



PLEASE NOTE VENUE

Markets Committee

Date: WEDNESDAY, 20 NOVEMBER 2013
Time: 11.30 am
Venue: BASINGHALL SUITE - GUILDHALL, EC2

Members:

Hugh Morris (Chairman)	Professor John Lumley
Michael Hudson (Deputy Chairman)	Wendy Mead
Alex Bain-Stewart	Robert Merrett
Christopher Boden	Deputy Joyce Nash
Alderman Charles Bowman	Graham Packham
Deputy John Chapman	Chris Punter
Karina Dostalova	Elizabeth Rogula
Deputy Robin Eve	Adam Richardson
Ibthayhaj Gani	Ian Seaton
Deputy Stanley Ginsburg	Deputy Dr Giles Shilson
Alderman Timothy Hailes	Angela Starling
Brian Harris	Patrick Streeter
Christopher Hayward	James Tumbridge
Tom Hoffman	Deputy Michael Welbank
Ann Holmes	Mark Wheatley
Deputy Alastair King	Vacancy
Deputy Keith Knowles	

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Lunch will be served in the Guildhall Club at 1pm

John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **PUBLIC MINUTES**
To agree the public minutes of the meeting held on 4 September 2013.
For Decision
(Pages 1 - 6)
4. **TERMS OF REFERENCE OF THE MARKETS COMMITTEE AND FREQUENCY OF MEETINGS**
Report of the Town Clerk.
For Decision
(Pages 7 - 8)
5. **REVISED REVENUE AND CAPITAL BUDGETS 2013/14**
Report of the Chamberlain and the Director of Markets and Consumer Protection.
For Decision
(Pages 9 - 26)
6. **REVENUE AND CAPITAL BUDGETS - 2013/14 AND 2014/15**
Report of the Chamberlain and Director of Markets & Consumer Protection.
For Decision
(Pages 27 - 46)
7. **ENFORCEMENT ACTIVITY AT SMITHFIELD MARKET**
Report of the Director of Markets and Consumer Protection.
For Information
(Pages 47 - 70)
8. **CHRISTMAS 2013 - SMITHFIELD MARKET TRADING HOURS AND TRAFFIC MANAGEMENT PLAN**
Report of the Superintendent of Smithfield Market.
For Decision
(Pages 71 - 74)

9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
11. **EXCLUSION OF THE PUBLIC**

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

Part 2 - Non-Public Agenda

12. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 4 September 2013.

For Decision
(Pages 75 - 78)

13. **PROGRESS REPORT - INFILL DEVELOPMENT CHISWICK GAP, NEW SPITALFIELDS MARKET**

Report of the City Surveyor.

For Information
(Pages 79 - 80)

14. **POULTRY MARKET LETTINGS**

Joint report of the City Surveyor & Director of Markets and Consumer Protection.

For Decision
(Pages 81 - 100)

15. **SMITHFIELD MARKET - CONDENSER WATER COOLING SYSTEM - UPDATE**

Report of the City Surveyor.

For Information
(Pages 101 - 104)

16. **PROGRESS AND IMPROVEMENTS AT SMITHFIELD MARKET FOLLOWING COMPLETION OF THE NEW LEASES**

Report of the Director of Markets and Consumer Protection.

For Information
(Pages 105 - 110)

17. **BILLINGSGATE LEASES - WEST & SUN FOODS LTD/BRITEK FOODS LTD**

Report of the Director of Markets and Consumer Protection.

For Decision
(Pages 111 - 114)

18. **CONCESSIONARY PARKING AT SMITHFIELD MARKET DURING THE CHRISTMAS PERIOD 2013**

Report of the Superintendent of Smithfield Market.

