

MARKETS COMMITTEE

Wednesday, 4 July 2012

Minutes of the meeting of the Markets Committee held at the Guildhall EC2 at 11.30am

Present

Members:

Hugh Morris (Chairman)	Deputy Pauline Halliday
Michael Hudson (Deputy Chairman)	Brian Harris
Alex Bain-Stewart	Deputy Alastair King
Deputy John Bennett	Deputy Keith Knowles
John Brewster	Anthony Llewelyn-Davies
Nigel Challis	Robert Merrett
John Chapman	Deputy Joyce Nash
Deputy Stella Currie	Chris Punter
Alex Deane	Elizabeth Rogula
Peter Dunphy	Deputy Robin Sherlock
Deputy Robin Eve	John Spanner
Deputy Bill Fraser	James Tumbridge
Deputy Stanley Ginsburg	

Officers:

Julie Mayer	- Town Clerk's Department
Peter Lisley	- Town Clerk's Department
Mathew Lawrence	- Town Clerk's Department
Andrew Buckingham	- Public Relation's Office
Debbie Howard	- Chamberlain's Department
Julie Smith	- Chamberlain's Department
Paul Hickson	- Comptroller & City Solicitor's Department
Andrew Crafter	- City Surveyor's Department
Andrew Wild	- City Surveyor's Department
David Smith	- Director of Markets and Consumer Protection
Jon Averbs	- Markets and Consumer Protection Department
Malcolm Macleod	- Markets and Consumer Protection Department
Nigel Shepherd	- Markets and Consumer Protection Department
Robert Wilson	- Markets and Consumer Protection Department

1. APOLOGIES

Apologies were received from Mark Boleat; Michael Henderson-Begg; Henry Jones; Michael Page; Alderman Sir Michael Savory; Deputy Robin Sherlock; Deputy Dr Giles Shilson and Alderman Sir John Stuttard.

2. **DECLARATIONS BY MEMBERS OF ANY PERSONAL OR PREJUDICIAL INTERESTS IN RESPECT OF ANY ITEMS ON THIS AGENDA**

There were no declarations.

3. **PUBLIC MINUTES**

The public minutes and summary of the meeting held on 2 May 2012 were approved as a correct record.

Matters Arising

West Poultry Avenue

The Chairman had requested more up to date information on the modifications to the tunnels under the road. Members noted that the Markets Committee and Property Investment Board have several common Members and the Chairman welcomed their support. The Chairman agreed to pursue this matter with the Chairman of the Property Investment Board and Members agreed this approach.

4. **REVIEW OF THE GOVERNANCE ARRANGEMENTS IMPLEMENTED IN 2011**

The Court of Common Council has agreed that a Working Party be established to undertake a post-implementation review of the revised governance arrangements, after twelve months of their operation, to take stock of the new arrangements and how they are working.

The report before Members, prepared on behalf of the Working Party, sought comments, if any, on the governance arrangements introduced in March 2011 and the impact they may have had on the operation of the Markets Committee.

RESOLVED, that:

The report be noted with no further comment.

5. **THE SUSTAINABLE FISH CAMPAIGN**

Members received a resolution from the Energy and Sustainability Sub Committee (ESSC) in respect of the Sustainable Fish City Campaign. In respect of Resolution (b) in the report, the Chairman felt that this was not within the remit of the Markets Committee. There was a general agreement that the Billingsgate fish merchants should be encouraged to support the campaign but could not be forced to do so; it was very much a commercial decision for each merchant to take. Members were interested in receiving more information on sustainable fish and the Sustainable Development Officer agreed to provide this.

Members noted that the European Union was currently reviewing its Common Fisheries Policy and was keen to ban discards. Members agreed that the matter should be referred to the Policy and Resources Committee.

RESOLVED, that:

The Markets Committee note that the ESSC had committed the City to supporting the Sustainable Fish City initiative and, while not being in a position to force the Billingsgate fish merchants to support the pledge, would encourage them to do so. The Committee did not see any need to report back to the ESSC.

[Post meeting note: The Director of Markets & Consumer protection has written to the Chairman of the London Fish Merchants Association to reflect the Committee's views.]

6. REVENUE OUTTURN 2011/12

This report compared the 2011/12 Revenue Outturn for the services overseen by the Committee, with the final agreed budget for the year. Members were pleased that the information in Annex B1 had been presented in a conventional accounting style. In responding to questions, the Director of Markets and Consumer Protection advised that, since October 2011, he had been reporting to three Committees and the Markets charge was an apportionment of this. Members also noted that the information set out in Annex B1 referred to the individual market operating costs and that the Markets Directorate and other overhead costs were not included.

Members also noted that rent at Smithfield had been frozen since December 2009, pending resolution of the on-going lease negotiations. Once they had been concluded or determined by the Court, the City would be seeking an Interim Rent for the intervening period. Members asked for more clarity on Annex B1 in future reports to make it clear that it showed only operating costs.

RESOLVED

That the Revenue Outturn Report for 2011/12 and the budgets proposed for carry forward to 2012/13 be noted.

7. ENFORCEMENT ACTIVITY AT SMITHFIELD MARKET

This report advised Members of the Enforcement Activity carried out during the four month period from 1 February 2012 to 31 May 2012.

