



## Markets Board

**Date:** WEDNESDAY, 7 SEPTEMBER 2022  
**Time:** 11.00 am  
**Venue:** COMMITTEE ROOMS 3 & 4 - 2ND FLOOR, WEST WING, GUILDHALL

**Members:**

Deputy Henry Pollard (Chairman)	James Tumbridge
Deputy Philip Woodhouse (Deputy Chairman)	Catherine McGuinness
Deputy Mark Bostock	Alderman Sir David Wootton
Alderman & Sheriff Alison Gowman	Deputy Edward Lord
Gregory Lawrence	Oliver Sells QC
Wendy Mead	Henry Jones
Deputy Brian Mooney	
Ian Seaton	

**Enquiries:** [julie.mayer@cityoflondon.gov.uk](mailto:julie.mayer@cityoflondon.gov.uk)

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<https://youtu.be/8KFCB7gGryg>

A recording of the public meeting will be available via the above link following the end of the public meeting for up to one municipal year. Please note: Online meeting recordings do not constitute the formal minutes of the meeting; minutes are written and are available on the City of London Corporation's website. Recordings may be edited, at the discretion of the proper officer, to remove any inappropriate material.

**John Barradell**  
**Town Clerk and Chief Executive**

# **AGENDA**

## **Public Items**

1. **APOLOGIES**

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

3. **PUBLIC MINUTES**

To approve the public minutes and non-public summary of the meeting held on 13<sup>th</sup> July 2022.

**For Decision**  
(Pages 5 - 12)

4. **GENERAL MANAGER UPDATES**

To receive updates from the General Managers of New Spitalfields and Smithfield Markets.

*Members are asked to note a non-public update in respect of Billingsgate, and a further non-public update in respect of New Spitalfields, in part 2 of the Agenda, at item 11.*

**For Information**  
(Pages 13 - 14)

5. **MARKETS COMMITTEE RISK UPDATE**

Report of the Markets Director.

**For Information**  
(Pages 15 - 30)

6. **MARKETS BUSINESS PLAN UPDATE PERIOD 1 2022/23 (APRIL-JULY)**

Report of the Markets Director.

**For Information**  
(Pages 31 - 46)

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

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

9. **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.

**For Decision**

**Non-Public Items**

10. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 13<sup>th</sup> July 2022.

**For Decision**  
(Pages 47 - 48)

11. **NON-PUBLIC GENERAL MANAGER UPDATES**

To receive non-public updates from the General Managers of Billingsgate, New Spitalfields and Smithfield Markets.

**For Information**  
(Pages 49 - 50)

12. **DEBT ARREARS**

Report of the Chamberlain.

**For Information**  
(Pages 51 - 62)

13. **TENANCIES AT WILL AND ASSIGNMENTS**

Report of the Markets Director.

**For Information**  
(Pages 63 - 64)

14. **TENANCY AT WILL PROCEDURE**

Report of the Director of Markets.

**For Decision**  
(Pages 65 - 74)

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

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

**Confidential Items**

**17. MARKETS CO-LOCATION PROGRAMME UPDATE**

The Co-Location Programme Director to be heard.

**For Information**

## MARKETS BOARD

Wednesday, 13 July 2022

Minutes of the meeting held at Guildhall at 11.00 am

### Present

#### Members:

Deputy Henry Pollard (Chairman)  
Deputy Philip Woodhouse (Deputy  
Chairman)  
Deputy Mark Bostock  
Gregory Lawrence  
Wendy Mead  
James Tumbridge

Deputy Henry Colthurst  
Catherine McGuinness  
Alderman Sir David Wootton  
Deputy Edward Lord  
Oliver Sells QC

### In Attendance

Mark Elgin – Billingsgate Market Tenants Association  
Paul Walker – New Spitalfields Market Tenants Association

#### Officers:

Ben Milligan	- Markets Director, Department of the Chief Operating Officer
Donald Perry	- Department of the Chief Operating Officer (COO)
Julie Gibbs	- Department of the Chief Operating Officer
Daniel Ritchie	- Billingsgate Market General Manager – Dept of the COO
Mark Sherlock	- Smithfield Market General Manager – Dept of the COO
Emma Beard	- New Spitalfields General Manager- Dept of the COO
Clem Harcourt	- Chamberlains
Peter Young	- Corporate Property Group Director, City Surveyor's Department
Anna Dunne	- Director of Markets Co-Location Programme, City Surveyors
Graeme Lowe	- Energy Manager, City Surveyor's Department
Steven Chandler	- City Surveyor's Department
Andrew Fothergill	- Comptroller & City Solicitor's Department
Deborah Cluett	- Comptroller & City Solicitor's Department
Paul Wright	- Remembrancers
Polly Dunne	- Town Clerks
Genine Whitehorn	- Commercial Director, Town Clerks

### 1. APOLOGIES

At the start of the meeting, the Chair welcomed representatives from New Spitalfields and Billingsgate, as non-voting observers of the Markets Board. Members noted that Mr Paul Martinelli was in attendance by virtue of

representing the Chair of the Smithfield Market Traders' Association and not as a Common Council Member.

Apologies were received from Alderman Alison Gowman, Paul Martinelli, Deputy Brian Mooney, Ian Seaton and Henry Jones. Mr Jones joined the meeting virtually.

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

Mr Gregory Lawrence advised that he had been granted a dispensation to speak on all matters concerning the London Central Markets (Smithfield) other than: (i) those in which he has a disclosable pecuniary interest as a shareholder or director of any company which holds a tenancy in the market; and (ii) those which would affect only him personally or his business interests as opposed to the generality of tenants within the market. *NB. This dispensation will be in place until the next Common Council elections in March 2025.*

**3. PUBLIC MINUTES**

RESOLVED, that - the public minutes and non-public summary of the meeting held on 25<sup>th</sup> May 2022 be approved as a correct record.

**4. UPDATES FROM THE MARKET GENERAL MANAGERS**

The Board received written updates from the General Managers of Smithfield, New Spitalfields and Billingsgate Markets. The Chairman congratulated Emma Beard on her appointment as the new General Manager for New Spitalfields, with effect from 1<sup>st</sup> July 2022. The Chairman advised that a group of Members had visited the 3 markets in late June / early July and that he would be visiting the new site at Dagenham this week, with the Deputy Chairman. Members asked if a Board visit could be arranged in due course.

The General Manager of Billingsgate Market advised that the Seafood School would be closing later in the summer, at a date to be advised, as it had been struggling to attract students for paid courses. It had been suggested that the staff might like to take it over and, if this were to develop further, the General Manager would report back to the Board. Members suggested exploring other possible tenancies, as the School had worked well for a number of years. The General Manager was confident that the Chief Executive, and the former Principal of the School, would welcome a discussion about how they might contribute to the City Corporation's plans for a food skills school at Dagenham.

The General Manager also advised that the Fishmongers Company would be withdrawing the fisheries inspection service as of 1st October 2022. Although the timing was a surprise, the Fishmongers had advised that they would be unlikely to continue the service at the new co-located market. Members expressed disappointment in that this would see the end of a 400 year old tradition. The General Manager explained that the Fisheries Inspector had not been providing this service for the past 18 months, and the City Corporation's Environmental Health Team had been providing cover. The Prime Warden had written to the Chief Executive about the decision, which had been taken at the highest level. In preparation, the Markets' Target Operating Model had

included the appointment of an Environmental Health Officer, to support inspections across the 3 markets.

