

MARKETS BOARD
Wednesday, 8 November 2023

Minutes of the meeting held at Guildhall at 10.30 am

Present

Members:

Deputy Henry Pollard (Chairman)	Ian Seaton
Deputy Philip Woodhouse (Deputy Chairman)	Catherine McGuinness
Alderman Alison Gowman	Deputy Charles Edward Lord
Gregory Lawrence	Paul Martinelli
Wendy Mead	Deputy Madush Gupta

In Attendance

Officers:

Ben Milligan	- Markets Director
Daniel Ritchie	- Billingsgate Market Superintendent
Steven Chandler	- City Surveyors
Andrew Fothergill	- Comptroller & City Solicitor's Department
Julie Gibbs	- Markets and Consumer Protection Department
Andrew Little	- Chamberlain's Department

1. APOLOGIES

Before commencing the business on the agenda the Chair welcomed Deputy Madush Gupta to his first meeting of the Markets Board.

The Chair also thanked Alderman David Wootton, who had stood down from the Court of Aldermen and advised that the vacancy would be filled at the next meeting of the Court of Common Council.

Apologies were received from Brian Mooney, Henry Jones, James Tumbridge, Oliver Sells and Hugh Selka. James Tumbridge, Oliver Sells and Hugh Selka joined the meeting remotely.

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

Mr Gregory Lawrence 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

The public minutes of the meeting held on 20th September 2023 were approved as a correct record.

Matters arising

Members noted that head-hunters were only used in recruitment for hard to fill positions, and when it would be more cost-effective to do so.

4. REVENUE AND CAPITAL BUDGETS 2023/25

The Board considered a report of the Chamberlain, in respect of the annual submission of the revenue and capital budgets, for submission to the Finance Committee.

The Markets Director advised that regular tenant meetings were continuing, with the main concerns reported to this Committee under the regular General Manager updates. Members noted that there are age-related issues in each market and officers are working with City Surveyors, to ensure we get the level of service expected from the contractor, noting that the City of London Corporation (CoLC) needs to be pragmatic in terms of buildings which will become vacant. Members noted that officers also work closely with City Surveyors in respect of the 'bow wave', which is debated regularly at the Resource Allocation Sub Committee. A Member suggested that the lack of reporting on deferred costs is a weakness in the budget process.

The Chairman asked for a report on the Markets' financial and strategic fit with the City Corporation's Climate Action Strategy, and the work with the Energy Team, for the next meeting of the Board in January 2024. There was a request for the report include carbon credits, noting that the Markets trade is very reliant on cold storage.

RESOLVED, that:

- i) The latest revenue budget for 2023/24 for Markets Board be noted.
- ii) The Markets Board draft revenue budget for 2024/25 be approved for submission to the Finance Committee.
- iii) The Markets Board draft capital and supplementary revenue projects budgets for 2024/25 be approved for submission to the Finance Committee.
- iv) It be noted that the draft budget does not include the estimated increases in energy costs, which are currently being reviewed in light of changing market prices, with budgets to be adjusted once a final agreement on energy forecasts is made.
- v) Any amendments to 2023/24 and 2024/25 budgets arising from changes to recharges, or for any further implications arising from Corporate Projects,

energy price increases and other reviews and changes to the CWP and capital charges during budget setting, be delegated to the Chamberlain, in consultation with the Chief Operating Officer.

5. GENERAL MANAGER UPDATES

The Board received updates from the General Managers of the three wholesale markets.

In respect of the chemical leak at Smithfield, which had resulted in an emergency evacuation, Members noted that this had been fully resolved. The Director understood that a contractor working on behalf of the Museum had been responsible but agreed to check.

RESOLVED, that – the report be noted.

6. ENERGY UPDATE

The Board received a report of the City Surveyor, which presented an update on energy and carbon related matters, covering the following:

- The reduction in energy and carbon emissions consumption across all three markets since 2018/19.
- The increase in energy costs incurred for 2022/23.
- The anticipated date for forecast prices for October 23 – September 24 contract year.
- The forecast PPA rebate savings for 2023/24.
- The impact of the refrigerant gas leak at Billingsgate Market.

During the discussion, the following points were noted:

1. According to Quarter 2 data, all three markets are on target for 2027 net zero.
2. Energy prices fluctuate daily, notwithstanding oil and natural gas prices and the Ukraine and Middle East conflicts. The City of London Corporation purchases energy in advance in small units throughout the year, to mitigate this, noting also that fuel companies do not immediately pass on reductions.
3. Whilst it was too early to predict future investment in hydrogen, the City Surveyor monitors all options. It was noted that solar panels can start to degrade after 10-15 years.
4. The City Corporation's Climate Action Strategy was approved by the Court of Common Council, noting that its primary funding source would be City's Cash. The CoLC committed £68m to reach net zero by 2027 and received £9 in government grant funding. The COO agreed to find out whether there might be any future implications for residents or tenants. Members asked if the report requested earlier, during the Budget report discussion, could also address this.

5. Under the terms of a lease, Landlords can only charge tenants for climate action initiatives if they are specified. Tenants cannot be charged retrospectively and future tenants are protected.

RESOLVED, that – the report be noted.

7. WHOLESALE MARKET RISK UPDATE

The Board received a report of the Markets Director, which sought to provide the 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.

RESOLVED, that – the report be noted.

8. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

In response to a question, Deputy Madush Gupta advised that had written to all Members of the Board earlier in the week, following comments he had made at the Court of Common Council in July of this year, setting out his position and commitment to the Markets Consolidation Programme, noting its benefit to the City and its residents, as well as being in the best interests of sustainability and the regeneration of London as a whole.

9. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

In respect of the vacancy on the Capital Buildings Board (CBB), which could be filled by either the Chair or Deputy Chair of the Markets Board or their nominee(s), Members agreed that, as the Deputy Chair is already a Member of the CBB in their own right, the Chair and Deputy Chair would agree this nomination outside of the meeting and advise them of their decision.

10. 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:-

Items	Paragraph
12-19	1,2 & 3

11. NON-PUBLIC MINUTES

The non-public minutes of the meeting held on 20th September were approved as a correct record, subject to the correction of a typing error.

12. TENANT ARREARS

The Board considered and agreed a report of the Chamberlain.

13. BACKDATED RENT REVIEW

The Board considered and approved a report of the Markets Director.

14. **GENERAL MANAGER UPDATES**

The Board received the General Managers' non public updates.

15. **DEBT WRITE OFF**

The Board received a report of the Markets Director

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

There were 2 questions whilst the public were excluded.

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

There was one item of business noted when the public were excluded.

18. **CONFIDENTIAL MINUTES**

RESOLVED, that – the confidential minutes of the meeting held on 20th September be approved.

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

The Chief Operating Officer was heard.

At 12.25 Members agreed to extend the meeting to conclude the business on the agenda.

The meeting ended at 12.40 pm

Chairman

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