For Decision
(Pages 115 - 116)

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

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

MARKETS COMMITTEE

Wednesday, 4 September 2013

Minutes of the meeting of the Markets Committee held at Committee Room - 2nd Floor West Wing, Guildhall on Wednesday, 4 September 2013 at 11.30am

Present

Members:

Hugh Morris (Chairman)	Professor John Lumley
Michael Hudson (Deputy Chairman)	Wendy Mead
Alex Bain-Stewart	Robert Merrett
Alderman Charles Bowman	Deputy Joyce Nash
Deputy John Chapman	Elizabeth Rogula
Deputy Stanley Ginsburg	Adam Richardson
Alderman Timothy Hailes	Ian Seaton
Brian Harris	Deputy Dr Giles Shilson
Christopher Hayward	Angela Starling
Tom Hoffman	Patrick Streeter
Ann Holmes	Deputy Michael Welbank
Deputy Keith Knowles	Mark Wheatley
Edward Lord	

In Attendance

George Gillon (Chief Commoner)

Officers:

Simon Murrells	- Town Clerk's Department
Rakesh Hira	- Town Clerk's Department
Andrew Buckingham	- Public Relations Office
Paul Hickson	- Comptroller & City Solicitor's Department
Simon Owen	- Chamberlain's Department
Julie Smith	- Chamberlain's Department
Andrew Crafter	- City Surveyor's Department
Chris Hartwell	- 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
Donald Perry	- Markets & Consumer Protection
Debbie Howard	- Markets & Consumer Protection
Julie Gibbs	- Markets & Consumer Protection

1. **APOLOGIES**

Apologies for absence were received from Karina Dostalova, Deputy Robin Eve, Ibthayhaj Gani, Graham Packham, Chris Punter and James Tumbridge.

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

There were no declarations.

The Chairman welcomed the Chief Commoner to the meeting.

3. **PUBLIC MINUTES**

The public minutes and summary of the meeting held on 10 July 2013 were approved as a correct record.

4. **FUTURE OF THE MARKETS COMMITTEE**

A report of the Town Clerk, which Members had requested, on the options which could be explored with regard to the future of the Markets Committee was considered. The report outlined that the options Members could recommend to the Policy & Resources Committee included:

Retaining the Markets Committee in its current form with the possibility of it becoming a Non – Ward Committee; or

Exploring the possibility of disbanding the Markets Committee and for the relevant functions to be transferred to other Committees, such as the Port Health & Environmental Services Committee and the Property Investment Board.

A lengthy debate took place and reference was made to the following points:

The Markets Committee had created good working relationships with the relevant authorities, traders and other stakeholders and any change to the status of the Committee could have reputational risks.

Members discussed the possibility of a Non-Ward Markets Committee meeting four times per annum with the possibility of taking back responsibility for Leadenhall Market. A Member pointed out that if Leadenhall Market came under the remit of this Committee the relationship between the tenants and the City Corporation could be improved.

Some Members highlighted that Leadenhall Market is an investment property, as a retail emporium, similar to One New Change, and was therefore not in the same category as the three Wholesale Markets.

A number of City Corporation Committees which had previously been amalgamated had resulted in an increased workload for other Committees. For example, the Port Health & Environmental Services Committee and the Community & Children's Services Committee had a wide remit and if elements of the Markets Committee were transferred to such Committees the workload for those Committees would substantially increase.

If the Markets Committee changed its status from a Ward Committee to a Non-Ward Committee there may be instances whereby some Members in bigger wards would not be able to serve on a City Corporation Committee.

A discussion took place on the Reference Sub Committee which had not met to date, and it was highlighted that the Sub Committee had been created in the event that if required it could be called upon, in between meetings, as a contingency measure to look at specific issues.

Members discussed the possibility of a composite, combined Market which could be explored in the future.

A further option such as retaining the Committee as a Ward Committee but to reduce the number of meetings from six to four was suggested. It was noted that meetings be cancelled if there was insufficient business.

It was noted that there were issues which still needed to be managed at each of the Markets which included the implementation of the leases at Smithfield Market, the impact on businesses of the porters issue at Billingsgate Market and the lease renewals at New Spitalfields Market. There was therefore sufficient business for the Markets Committee to look at in the future.

In response to a question on the delegated powers which the Director of Markets & Consumer Protection had, it was noted that these included Delegations from other Committees, such as Finance, PHES, Licensing, and Establishment.

The Deputy Chairman read out an email on behalf of a Member who could not be present which suggested that a further option which could be explored included reverting to the model of three separate Market Committees for each of the Markets with the abolition of the Markets Department and restoration of a small dedicated management unit for each of the Markets.

The Deputy Chairman highlighted that there would be no cost savings in reducing the number of meetings from six to four per annum or in becoming a Non-Ward Committee.