RESOLVED, that – the Markets General Manager updates be noted.

5. **POULTRY MARKET - SURPLUS DECLARATION**

The Board considered a joint report of the Markets Director, the Comptroller and City Solicitor, the Major Programmes Director, the Chamberlain and the City Surveyor and noted that, under the London Central Markets Act of 1875, in respect of the Poultry Market, the City of London Corporation has the power to dispose or otherwise use this land if it no longer requires it to be retained for London Central Market purposes.

The Chairman thanked Members and Officers who had steered this complex process over a number of years. Members noted that the Smithfield Markets Tenants' Association (SMTA) had now signed an agreement, making the Market '*no longer required for market purposes*' by August 2023; thereby releasing the land for other projects to enliven the City.

Members noted that the meeting of the Policy and Resources Committee on 7th July 2022 had given unanimous support to this report and an Equality Impact Assessment had found no implications for protected groups as a result of the decision.

RESOLVED, that:

1. Subject to completion of all Deeds of Surrender for leases within the Poultry Market, and suitable alternative arrangements being made for relocation of services provided to the East and West Markets from the Poultry Market as explained in this report, the Markets Board resolve that the Poultry Market (save for the three first floor plant rooms containing cooling towers and related apparatus) is no longer required to be retained for market purposes and can be disposed of or used for other purposes.
2. Authority be delegated to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Markets Board, to determine when the provisos to Recommendation (1) have been satisfied, if not fully satisfied by the date of this Board, and when Recommendation (1) therefore comes into effect. *NB. The delegated decision would be challengeable by Judicial Review in the same way as a Committee decision, albeit at a likely lower risk given the in-principle decision has been made*

6. **WHOLESALE MARKETS RISK UPDATE**

The Board received a report of the Markets Director which provided Members with assurance that the risk management procedures in place within the Markets Division are satisfactory and meet the requirements of the corporate Risk Management Framework.

In response to a query about the format of the report, the officer advised that the Risk Register is a snapshot of most recent assessments and the flight path

provides an explanation as to how the risk is being managed. Members noted that the Brexit risk is frequently re-evaluated with Public Health and Public Protection but, given the current uncertainty as to when the inspections will commence, it is a moving target. Although the risk of the move to the co-located site is showing as amber, the Chairman confirmed the expectation that it will take place by 2028.

RESOLVED, that – the report be noted.

**7. MARKETS REVENUE OUTTURN 2021/22**

This Board received a report of the Chamberlain and the Markets Director which compared the 2021/22 revenue outturn for the services overseen by your Board with the final budget for the year. Members noted the outturn for the year showed net expenditure of (£641k), compared to the final budget of (£624k), representing a net overspend of (£17k). Members also noted the decision of the Resource Allocation Sub Committee in that no departmental overspends will be carried over to 2022/23.

RESOLVED, that – the report be noted.

**8. ENERGY UPDATE**

The Board received a report of the City Surveyor which provided an update on energy and carbon related issues. Members noted the sustained reduction in energy and carbon emissions since 2018/19 across all sites.

During the discussion and questions, the following points were noted:

- a) The introduction of a 15-year power purchase agreement with a 125-acre solar farm in Dorset, which will start reducing electricity costs from October 2022. As some of the market buildings have listed status, it would be difficult to instal solar panels.
- b) Metering is in place for tenants, and communal areas are recharged as part of service costs.
- c) As part of the planning permission, the new co-located market will need to be as environmentally friendly as possible.
- d) More work is planned in terms of a whole life carbon assessment, when compared to the existing markets, and the proposals will apply to logistics, transport, provision of electric charging points and cooling systems.
- e) Members noted that they will receive more detail in future reports, as the project progresses.

RESOLVED, that:

- 1. The reduction in energy consumption across all three markets be noted.
- 2. The reduction in operational CO2 emissions from the Markets be noted.



3. The survey work and energy conservation measure carried out by the Energy Team be noted.
  4. The expected increases in energy costs due to the surge in demand, post pandemic and the conflict in Ukraine be noted.
  5. The benefit to Smithfield Market from the Climate Change Agreement be noted.
9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
- A question was asked about the possibility of photographing the current markets, and their transition to the co-located site, for exhibiting at the Museum of London. Members noted that sketching of artifacts was already underway at Billingsgate. The Chairman stressed the importance of preserving the markets' heritage and asked for this work to be investigated. Whilst the Board still used the second mallet, which had been presented to the former Markets Committee in 1998, the Chair asked if the original one could be located.
10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
- The Programme Director for the Markets Co-location Programme provided an update, which is generally reserved for the non-public or confidential part of the agenda.

Members and Tenants were asked to be mindful that some questions might stray into exempt categories, as defined by the Local Government Act, and they would need to be answered in the non-public part of the meeting. The design considerations would also need to be considered in the non-public part of the meeting, due to their commercial sensitivities.

During the discussion and questions, the following points were noted:

1. This is the largest and most complex programme that the City of London Corporation has ever delivered and, whilst the benefits are considerable, it fully recognises the impact on tenants.
2. The project had moved on considerably since March this year, in terms of working relationships with the Tenant Associations.
3. The siting of the new Consolidated Market, in the London Borough of Barking and Dagenham (LBB&D), will deliver on the levelling-up agenda, given that LBB&D is one of the most deprived boroughs in the Country. The Leader of LBB&D had invited the Chair and Deputy Chair to visit this week, and the Borough welcomes the prospect of having an exciting new food hub.

4. The City of London Corporation recognises the importance of keeping the current markets prosperous. Negotiations are ongoing with Billingsgate and New Spitalfields, in order to achieve support for the Private Bill.
5. The need for joint working between the LBB&D and Transport for London in terms of managing road works on the A13. The City Corporation are in discussion with Fords in respect of a second access to the Market, from the East.
6. In respect of a possible Autumn General Election, the Remembrancer was almost certain that a Private Bill could still be deposited, even if the House is not in session, and advised that the process would start from the final date. The Remembrancer agreed to check and confirm the position after this meeting. The Remembrance further advised that Private Bills can be carried over from one session to another; they do not fall in the way that public legislation would. The Court would need to instruct the Remembrancer to submit the Bill, after the Summer recess, and final consideration of some aspects of the Judicial Review would take it up to the deadline.
7. The Town Clerk provided clarity in terms of the Governance process; i.e. – the Markets Board is responsible for the management of the 3 markets, and the Policy and Resources Committee is the Service Committee for the Markets Co-location Programme (MCP), working closely with the Markets Board. Once the Court has approved the funding envelope, the Policy and Resources Committee will delegate the core focus to the Capital Buildings Committee (CBC), as the project will be in excess of £100m. The Chairman and Deputy Chairman of the Markets Board currently attend CBC meetings, as observers, and will become Co-optees once the MCP is officially designated as a project. The Chairman advised that he is committed to transparency and avoiding a silo approach.
8. An audit report is in place in respect of the governance of the project, to ensure robust schemes of delegation, at appropriate levels of scrutiny, and to avoid undue delays. The Town Clerk advised that elements of the Governance Review, which sought to streamline the decision making process, are still being implemented.
9. The Board noted that an agreement had been reached yesterday, addressing the Chamberlain's concerns in respect of the business case. In September 2022, the Policy and Resources Committee will receive the business case and affordability, in order to set the budget envelope, and seek approval for submitting the Private Bill to the Court of Common Council on 7th October 2022.
10. There was some confusion expressed in terms of the stage the programme is at; i.e. – whether the project could commence on 21st July 2022, once the Court of Common Council had confirmed the Poultry Market as surplus. Furthermore, given the programme had already received considerable

scrutiny, there was some challenge as to why should it wait until 7th October 2022?