As mentioned in previous reports, problems had been identified in 2010 with the supply of condensed water to some meat traders' stalls. Members noted that the repair and improvement works to the refrigeration equipment had been completed to the satisfaction of the City Surveyor, who had supervised the project.

The Principal Mechanical Engineer provided the following update:

- There had recently been a number of fridge trips; nearly all as a result of blockages in strainers and valves restricting the water flow. However, a reduction had been seen in June and a regular strainer clean is being carried out every 3 weeks.

- The two hot weather spells on 24-25 May and 27-28 June may have caused a couple of extra fridge trips, although the vast majority (94%) of fridges had been unaffected by hot conditions.
- Around 3 or 4 fridges appeared to be particularly sensitive. Two of these had been rated 'red' in the independent Refrigeration Expert's Report; i.e. potentially undersized for the cooling load. Therefore, they need to work harder than others and a reduced water flow, caused by strainer blockage, and would have had a more rapid effect. Members noted that fridge selection/sizing was the responsibility of the tenants.
- Further measures would include; installing fine mesh on the cooling tower air inlets to trap as much airborne contamination as possible; changing certain valves to reduce their susceptibility to blockage; transposing 2 connections to help one problem freezer on the NW deck and adjusting flows to benefit those fridges which appear to need more water. Members noted that this work would probably take 3 weeks.
- Further works were planned to permanently address the contamination problem. This would be presented in the next report to the Committee, along with a cost summary of the works to date.

Members were pleased to note the considerable reduction in enforcement activity and felt that the report was very helpful. It was suggested that future reports be presented as bullet points, with detail kept to the appendix. There was a further request for the next report to cover the City's legal position in the event of a breach of lease conditions resulting from refrigeration failure.

RESOLVED

That the contents of the report be noted.

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

Members asked the following questions:

'Following the less than flattering documentary shown on BBC2 TV entitled, 'The Meat Market: Inside Smithfield', with one former employee describing the Butchers as 'Neanderthal' and the newspaper reviews summed up by 'Butchers past their sell-by date'; will the Chairman be seeking a response from the Smithfield Markets Tenants' Association as to what action the Tenants are taking to adjust to the laws and customs of the modern working world?'

The Director of Markets and Consumer Protection advised that the decision to go ahead with filming had been taken, by himself, the Director of PR and the Head of News in October 2011 after consultation with the three Tenants' Associations. The Committee had been notified in periodic reports.

The Tenants' Associations had worked with the production team and received a fee, as had the City of London Corporation. However, Members noted that the BBC had refused to relinquish editorial control.

Members were aware that there had been a mixed reaction to the programmes, which had attracted significant viewing figures. Reviews had ranged from fascinating and insightful to compelling but some Members felt that the programmes were poor and unhelpful to the City of London Corporation. Some Members alleged that, while the programmes may have been good entertainment, some positive aspects of life at the Markets had been underplayed and others, which were less so, had been distorted or exaggerated. In concluding, the Chairman suggested, and Members agreed, that it would not be helpful to pursue this further.

Has the Fishmongers' Company pulled out of the Billingsgate Market Inspection Regime?

Despite Tenants' refusal to make a contribution towards the Fishmongers Company's costs, inspections were continuing but the number of Inspectors had reduced from 3 to 2. Members noted that two of the Fishmongers Company Inspectors were based permanently at Billingsgate and that the statutory responsibility for Inspections at Billingsgate rested with the London Borough of Tower Hamlets.

Can Members please have an update on transport arrangements around Spitalfields during the Olympics?

TfL had granted a concession to allow 400 trucks per night before midnight to access Spitalfields from the A12 slip road, which had previously been prevented by the ORN restrictions. There was more police activity in the area to ensure that traffic flowed as smoothly as possible. Members noted that the traffic restrictions would be in force for 2 days either side of the Olympics and Paralympics and not the entire 9 week period. 'Scoot loops' would be fitted at the market entrance to enable the Traffic Authority to control the traffic lights to prevent a build-up of traffic congestion within the market.

9. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

The Director of Markets and Consumer Protection updated Members on the recent High Court Hearing into the two Preliminary Issues affecting the lease negotiations with the Smithfield tenants. The Hearing had been very thorough, with debate about the first Issue lasting one and a half days and the main point of principle, on whether or not there should be a separate rent and service charge, lasting four and a half days. Members noted that a result was expected by the end of July and they would be informed as soon as the result was known. The full legal costs (when available) would be disclosed in a private session at a future Markets Committee meeting. In response to a question Members noted that leave to Appeal might be requested by the losing party. The Chairman confirmed his commitment to reaching a mutually agreeable solution, if possible.

10. EXCLUSION OF THE PUBLIC

That, under Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for items 11 - 15, on the grounds that they involve the likely disclosure of exempt information, as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act.

11. NON-PUBLIC MINUTES

The non-public minutes and summary of the meeting held on 2 May 2012 were approved.

12. LEASE RENEWAL, 2 SPITAL HOUSE, NEW SPITALFIELDS MARKET - SUNNYFIELD VEG LTD

A report of the City Surveyor was considered and agreed.

13. NEW LETTING - BILLINGSGATE MARKET, Q SHOP 12

A report of the Director of Markets and Consumer Protection was considered and agreed.

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

Questions were asked in relation to Billingsgate Market and the quantity of meat at the Constabulary office and the resulting audit enquiry.

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

There were no items of urgent business.

The meeting closed at 12.40pm

Chairman

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