Members were generally in support of retaining the Markets Committee and not for its functions to be transferred to other Committees. A vote took place on whether to retain the Committee as either a Ward or Non-Ward Committee. The result of the vote was as follows:-

In favour of a Ward Committee: 17

In favour of a Non-Ward Committee: 6

RESOLVED – That:-

a) the Markets Committee be retained as a Ward Committee and;

b) The number of meetings per annum be arranged in consultation with the Chairman, Deputy Chairman and the Director of Markets & Consumer Protection, in order for them to be aligned with the anticipated work programme for the year.

5. **MARKETS BUSINESS PLAN UPDATE PERIOD 1 2013/14 (APRIL - JULY)**

A report of the Director of Markets & Consumer Protection provided an update on the progress against the Business Plan of the Markets Department for Period 1 (April – July) of 2013-14 against key performance indicators (KPSs) and the objectives outlined in the Business Plan.

In response to a question by a Member, the Superintendent of Billingsgate Market explained that the figure in Appendix A should read 62.5% and not 57.1% in relation to ‘all reports being completed within 3 days following the notification of an incident’.

A discussion took place on the accuracy of the throughput figures for tonnage which were an estimated figure provided by tenants. A vote took place on whether the figures should feature in future reports, the result of the vote was as follows:-

In favour of including tonnage throughput figures in future reports: 4

In favour of *not* including throughput figures in future reports: 15

RESOLVED – That future reports do not contain tonnage throughput figures.

6. **OUTSTANDING REFERENCES**

A report of the Town Clerk setting out an Outstanding Reference schedule was received.

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

There were no questions.

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

There were no items of urgent business.

9. **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
10 - 11	3

12	3,5 & 7
13 - 14	3
15 - 16	-

10. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 10 July 2013 were approved as a correct record subject to an additional paragraph under item 13.

11. **SMITHFIELD MARKET - CONDENSER WATER COOLING SYSTEM - UPDATE**

A report of the City Surveyor was received.

12. **DEBT ARREARS MARKETS - PERIOD ENDING 30 JUNE 2013**

A report of the Director of Markets & Consumer Protection was received.

13. **SMITHFIELD MARKET - PROPOSED NEW LETTING**

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

14. **TENANCIES AT WILL GRANTED**

A report of the Director of Markets & Consumer Protection was received.

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

There were no questions.

16. **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 ended at 1.05pm

Chairman

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Agenda Item 4

Committee: Markets	Date: 20 November 2013
Subject: Terms of Reference of the Markets Committee and Frequency of Meetings	Public
Report of: Town Clerk	For Decision

Summary

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

Recommendations

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

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MARKETS COMMITTEE

Terms of Reference

To be responsible for:-

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

Agenda Item 5

Committee(s):	Date(s):
Markets	20 November 2013
Subject: REVISED REVENUE AND CAPITAL BUDGETS - 2013/14	Public
Report of: The Chamberlain Director of Markets and Consumer Protection	For Decision

Summary

This report is a submission of the revenue and capital budgets overseen by your Committee. In particular it seeks approval to the provisional revenue budget for substantial changes for Smithfield Market due to changes required because of the new leases signed in April 2013. The budgets have been prepared within the resources allocated to the Director.

Business priorities for the remainder of this year include maintaining the same high level of service or developing new services within a cash limited resource allocation; reducing energy consumption and carbon footprint; and to review our tenant's service charge accounts to ensure that we continue to deliver cost effective services.

Summary of Table 1	Original Budget 2013-14 OR £000	Latest Approved Budget 2013-14 £000	Movement £000
Expenditure	13,209	13,190	(19)
Income	(14,459)	(15,267)	(808)
Support Services and Capital Charges	6,182	2,157	(4,025)
Total Net Expenditure	4,932	80	(4,852)

Overall, the revised 2013-14 provisional revenue budget totals £80,000, a decrease of (£4.852m) compared with the original budget approved by your

Committee in November 2012.

The main reasons for this decrease are:

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

Recommendations

The Committee is requested to:

- Review the revised revenue budget for 2013/14 to ensure that it reflects the Committee's objectives and, if so, approve the budget for submission to the Finance Committee.