11. The Town Clerk advised that the Policy and Resources Committee (P&RC) on 7th July had taken a decision on a confidential report, which would now be presented to the Court of Common Council on 21st July, as a non-public report. Members were reminded that, in accordance with Standing Orders, they reserve the right to put amendments, by way of Motions to the Court.

At this point, the Chairman asked Members to adjourn further debate on this matter until the non-public part of the meeting.

11. **EXCLUSION OF THE PUBLIC**

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

Item	Paragraph
12-16	3

12. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 25<sup>th</sup> May 2022 were approved as a correct record.

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

There were no questions.

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

There were no urgent items.

15. **CONFIDENTIAL MINUTES**

The confidential minutes of the meeting held on 25<sup>th</sup> May were approved as a correct record.

16. **MARKETS CO-LOCATION PROGRAMME UPDATE**

The Board received an update from the Markets Co-location Programme Director.

**The meeting ended at 12.26**

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Chairman

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## **GENERAL MANAGER UPDATES**

### **NEW SPITALFIELDS**

As is typical of this time of year, it has been a very quiet period. Recruitment has remained a key focus in order to get the Market back to a full complement of staff. Any other information worth noting is covered in other reports in this meeting.

### **SMITHFIELD**

On the 4<sup>th</sup> July there was a serious fork lift truck accident at Smithfield in the south covered way of the Poultry Market involving two Market workers from the same company. This has resulted in life changing injuries for one of the employees (IP) concerned. The Market transport risk has been updated to reflect.

The City of London police and London Ambulance Service attended the scene and the IP was taken to hospital. The police seized the fork-lift truck for tests (this has since been returned as being compliant) and undertook a formal investigation of the incident before passing the case to the HSE. The employer notified the HSE immediately after the accident and have provided to CoL satisfactory training records for the driver. The driver is suspended from using a fork-lift or pumper truck for 12 months and could be subject to further disciplinary procedures, pending the outcome of the police report and any charges they may bring.

The HSE visited site on the 3<sup>rd</sup> August and served an improvement notice on the common user areas where the accident occurred to CoL on the 23<sup>rd</sup> August. Immediately following the incident, officers from the department, corporate health and safety and the City's Environmental Health team have met on site and have provided guidance regarding governance. Following the visit of the HSE, the Director of Markets visited site on the 8<sup>th</sup> August, an action plan was drafted with assigned owners and timescales for delivery. The focus of actions centre around product delivery, the movement of fork-lift and pumper trucks, types of vehicle movements and segregation of pedestrians as much as reasonably practicable, traffic routes, signage, storage and movement of product, enhanced written systems of work and site rules. Actions have been prioritised with owners to ensure they are focused and completed as soon as possible and no later than the compliance deadline set by the HSE of 15<sup>th</sup> November 2022.

A working group with representatives from all three Markets, Corporate teams and the tenant association convenes every two weeks to oversee and input to the action plan, and officers meet weekly to review all action tasks and progress against that plan. Learning from the incident and improvements identified are shared with New Spitalfields and Billingsgate to ensure a consistent standard is delivered across the estate.

Members will be updated as the processes and works are implemented to completion.



<b>Committee(s)</b>	<b>Dated:</b>
Markets Board	07.09.22
<b>Subject:</b> Wholesale Market Risks Update Report	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	4, 7
<b>Does this proposal require extra revenue and/or capital spending?</b>	N/A
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Ben Milligan, Director of Markets	<b>For Information</b>
<b>Report author:</b> Don Perry, Markets Department	

## Summary

This report has been produced to provide the Markets Board with assurance that risk management procedures in place within the Markets Division 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 Markets Division of the Chief Operating Officer's Department. A process exists for in-depth periodic review of the risk register and for emerging risks to be identified.

In accordance with the City of London's Risk Management Framework, and as agreed by Markets Committee in November 2021, this report only considers key departmental level risks with a current risk score of 6 or above (i.e., those classed as Red or Amber) and which fall within the remit of your Board:

The Wholesale Markets Traffic Management risk has been reviewed following a serious forklift truck accident at Smithfield Market on 4 July and has increased from Amber to Red. The HSE visited the Market on 3 August and findings from that visit are still pending. An action plan to improve control measures in the area is now in place and a Working Group has been established to oversee the implementation. The risk will be kept under review as elements of the plan are introduced and will be re-scored when all the actions have been completed.

There is also a financial element to this risk associated with the works required in order to improve the control measures. This cost will be met from local risk budgets. Traffic management risk assessments and control measures are being reviewed across all three market as part of this work.

- COO-MKT WM 004: Wholesale Markets – Traffic Management (RED, 16)
- COO-MKT SM 012: Building maintenance-management, Smithfield (AMBER, 8)
- COO-MKT WM 001: Wholesale Markets - Consolidation Project (AMBER, 8)





## **Recommendation(s)**

Members are asked to:

- Note the report and the actions taken in the Markets Division to monitor, and manage effectively, risks arising from its operations.

## **Main Report**

### **Background**

1. The Risk Management Framework of the City of London Corporation (the City) requires each Chief Officer to report regularly to Board the key risks faced in their department.

### **Current Position**

2. This report provides an update on the key risks that exist in relation to the operations of the wholesale markets within the Chief Operating Officer's Department. The report also outlines the processes adopted for the ongoing review of risk and mitigating actions.

### **Risk Management Process**

3. Risk Management is a standing agenda item at the regular Markets Division Senior Management Group (SMG) meetings, over and above the suggested quarterly review. At each meeting, the SMG reviews existing risks and considers whether there are any emerging risks for addition to the risk register.
4. Between each SMG meeting, risks are reviewed in consultation with risk and control owners, and updates are recorded in the corporate risk management system (Pentana).
5. Regular risk management update reports are provided to this Board 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 Business Plan; slippage against key deliverables, for example.
  - An annual, fundamental, risk register review, undertaken by the tier of management below SMG.
7. 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

8. The Risk Register for the Wholesale Markets contains three departmental level risks with a current rating of 6 or above (i.e. those classed as 'Red' or 'Amber' on the City of London Risk Matrix, a copy of which is provided at Appendix A).
9. A Summary Risk Register is attached at Appendix B and the detailed Register at Appendix C. Our approach to all these risks is to reduce their rating.

## Corporate & Strategic Implications

**Strategic implications:** Effective management of risk is at the heart of the City Corporation's approach to delivering cost effective and valued services to the public as well as being an important element within the corporate governance of the organisation.

**Financial implications:** None

**Resource implications:** None

**Legal implications:** None

**Risk implications:** The proactive management of risk, including the reporting process to Members, demonstrates that the Markets Division of the Chief Operating Officer's Department is adhering to the requirements of the City of London Corporation's Risk Management Policy and Strategy.

**Equalities implications:** There are no proposals in this report that would have an impact on people protected by existing equality legislation.

