appears this incident gave rise to a number of fridge problems in West Market with three fridges discharging refrigerant gas to atmosphere and several other fridges on North West deck tripping as a result of air within the cooling system accumulating in condensers, preventing normal operation. Where the air came from has not been established, but one possibility is via the shaft seal on the standby pump, as this had not run for a long time, and may have dried out, allowing air to be sucked into the system when this pump was run. As these events were triggered by a pump failure, the City has agreed to meet the call-out costs.
7. The discharge of refrigerant gas is not an acceptable practice and the fridge high pressure cut-out switch should operate, turning off the fridge, before the relief valve discharges gas. Here it seems the adjustable setting of the cut-out



switch may have been too close to the pressure at which the relief valve operates. The SMTA have therefore been asked to remind Tenants that safety switches should be set at the correct pressure to operate before the relief valve and the valves themselves are checked to ensure they discharge at the correct pressure and comply with current standards, particularly if they are original fittings dating from the 1990s fit-out.

8. The final increase in temperature to 25°C was made on 6 December as planned.
9. Representations were then received from the SMTA on behalf of Tenants about the system temperature over the period prior to Christmas when stocks would be high, with a request that it be reduced for this period. The SMTA expressed their view that problems were occurring with water above 24°C. This was discussed with the Superintendent and in view of the recent issues it was agreed to reduce the temperature setting to 22°C from 15 December over the Christmas/new year period.
10. The SMTA has since agreed the temperature can be increased again, a degree a week, and on 4 January it was reset to 23°C.

### **Proposals**

11. The temperature trial has been resumed and should reach 25°C by 18 January. Officers will continue to monitor the system closely and investigate any problems reported.
12. Whilst temperature of the water supply affects the amount of heat that can be removed from a condenser, the correct water flow rate is also essential for full heat removal. From the flow rates observed, it appears there is a slight difference in performance of the two West Market pumps, with one generating marginally more flow. Experiments are planned in early January to re-check which gives the best flow rate. As mentioned in the last report, East and West pumps are due to be replaced with higher capacity pumps by spring, and the original pumps which are life-expired will be scrapped.

### **Other work concerning the cooling system**

15. The 10-page Operating Specification for the cooling system drafted in early 2016 has been revised to take account of the SMTA's comments and re-issued.

### **Corporate & Strategic Implications**

17. The system supports the meat trade at Smithfield Market and the following Strategic Aims:

- To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes.
- To provide valued services to London and the nation.

## **Implications**

18. The cooling system operated by the City provides a critical service for Tenants' refrigeration equipment. A failure of the system could potentially expose the City to claims from Tenants for loss of product.
19. Operating the system at a higher temperature will reduce strain on the City's cooling towers and the risk of breakdown, as well as reducing operating costs. Whilst Tenants' fridges will have to run slightly longer, consuming more power, 25°C is felt to be a reasonable compromise, and still within their technical specification.

## **Conclusion**

20. The trial to increase the water operating temperature of the cooling system has resumed after a break for Christmas and the new year. As from 4 January the temperature setting is 23°C. During the course of the trial at the end of last year, fridge problems occurred after 23 November following a failure of the City's West Market pump on that date, which is believed to have been the main cause.
21. Further increases to 24° then 25°C will be made over the next two weeks if no material fridge problems emerge. If the fridges operate successfully at 25°C, this temperature will remain the permanent setting.
22. Officers will continue to monitor the system closely, investigate any problems reported, and take further action as appropriate.

## **Background Papers**

Report of the City Surveyor 'Smithfield Market – Condenser Water Cooling System – update' to Markets Committee, November 2016 (Report ref. CS396/16).

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