

MARKETS COMMITTEE

Wednesday, 20 November 2013

Minutes of the meeting of the Markets Committee held at Guildhall, EC2 on
Wednesday, 20 November 2013 at 11.30am

Present

Members:

Hugh Morris (Chairman)	Deputy Joyce Nash
Michael Hudson (Deputy Chairman)	Graham Packham
Alex Bain-Stewart	Chris Punter
Christopher Boden	Elizabeth Rogula
Deputy John Chapman	Adam Richardson
Deputy Stanley Ginsburg	Ian Seaton
Alderman Timothy Hailes	Angela Starling
Christopher Hayward	Patrick Streeter
Tom Hoffman	James Tumbridge
Ann Holmes	Deputy Michael Welbank
Professor John Lumley	Mark Wheatley
Wendy Mead	

Officers:

Peter Lisley	- Town Clerk's Department
Rakesh Hira	- Town Clerk's Department
Andrew Buckingham	- Public Relations Office
Julie Zhu	- Public Relations Office
Paul Hickson	- Comptroller & City Solicitor's Department
Julie Smith	- Chamberlain's Department
Leyla Dervish	- Chamberlain's Department
Andrew Crafter	- City Surveyor's Department
Andrew Wild	- City Surveyor's Department
David Smith	- Director of Markets & Consumer Protection
Malcolm Macleod	- Markets & Consumer Protection
Nigel Shepherd	- Markets & Consumer Protection
Robert Wilson	- Markets & Consumer Protection
Jon Averbs	- Markets & Consumer Protection
Donald Perry	- Markets & Consumer Protection

The Chairman thanked Andrew Wild, who was soon retiring, for all his hard work and contributions as this was the last meeting he would be attending.

1. **APOLOGIES**

Apologies were received from Alderman Charles Bowman, Karina Dostalova, Deputy Robin Eve, Robert Merrett and Deputy Dr Giles Shilson.

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

There were no declarations.

3. **PUBLIC MINUTES**

The public minutes of the meeting held on 4 September 2013 were approved as a correct record subject to the following amendments:

- (a) Under item 4, Future of the Markets Committee, the sentence be amended in the fifth paragraph, to read, "Members discussed the possibility of a Non-Ward Markets Committee, with a smaller membership, meeting four times per annum".
- (b) Under item 4, Future of the Markets Committee, the 11th paragraph, last sentence, be amended to "meetings could be cancelled if there was insufficient business".

4. **TERMS OF REFERENCE OF THE MARKETS COMMITTEE AND FREQUENCY OF MEETINGS**

The Committee considered a report of the Town Clerk which informed Members that 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.

In response to a question by a Member on the meetings being arranged in consultation with the Chairman, Deputy Chairman and Director of Markets & Consumer Protection, the Chairman explained that this had been done to allow for flexibility in setting the number of times the Committee met in line with the work programme. Members noted the assurance given by the Chairman that the starting point for the number of meetings would continue with the present frequency which was six times per annum.

RESOLVED: That Members:

a) approve the Terms of Reference for submission to the Court, 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;

b) 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.

5. **REVISED REVENUE AND CAPITAL BUDGETS 2013/14**

The Committee considered a joint report of the Chamberlain and the Director of Markets and Consumer Protection which sought approval to substantial changes to the 2013/14 revenue budgets. Overall, the revised 2013-14 provisional revenue budget totalled £80,000, a decrease of (£4.852m) compared with the original budget approved by the Committee in November 2012.

The main reasons for the decrease were:

- Total income had increased by (£808,000), mainly because of the Smithfield lease renewals.
- Central Support Services and Capital Charges had decreased by (£4.025m) due to a change in the City Corporation adopting the UK Generally Accepted Accounting Practices (UK GAAP).

The Chamberlain took Members through the Markets Operating Statement (Appendix 3 to the report) and explained the impact of the proposed budget changes on each of the three markets. It was further explained that the changes to the calculations for depreciation charges for Smithfield and Billingsgate Markets were necessary for the publication of the City's Cash accounts. A document was circulated at the meeting providing details of how the depreciation charges were calculated. In response to a question by a Member, the Chamberlain undertook to circulate a note to Members on the difference and breakdown between capital charges and depreciation. A discussion took place on the costs associated with Smithfield Market and it was noted that following the lease renewals it would take five years for the full effect to be seen in the budgets.

It was noted that in future smaller meetings for Members could be arranged in order for Members to discuss the figures in more detail.

In response to a question by a Member, it was agreed that the Chamberlain would circulate a note to the Committee explaining how the costs of the Markets Directorate were split between the three Markets.

RESOLVED – That Members approve the revised revenue budget for 2013/14 for submission to the Finance Committee.