**Climate implications:** None

**Security implications:** None

## Conclusion

10. Members are asked to note that risk management processes within the Markets Division adhere to the requirements of the City Corporation's Risk Management Framework. Risks identified within the operational and strategic responsibilities of the Markets Division are proactively managed.

## Appendices

- Appendix A: City of London Corporation Risk Matrix
- Appendix B: Wholesale Markets Risks – Summary Risk Register
- Appendix C: Wholesale Markets Risks – Detailed Risk Register

## Background Papers

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

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## City of London Corporation Risk Matrix (Black and white version)

Note: A risk score is calculated by assessing the risk in terms of likelihood and impact. By using the likelihood and impact criteria below (top left (A) and bottom right (B) respectively) it is possible to calculate a risk score. For example a risk assessed as Unlikely (2) and with an impact of Serious (2) can be plotted on the risk scoring grid, top right (C) to give an overall risk score of a green (4). Using the risk score definitions bottom right (D) below, a green risk is one that just requires actions to maintain that rating.

### (A) Likelihood criteria

	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)
Criteria	Less than 10%	10 – 40%	40 – 75%	More than 75%
Probability	Has happened rarely/never before	Unlikely to occur	Fairly likely to occur	More likely to occur than not
Time period	Unlikely to occur in a 10 year period	Likely to occur within a 10 year period	Likely to occur once within a one year period	Likely to occur once within three months
Numerical	Less than one chance in a hundred thousand (<10-5)	Less than one chance in ten thousand (<10-4)	Less than one chance in a thousand (<10-3)	Less than one chance in a hundred (<10-2)

### (B) Impact criteria

Impact title	Definitions
Minor (1)	<b>Service delivery/performance:</b> Minor impact on service, typically up to one day. <b>Financial:</b> financial loss up to 5% of budget. <b>Reputation:</b> Isolated service user/stakeholder complaints contained within business unit/division. <b>Legal/statutory:</b> Litigation claim or find less than £5000. <b>Safety/health:</b> Minor incident including injury to one or more individuals. <b>Objectives:</b> Failure to achieve team plan objectives.
Serious (2)	<b>Service delivery/performance:</b> Service disruption 2 to 5 days. <b>Financial:</b> Financial loss up to 10% of budget. <b>Reputation:</b> Adverse local media coverage/multiple service user/stakeholder complaints. <b>Legal/statutory:</b> Litigation claimable fine between £5000 and £50,000. <b>Safety/health:</b> Significant injury or illness causing short-term disability to one or more persons. <b>Objectives:</b> Failure to achieve one or more service plan objectives.
Major (4)	<b>Service delivery/performance:</b> Service disruption > 1 - 4 weeks. <b>Financial:</b> Financial loss up to 20% of budget. <b>Reputation:</b> Adverse national media coverage 1 to 3 days. <b>Legal/statutory:</b> Litigation claimable fine between £50,000 and £500,000. <b>Safety/health:</b> Major injury or illness/disease causing long-term disability to one or more people <b>Objectives:</b> Failure to achieve a strategic plan objective.
Extreme (8)	<b>Service delivery/performance:</b> Service disruption > 4 weeks. <b>Financial:</b> Financial loss up to 35% of budget. <b>Reputation:</b> National publicity more than three days. Possible resignation leading member or chief officer. <b>Legal/statutory:</b> Multiple civil or criminal suits. Litigation claim or find in excess of £500,000. <b>Safety/health:</b> Fatality or life-threatening illness/disease (e.g. mesothelioma) to one or more persons. <b>Objectives:</b> Failure to achieve a major corporate objective.

### (C) Risk scoring grid

Likelihood	Impact				
	X	Minor (1)	Serious (2)	Major (4)	Extreme (8)
	Likely (4)	4 Green	8 Amber	16 Red	32 Red
	Possible (3)	3 Green	6 Amber	12 Amber	24 Red
	Unlikely (2)	2 Green	4 Green	8 Amber	16 Red
	Rare (1)	1 Green	2 Green	4 Green	8 Amber

### (D) Risk score definitions

RED	Urgent action required to reduce rating
AMBER	Action required to maintain or reduce rating
GREEN	Action required to maintain rating

This is an extract from the City of London Corporate Risk Management Strategy, published in May 2014.

Contact the Corporate Risk Advisor for further information. Ext 1297

October 2015

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# COO MKT Markets Committee Risk Summary Report

Report Type: Risks Report

Generated on: 22 August 2022



Rows are sorted by Risk Score

Traffic Light: Red 1 Amber 2 Green 14

Risk code	Risk title	Current Risk Score	Current Risk Score Indicator	Trend Icon	Flight path
COO-MKT-WM 004	Wholesale Markets – Traffic Management	16			
COO-MKT-SM 012	Building maintenance management	8			
COO-MKT-WM 001	Wholesale Markets Consolidation Project	8			

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# COO MKT- Markets Committee Risk Report (Detailed Risk Register)

Report Author: Donald Perry

Generated on: 23 August 2022

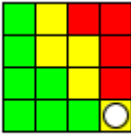
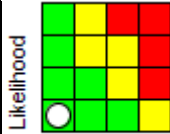



Rows are sorted by Risk Score

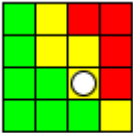
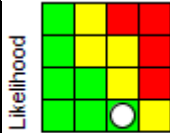

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
COO-MKT- M 004 Wholesale Markets - Traffic Management	<p><b>Cause:</b> A lack of suitable and sufficient training and adequate management controls in relation to vehicle movements at each of the Markets.</p> <p><b>Event:</b> There is a serious risk of life changing injury to a pedestrian if vehicle movements are not appropriately managed and controlled.</p> <p><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.</p>	<p>Likelihood</p> <p>Impact</p>	16	There was a serious fork lift truck accident between 2 employees of the same company on the 4 July at Smithfield Market resulting in life changing injuries to one injured person. The City of London police attended and investigated the incident with regard to possible criminal charges before passing the matter to the HSE who had already been informed by the employer. The HSE visited the Market on the 3 August and the Market awaits the results of their findings and recommendations. In the interim, officers have drafted a comprehensive action plan comprising improvements to be delivered in the coming weeks. The risk rating has been increased to reflect the improvement measures that have been identified as being necessary to control the risk. Once these are in place the risk will be re-assessed.	<p>Likelihood</p> <p>Impact</p>	8	30-Nov-2022	↑

30-Dec-2021 Ben Milligan				22 Aug 2022			Reduce	Increasing
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
COO-MKT-WM 004a	Re-engage consultant to provide assurance that essential recommendations have been actioned and that the risk has reduced.	Reviewing with all Q Shop tenants ways to better manage this area including removing containers and equipment, managing customer and trade deliveries to specific times and ensuring that reversing vehicles are better supervised. Other recommendations being worked through in order of priority.	Daniel Ritchie	23-Aug-2022	27-Sep-2022
COO-MKT-WM 004b	Keep the risk under review.	All identified actions have been completed. The operation is now to remain under regular review.	Emma Beard; Debbie Howard	19-Aug-2022	30-Nov-2022
COO-MKT-WM 004c	Keep the risk under review and undertake regular audits of HGV movements.	There was a serious fork lift truck accident between 2 employees of the same company on the 4th July resulting in life changing injuries to one injured person. The City of London police attended and investigated the incident with regard to possible criminal charges before passing the matter to the HSE who had already been informed by the employer. The HSE visited the Market on the 3rd of August and the Market awaits the results of their findings and recommendations. In the interim, officers have drafted a comprehensive set of action improvements to be delivered in the coming weeks.	Shelley Ross-Harding; Mark Sherlock	22-Aug-2022	08-Aug-2022

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/Risk Approach	Current Risk score change indicator
<b>COO-MKT-SM 012</b> <b>Building maintenance management</b>  29-Sep-2020 Mark Sherlock	<b>Cause:</b> The deterioration of physical assets due to the lack of adequate maintenance. <b>Event:</b> Partial collapse or failure of structure. <b>Effect:</b> Serious harm to building occupiers and members of the public by exposure to various physical hazards. Loss of use of physical assets through accident investigations and enforcement authority prohibitions, etc. Financial losses through potential Health and Safety Executive (HSE) fees for intervention, prosecution, civil claims and reputational damage to the City.	 Likelihood Impact	8	Work with CSD to review Edge reports and agree priorities is ongoing. There is some funding agreed for works in 22/23 but the bulk of any necessary future works will come in 23/24 and beyond. A plan document should be available from CSD after consultation with the Market by the end of September with relevant PID's being raised for funding.  <b>19 Aug 2022</b>	 Likelihood Impact	1	31-Mar-2023	 Constant
							Reduce	

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
COO-MKT-SM 012e	Works priorities and phasing in progress to be agreed with City Surveyor's Department (CSD). CSD to raise PIDs to continue with further surveys and pricing exercises.	Work with CSD to review Edge reports and agree priorities is ongoing. There is some funding agreed for works in 22/23 but the bulk of any necessary future works will come in 23/24 and beyond. A plan document should be available from CSD after consultation with the Market by the end of September with relevant PID's being raised for funding.			Mark Sherlock	23-Aug-2022	30-Sep-2022

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/Risk Approach	Current Risk score change indicator
<b>COO-MKT-WM 001 Wholesale Markets Consolidation Project</b> 17-Mar-2020 Ben Milligan  Page 28	<p><b>Cause:</b> The Markets Co-location Project (MCP) team are leading a project to move the City's Wholesale Markets to a single site in Barking &amp; Dagenham. This proposed move may influence decisions on maintenance at the existing markets to ensure resources are not invested in works whose life will exceed the anticipated occupation of the respective market site.</p> <p>However, should the City of London Corporation be unable to, or decide not to, complete the MCP or determines an alternative use for the Barking site, the markets may not move and this could have an injurious effect on the continued operation of the markets on their existing sites.</p> <p><b>Event:</b> The City's three wholesale food markets, New Spitalfields, Smithfield and Billingsgate are unable relocate to the Barking site and find themselves with seriously dilapidated infrastructure due to the investment decisions taken in anticipation of the proposed move to the Barking site.</p> <p><b>Effect:</b> This could result in a major programme of works at the existing markets sites to catch up with the deferred maintenance in order to ensure the markets are fit for purpose. This could require significant additional capital investment.</p> <p>Relationships with tenants may be adversely affected due to the impact on normal operation of the refurbishment works, which could result in adverse publicity, possibly leading to reputational damage to the City and tenant claims against City of London Corporation for loss of earnings and other incurred costs</p> <p>Should the capital investment required be cost prohibitive, or the impact of the refurbishment cause severe disruption to tenants' businesses, this could trigger a decline in the markets, possibly to the point where they are irrecoverable.</p>	 Likelihood Impact	8	The Markets Colocation Project (MCP) team are in active dialogue with each of the Markets Tenants' Associations. Regular design workshops and update meetings have been held.  <b>23 Aug 2022</b>	 Likelihood Impact	4	31-Dec-2026	 Constant
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
COO-MKT-WM 001a	Keep risk under regular review	This risk has been reviewed in the light of recent actions on remedial works arising from the condition surveys and progress in dialogue with the Tenants' Associations. The risk will continue to be kept under review to ensure it reflects the developing circumstances that will impact the future operation of the markets.	Ben Milligan	23-Aug-2022	31-Dec-2026
COO-MKT-WM 001b	Agree and implement a maintenance strategy to ensure there are appropriate levels of maintenance such that the markets will not be forced to close due to failing infrastructure.	<p>The interim maintenance strategy will ensure that appropriate levels of maintenance continue to be carried out until there is more certainty about the markets' move. This will address the risk that the markets cannot operate due to failing infrastructure in the short to medium term.</p> <p>Capital funding has been approved for three projects that will address the most significant findings of the condition survey at Smithfield. The Billingsgate Action Plan is progressing with projects to introduce new fish handling facilities, an outbound logistics trial and works to the Cold Store roof underway. Further intrusive survey work has been commissioned at New Spitalfields to establish in detail the works needed and provide an estimate of costs.</p>	Ben Milligan	23-Aug-2022	31-Dec-2026

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<b>Committee(s)</b>	<b>Dated:</b>
Markets Board	07.09.22
<b>Subject:</b> Markets Business Plan Update Period 1 2022/23 (April-July)	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	4, 7
<b>Does this proposal require extra revenue and/or capital spending?</b>	N/A
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Ben Milligan, Director of Markets	<b>For Information</b>
<b>Report author:</b> Don Perry, Markets Department	

## Summary

This report provides an update on progress made during Period 1 (April-July) of 2022/23 against the key performance indicators (KPIs) and key improvement objectives outlined in the Markets' Business Plan 2022/23.

## Recommendation(s)

Members are asked to:

- Note the content of this report and its appendices.

## Main Report

### Background

1. The 2022/23 Markets Business Plan set out four Key Performance Indicators (KPIs) and ten Key Improvement Objectives against which the Markets' performance has been measured throughout the year.
2. Updates on progress made against the KPIs and improvement objectives are provided in Appendix A.
3. Matters of general interest, including a list of visitors to the Markets are provided in Appendix B.
4. The provisional 2022/23 outturn position for the Markets Department reporting to Markets Board is provided at Appendix C.

## **Current Position**

5. To ensure your Board is kept informed of progress against the current business plan, progress made against KPIs and key improvement objectives (Appendix A), matters of general interest (Appendix B), and financial information is reported on a periodic (four-monthly) basis.
6. This approach allows Members to ask questions and have a timely input on areas of importance to them. Members are also encouraged to ask the Director for information throughout the year.
7. Progress against the departmental and local business plans is regularly discussed by Senior Management Groups to ensure any issues are resolved at an early stage.
8. Key points are that:
  - Work is underway to assess the possibility of expanding the Markets work to include retail Markets within the City of London. A report on this project is expected in the January Board Meeting.
  - A quote for the intrusive survey on New Spitalfields Market Pavilion roof has been agreed but some preliminary work will be required first.
  - The outbound logistical 12-week project at Billingsgate's Market realised an estimated reduction of 32% in CO<sub>2</sub> emissions.
  - A report from the Energy Team shows that Smithfield Market (Q4 of 2021/22) is in the five best performing CoL Sites for reducing energy consumption.
  - Biofuel only being used in forklift trucks at Spitalfields.
  - A report into reviewing the movement of Heavy Good's Vehicle (HGV) is being drafted.