6. **REVENUE AND CAPITAL BUDGETS - 2013/14 AND 2014/15**

The Committee considered a joint report of the Chamberlain and the Director of Markets and Consumer Protection which sought approval to the provisional revenue budget for 2014/15, for subsequent submission to the Finance Committee. Overall, the 2014/15 provisional revenue budget totalled £367,000, an increase of £287,000 compared with the latest approved budget for 2013/14 of £80,000.

The main reasons for the increase were:

- An increase in City Surveyor's repairs and maintenance costs of £277,000 and additional works programme of £400,000. A total increase of £677,000.

- Total premises related costs have increased by £463,000
- Total employee costs had increased by £95,000.
- Increase in the waste and cleaning contract at Spitalfields market of £37,000.
- Small adverse variances totalling £8,000.
- Increased income of (£948,000), which related to additional costs that were recoverable through the service charges.
- Reduction in support services and capital charges of (£45,000).

In response to a question by a Member, the Director explained that if revisions to the budget varied by more than 10% a further report would be submitted to this Committee.

RESOLVED – That Members:

- Approve the provisional 2014/15 revenue budget to ensure that it reflects the Committee's objectives and approve the budget for submission to the Finance Committee.
- Approve the draft capital budget.
- Authorise the Chamberlain to revise these budgets to allow for further implications arising from potential budget developments including any changes from Markets service reviews, City of London procurement initiative savings, changes to the Additional Works Programme, implications arising from carbon trading allowances and changes in respect of recharges. If the revisions vary by more than 10% of total net expenditure, a further report would be submitted to this committee for approval.

7. ENFORCEMENT ACTIVITY AT SMITHFIELD MARKET

The Committee considered a report of the Director of Markets and Consumer Protection advising Members of the Enforcement Activity carried out by the Smithfield Enforcement Team within the Department, and the Food Standards Agency, at Smithfield Market during the four month period from 1 June 2013 to 30 September 2013.

A letter from the Chairman of the Smithfield Markets Tenants Association (SMTA) was tabled, the Committee noted the situation and the sentiments highlighted in the letter.

8. CHRISTMAS 2013 - SMITHFIELD MARKET TRADING HOURS AND TRAFFIC MANAGEMENT PLAN

The Committee considered a report of the Superintendent of Smithfield Market which sought approval to the proposed Christmas trading and traffic arrangements for Smithfield Market.

RESOLVED – That Members agree that:

a) the Market trading hours be varied as follows:

Saturday 14 December 2013 - open 3 am to 10 am

Sunday 15 December 2013 - open 3 am to 10 am

Saturday 21 December 2013 - open 3 am to 10 am

Sunday 22 December 2013 - open 3 am to 10 am

Wednesday 25 December 2013 - Market closed

Thursday 26 December 2013 - Market closed

Wednesday 1 January 2014 - Market closed

b) the traffic plan shown as Appendix A of the report be approved.

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

Matters of General Interest to the Committee taking place at the Markets

In response to a question by a Member, the Director explained that the various activities taking place at the three Markets were included within the periodic report which was circulated to every other Committee meeting.

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

Red Cross Christmas Market

The Director reported that he had been asked by a Past Master and the Master Elect of the Worshipful Company of Fruiterers to relay their praise to the Committee for the generosity of the traders at New Spitalfields Market for their donation of the excellent quality and wide variety of fruit to the stand at the recent Red Cross Christmas Market, held in Guildhall, which had been jointly manned by the Market and the Fruiterers Company.

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
12-18	3
19-20	-

12. **NON-PUBLIC MINUTES**
The non-public minutes of the meeting held on 4 September 2013 were approved as a correct record.
13. **PROGRESS REPORT - INFILL DEVELOPMENT CHISWICK GAP, NEW SPITALFIELDS MARKET**
A report of the City Surveyor was received.
14. **POULTRY MARKET LETTINGS**
A joint report of the City Surveyor and Director of Markets and Consumer Protection was considered and approved.
15. **SMITHFIELD MARKET - CONDENSER WATER COOLING SYSTEM - UPDATE**
A report of the City Surveyor was received.
16. **PROGRESS AND IMPROVEMENTS AT SMITHFIELD MARKET FOLLOWING COMPLETION OF THE NEW LEASES**
A report of the Director of Markets and Consumer Protection was received.
17. **BILLINGSGATE LEASES - WEST & SUN FOODS LTD/BRITEX FOODS LTD**
A report of the Director of Markets and Consumer Protection was considered and agreed.
18. **CONCESSIONARY PARKING AT SMITHFIELD MARKET DURING THE CHRISTMAS PERIOD 2013**
A report of the Superintendent of Smithfield Market was considered and agreed.
19. **NON PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
Two questions were raised in relation to the Billingsgate Market car park charges and the Billingsgate debt levels.
20. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There were no urgent items.

The meeting ended at 1.11pm

Chairman

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