## **Financial Information**

9. At the end of July 2022, the Chief Operating Officer was £47k (14.8%) overspent against the local risk net income budget to date of £317k, over all the services managed by the Chief Operating Officer reporting to the Markets Board. Table A in Appendix C sets out the detailed position for the individual services covered by this department.
10. The worse than budget position at the end of July 2022 reflects mainly the increasing energy costs at each of the three markets as well as increases in the cost of the waste and recycling contract at New Spitalfields Market.
11. Overall, the Chief Operating Officer is currently forecasting a year end overspend position of £246k (19.7%) for her City Fund and City's Cash services.



## **Corporate & Strategic Implications**

**Strategic implications** – The monitoring of key improvement objectives and performance measures links to the achievement of the aims and outcomes set out in the Corporate Plan 2018-23.

**Financial implications** - The position of each Markets debt is reported to Markets Board in KPI 1.

**Resource implications** - None

**Legal implications** - None

**Risk implications** – The Markets Risk Register includes any risks which are linked to the delivery of its Business Plan. A separate report on risk has been submitted to this Committee.

**Equalities implications** – None

**Climate implications** - None

**Security implications** - None

## **Appendices**

- Appendix A – Progress against key performance indicators (KPIs) and key improvement objectives
- Appendix B - Matters of general interest.
- Appendix C – Financial information

## **Contacts:**

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**Progress against Key Performance Indicators 2022-23**  
**Period One: 1st April – 31<sup>st</sup> July 2022**

	Target 2022/23		Period 1	Period 2	Period 3
<b>MKP 1</b>	Each Market's outstanding debt as a percentage of their total invoiced income. Maximum 2% KPI target.	Billingsgate	6.87%		
		Smithfield	17.30%		
		Spitalfields	4.26%		
<p><b>Comments:</b> The reported percentages of outstanding debt exclude debts which were less than 30 days old on 31<sup>st</sup> July 2022.</p> <p><b>Billingsgate Market:</b> 'debt-chasing' continues and in three cases payment plans have been set-up and are being monitored regularly as a large proportion of debt relates to three tenants.</p> <p><b>Smithfield Market:</b> The debt management plan with the Smithfield traders is on target and debt will continue to fall in line with that, expecting full recovery to be achieved by the end of March 2024. Four traders have settled their covid debt entirely.</p> <p><b>New Spitalfields Market:</b> 'debt chasing' continues and in two cases payment plans have been set-up and are being monitored regularly as a large proportion of debt relates to two tenants.</p>					
	Target 2022/23		Period 1	Period 2	Period 3
<b>MKP 2</b>	Divert 90% of waste from landfill at the Markets	Billingsgate	100%		
		Smithfield	100%		
		Spitalfields	100%		

## Appendix A

	Target 2022/23		Period 1	Period 2	Period 3
MKP 3	Maintain a minimum 95% occupancy with the expectation to achieve 100%.	Billingsgate	99.6%		
		Smithfield	100%		
		Spitalfields	99%		
Comments: Billingsgate Market: Reporting against overall square footage available. All shops, stands, units 100% let. Smithfield Market: Reporting against lettable space only; previous reporting has included non-lettable space within the Poultry Market.					
	Target 2022/23		Period 1	Period 2	Period 3
MKP 4	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%		

**Progress against key improvement objectives 2022-2023****Period one: 1<sup>st</sup> April – 31<sup>st</sup> July 2022**

Ref:	Objective	Progress to date
MKT01	To submit a private bill to Parliament for the colocation of the three wholesale markets in November 2022.	<b>Period 1: April – July 2022</b> <ul style="list-style-type: none"> <li>Discussions are ongoing between officers and Tenants' Associations and their representatives. It is anticipated that a private bill will be submitted to Parliament in November 2022.</li> </ul>
MKT03	Expand the City's offer with respect to retail markets.	<b>Period 1: April – July 2022</b> <ul style="list-style-type: none"> <li>Investigating the ability to expand into retail markets. More work is needed to understand the opportunities that exist under current legislation, including the investment and resources required, and opportunities for collaborative working.</li> <li>Report into this to be provided in the January Board Meeting.</li> </ul>
MKT04	Make reductions in energy consumption and help to reduce our tenants' carbon footprint, working in collaboration with the City Surveyor's Energy Team.	<b>Period 1: April – July 2022</b> <ul style="list-style-type: none"> <li>The Energy Team are working with the Markets' management to deliver Climate Action Strategy actions. This includes site level energy surveys and the procurement of consultancy resource to manage and deliver the programme. The surveys are now nearing completion for the largest fifteen operational sites, including the Markets. A capital project delivery plan is currently in development. and interventions that have a payback of &lt; 5 years will be prioritised.</li> <li>Measures for the markets have been identified from the surveys and will be assessed for inclusion within the Corporate Property and Housing Landlord Project Plan (NZ1) delivery plan.</li> <li>A report from the Energy Team for quarter 4 of 2021/22 shows that Smithfield Market is in the five best performing City of London sites in terms of reduction in energy consumption, showing a 38% reduction relative to the 2018/19 baseline data.</li> </ul>
MKT05	Target recruitment and source new recruits from London's most deprived Boroughs.	<b>Period 1: April – July 2022</b> <ul style="list-style-type: none"> <li>Contact with Tower Hamlets and Waltham Forest recruitment Dept made in order for Market jobs to be advertised through their websites – this will widen the pool of applicants applying for Market jobs. No jobs have been advertised to-date but the plan going forward is to advertise more widely.</li> </ul>

Ref:	Objective	Progress to date
MKT06	Carry-out a tenant satisfaction questionnaire. Use the same questions that were used in the Tenants Survey that was carried out at New Spitalfields Market 2019/20.	<b>Period 1: April – July 2022</b> <ul style="list-style-type: none"> <li>The questionnaire to be sent out in January 2023, before that time questions will be reviewed and the best electronic platform for tenants to access the questionnaire decided.</li> </ul>
MKTSM07	HGV Unloading Compliance Work.	<b>Period 1: April – July 2022</b> <ul style="list-style-type: none"> <li>A report reviewing HGV movement over the past 3 years has been drafted and keeping a log of daily HGV operations has been introduced. The purpose is to measure the level of compliance and implement the right controls based on the findings.</li> <li>An HGV policy is being worked on and will be an appendix to the working manual.</li> </ul>
MKTSM08	Completion of approved Capital Works Projects	<b>Period 1: April – July 2022</b> Smithfield - Projects completed in the last 6 months: <ul style="list-style-type: none"> <li>East Market side stream filter.</li> <li>25year sprinkler inspection (remedials to follow).</li> <li>Glazed canopy remedials/replacement to the south and east elevations (a further gateway for the remaining north elevation has just commenced).</li> <li>Replacement of high-level lighting in Grand Avenue, fixed wire test remedials.</li> </ul> Projects currently in progress: - <ul style="list-style-type: none"> <li>Smoke curtain replacement, fire alarm full survey (remedials to follow).</li> <li>Replacement and upgrading of lighting and selective cable and distribution boards in the car park.</li> <li>Replacement of cold-water tanks in the east and west markets, and a survey of the condenser water pipework. 3 PIDs have been successfully presented to Chamberlain and these are now starting the gateway process – East Poultry Ave structural remedials/reinstallation of the canopy, remedial works to the remaining north elevation glass canopy, ceiling covering and selective water ingress remedials in the car park. Funding of £1.9m allocated.</li> <li>CWP works that align with the Edge survey reports are also planned for 2022/23 namely – condenser water pipework replacement, pumps replacement, fume extract ductwork replacement and trace heating replacement. These are in addition to projects running from 2021/22 – BMS replacement, and selective pumps replacement and Air Handling Unit (AHU) works.</li> </ul>
MKTBG09	Deliver the agreed works from Billingsgate Plan.	<b>Period 1: April – July 2022</b> Actions agreed for 2022

Ref:	Objective	Progress to date
		<ul style="list-style-type: none"> <li>• CCTV system: Installed and handed over. Over 100 4K cameras now installed across the site. This will be an invaluable resource and ensure better compliance of site rules.</li> <li>• Additional Fish Handling Unit: Further meetings with tenants to consider design and a final meeting likely to take place in September to agree structure before works progress.</li> <li>• Cold Store roof: Difficulty in finding a contractor to undertake works continue.</li> <li>• Trade buyer permit system in place.</li> <li>• Reconfiguration of trade car park part complete.</li> </ul> <p>Actions agreed for 2023</p> <ul style="list-style-type: none"> <li>• Outbound Logistics trial: 12-week trial saw 20,000 boxes of product delivered with an estimated reduction in CO<sub>2</sub> emissions of 37% This trial was delivered a year ahead of schedule.</li> </ul>
MKTNS10	An intrusive survey of the roof will be commissioned 2022/23 to establish the full extent of the works required.	<p><b>Period 1: April – July 2022</b></p> <ul style="list-style-type: none"> <li>• A quote for the survey has been agreed but some preliminary works are required to repair the roofs access system before the survey can commence. These repairs are currently being assessed and quoted for.</li> </ul>
MKTNS11	Monitoring air quality in the Market Hall following the introduction of biofuel only in FLT's.	<p><b>Period 1: April – July 2022</b></p> <ul style="list-style-type: none"> <li>• From 1st April red diesel for use in forklift trucks was banned, and only biofuel is being sold at the Market. Tenants have been allowed to use up any white fuel they have but once used up, biofuel will be used exclusively to operate forklifts trucks.</li> <li>• The air quality statistics will be monitored regularly, at present it is too early to notice any changes. Tenants have been using up their white fuel but going forward we expect to see the impact from biofuel only being used.</li> </ul>

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

### **Billingsgate Market**

	<b>Visitors/Filming/photography</b>	<b>Fee Received</b>
<b>April</b>	No visits	N/A
<b>May</b>	No visits	N/A
<b>June</b>	No visits	N/A
<b>July</b>	18 <sup>th</sup> – 20 <sup>th</sup> Jackson River Films – Unit Base Parking. 20 <sup>th</sup> Lord Mayor Visit.	£6620+VAT

### **Smithfield Market**

	<b>Visitors/Filming/photography</b>	<b>Fee Received</b>
<b>April</b>	No visits	N/A
<b>May</b>	No visits	N/A
<b>June</b>	No visits	N/A
<b>July</b>	No visits	N/A

### **New Spitalfields Market**

	<b>Visitors/Filming/photography</b>	<b>Fee Received</b>
<b>April</b>	28 <sup>th</sup> April Wholesale Market Forum organised by NABMA.	N/A
<b>May</b>	3 <sup>rd</sup> May Westminster Council collect PPE supplies to be donated to Ukraine.	N/A
<b>June</b>	8 <sup>th</sup> Lord Mayor Visit.	N/A
<b>July</b>	13 <sup>th</sup> South Korean Delegation visit.	N/A

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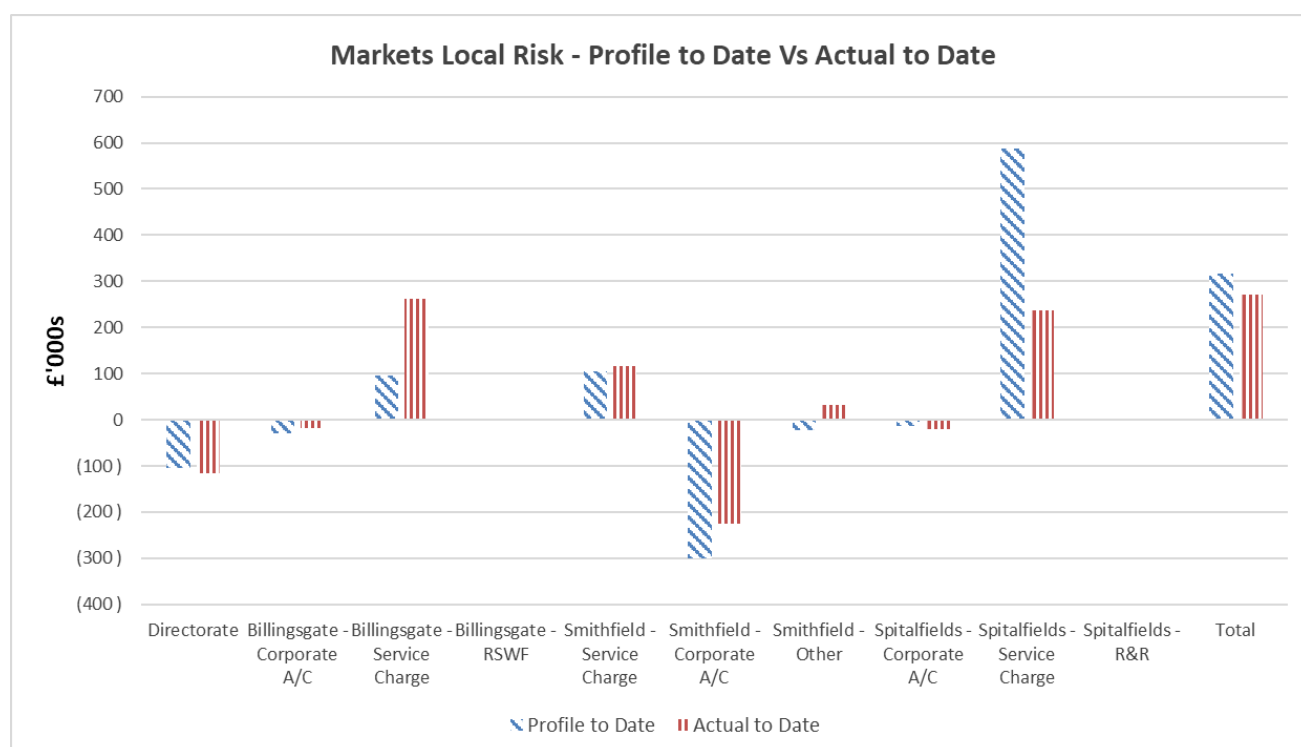
## Appendix C

### **Summary**

At the end of July 2022, the Chief Operating Officer was £47k (14.8%) overspent against the local risk net income budget to date of £317k, over all the services managed by the Chief Operating Officer reporting to the Markets Board. Table A sets out the detailed position for the individual services covered by this department.

Overall, the Chief Operating Officer is currently forecasting a year end overspend position of £246k (19.7%) for her City Fund and City's Cash services.

1. The end of July 2022 monitoring position for the Chief Operating Officer's services reporting to Markets Board is provided at Table A. This shows a net overspend to date of £47k (14.8%) against the overall local risk net income budget to date of £317k for 2022/23.

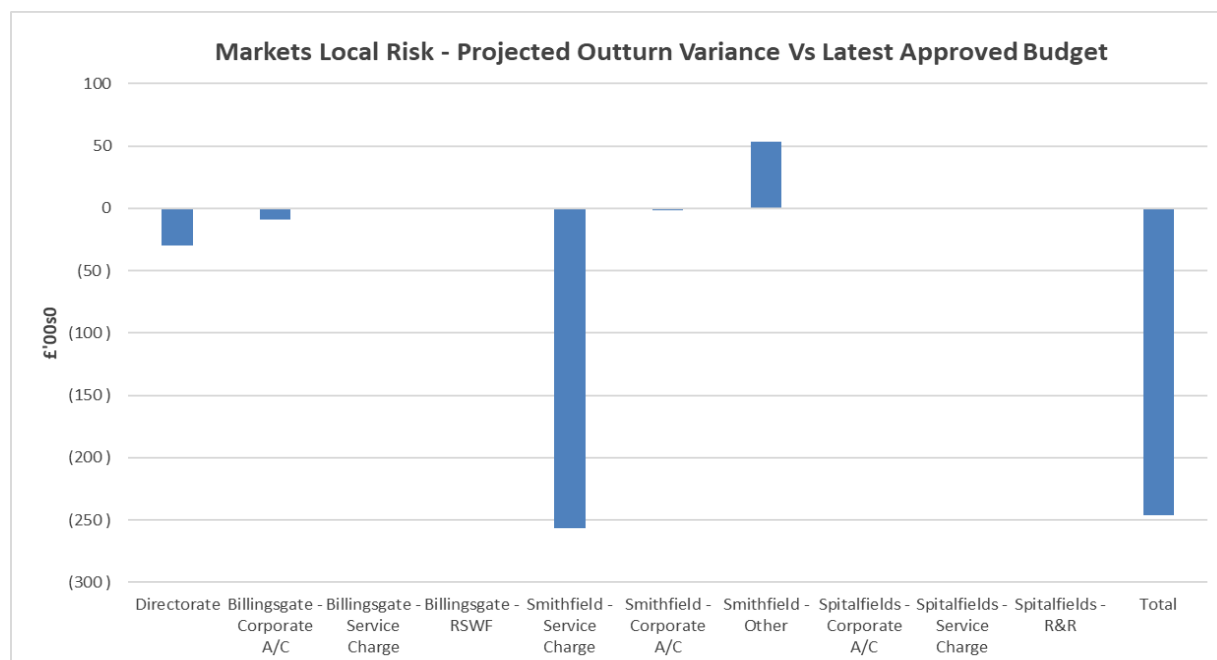


### **Notes:**

1. Graph shows the actual local risk net position against the profiled budget to date for each Division.
2. A position above the baseline shows overall net income.
3. A position below the baseline shows overall net expenditure.
4. Markets total actual to date net income of £270k is £47k overspent against the profiled net income budget to date of £317k.

## Appendix C

- Overall, the Chief Operating Officer is currently forecasting a year end overspend position of £246k (19.7%) for her City Fund and City's Cash services.



### **Notes:**

- Zero is the baseline latest approved budget for each Division of Service.
  - Graph shows projected outturn position against the latest approved budget.
  - A variance above the baseline is favourable i.e. either additional income or reduced expenditure.
  - A variance below the baseline is unfavourable i.e. additional expenditure or reduced income.
  - Overall the Service is forecasting an overspend of £246k at year end.
- The reasons for the significant budget variations are detailed in Table A, which sets out a detailed financial analysis of each individual division of service relating to this Board, for the services the Chief Operating Officer manages.
  - The worse than budget position at the end of July 2022 relates mainly to increasing energy costs at each of the three markets as well as increases in the cost of the waste and recycling contract at New Spitalfields Market.
  - The Chief Operating Officer anticipates this current worse than budget position will continue to year end and the projected overspend is currently forecast to increase to £246k. This is primarily due to anticipated increases in energy costs from October 2022 at Smithfield Market which are not fully recoverable from tenants.

## Appendix C

### Markets Local Risk Revenue Budget - 1st April to 31st July 2022

(Expenditure and unfavourable variances are shown in brackets)

TABLE A

	Latest Approved	Budget to Date (Apr-Jul)			Actual to Date (Apr-Jul)				Forecast for the Year 2022/23			
	Budget 2022/23 £'000	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	Variance Apr- Jul £'000	Latest Approved Budget £'000	Forecast Outturn £'000	(Over)/Under £'000	Notes
<b>Markets (City's Cash)</b>												
Directorate	(392 )	(105 )	0	(105 )	(115 )	0	(115 )	(10 )	(392 )	(422 )	(30 )	1
Billingsgate - Corporate Account	(93 )	(81 )	52	(29 )	(82 )	63	(19 )	10	(93 )	(102 )	(9 )	
Billingsgate - Service Charge	0	(851 )	947	96	(741 )	1,004	263	167	0	0	0	2
Billingsgate - Repainting and Special Works	0	0	0	0	0	0	0	0	0	0	0	
Smithfield - Service Charge	(772 )	(948 )	1,053	105	(936 )	1,052	116	11	(772 )	(1,029 )	(257 )	3
Smithfield - Corporate and Direct Recovered	(76 )	(378 )	77	(301 )	(364 )	139	(225 )	76	(76 )	(78 )	(2 )	
Smithfield - Other (Including Car Park)	150	(290 )	267	(23 )	(279 )	311	32	55	150	203	53	4
	(1,183 )	(2,653 )	2,396	(257 )	(2,517 )	2,569	52	309	(1,183 )	(1,428 )	(245 )	
<b>Markets (City Fund)</b>												
Spitalfields - Corporate Account	(48 )	(13 )	0	(13 )	(20 )	0	(20 )	(7 )	(48 )	(49 )	(1 )	
Spitalfields - Service Charge	(17 )	(1,667 )	2,254	587	(2,035 )	2,273	238	(349 )	(17 )	(17 )	0	5
Spitalfields - Repair and Repainting	0	0	0	0	0	0	0	0	0	0	0	
	(65 )	(1,680 )	2,254	574	(2,055 )	2,273	218	(356 )	(65 )	(66 )	(1 )	
<b>TOTAL MARKETS BOARD LOCAL RISK</b>	<b>(1,248 )</b>	<b>(4,333 )</b>	<b>4,650</b>	<b>317</b>	<b>(4,572 )</b>	<b>4,842</b>	<b>270</b>	<b>(47 )</b>	<b>(1,248 )</b>	<b>(1,494 )</b>	<b>(246 )</b>	

1. **Directorate** - projected overspend related to higher than anticipated salary costs.

2. **Billingsgate Service Charge** - underspend to date due to savings in employment costs as a result of staff vacancies and additional income from licenses offset by increased energy costs.

3. **Smithfield Service Charge** - projected overspend due to increasing energy costs from October 2022 partly offset by underspends in employment costs.

4. **Smithfield Other** - projected underspend due to savings from new contract for management of Smithfield Car Park as well as additional income from the car park.

5. **Spitalfields Service Charge** - overspend due to cost increases from the waste and recycling contract as well as increasing energy prices partly offset by underspends in employment costs and income from the recharging of waste collection costs.

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