Main Report

Introduction

1. The City of London Corporation owns and manages Billingsgate Market (fish) in Docklands, Smithfield Market (meat) in the City and Spitalfields Market (fruit, vegetables and flowers) in Leyton. Smithfield and Billingsgate Markets are funded from City's Cash and Spitalfields Market is funded from City Fund.
2. A separate report would not normally be prepared for Committee to approve a revised 'Latest Approved Budget' as movements would usually be insignificant against the original budget and well below 10%, which is the percentage change trigger in budget movements for a further report to be presented to your Committee for approval. This was agreed by your Committee in November 2012.
3. It has been agreed with the Chairman and Deputy Chairman to provide the significant changes in a separate report so it is easier to review the revisions required in 2013/14 due to the Smithfield lease renewals and changes in accounting practice.
4. A separate report seeking approval for the Revenue and Capital provisional budgets for 2014/15 is also provided within the Committee agenda for approval by your Committee.
5. This report sets out the proposed revised revenue budget for 2013/14.

6. The revenue budget management arrangements are to:
 - Provide a clear distinction between local risk, central risk and recharge budgets.
 - Place responsibility for budgetary control on departmental Chief Officers.
 - Apply a cash limit policy to Chief Officers' budgets.
7. The original provisional budget for 2013/14 has been analysed by the service expenditure and compared with the latest revised budget for 2013/14 which is referred to as the 'Latest Approved Budget' in the tables, (see Table 1).
8. The report also compares the current year's latest approved budget with the forecast outturn.

Business Planning Priorities

9. Business priorities in 2013/14 include maintaining the same high level of service or developing new services within a cash limited resource allocation; identifying new income streams; reducing energy consumption and carbon footprint; on-going support for the Procure to Pay (PP2P) initiative in order to deliver savings through improved procurement and to review our tenants service charge accounts to ensure that we are delivering cost effective services and value for money.
10. Smithfield Market leases were renewed in April 2013. The estimates have been prepared in accordance with the new lease arrangements and the wholesale account has been closed. A new service charge account and corporate account has been prepared and incorporated into Table 1
11. At Billingsgate there are two priority projects for 2013/14. They are to implement works for renewing the roof and the creation of additional fish handling building facilities. It is anticipated that there will be no impact on revenue as the project is expected to be funded from grants and the reserves in the "sinking fund". Future 'gateway' reports will be prepared to keep your Committee updated on the latest developments.

Revenue Budget for 2013/14

12. The proposed revised Revenue Budget for 2013/14 is shown in Table 1 below, analysed between:

- Local Risk budgets – these are budgets deemed to be largely within the Chief Officer’s control.
 - Central Risk budgets – these are budgets comprising specific items where a Chief Officer manages the underlying service, but where the eventual financial outturn can be strongly influenced by external factors outside of his control or are budgets of a corporate nature (e.g. interest on balances and rent incomes from investment properties).
 - Support Services and Capital Charges – these cover budgets for services provided by one activity to another. The control of these costs is exercised at the point where the expenditure or income first arises as local or central risk.
13. The City of London has also adopted the UK GAAP standards for calculating depreciation and this has resulted in a significant change to the 2013/14 budgets.
14. The provisional revised 2013/14 budgets, being presented to your Committee, and under the control of the Director of Markets and Consumer Protection have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees.

TABLE 1
MARKETS COMMITTEE SUMMARY – ALL FUNDS

Analysis of Service Expenditure	Local or Central Risk	Actual 2012-13 £'000	Original (OR) Budget 2013-14 £'000	Latest Approved Budget (LAB) 2013-14 £'000	Movement (OR) 2013-14 to (LAB) 2013-14 £'000	Paragraph Reference
EXPENDITURE						
Employees	L	4,932	5,105	5,055	(50)	} 18
Premises Related Expenses (see note i)	L	4,058	3,944	3,910	(34)	
Premises Related Expenses (see note ii)	C	172	107	144	37	
City Surveyor – Repairs & Maintenance	L	745	1,257	1,193	(64)	
Transport Related Expenses	L	42	39	54	15	
Supplies & Services (see note iii)	L	965	823	847	24	
Supplies & Services (see note iv)	C	879	150	180	30	
Waste & Cleaning Contract at New Spitalfields Market	L	1,714	1,780	1,773	(7)	
Transfer to Service Charge Reserve	L	184	4	34	30	
Total Expenditure		13,691	13,209	13,190	(19)	
INCOME						
Other Grants, Reimbursements and Contribution	L	(362)	(275)	(244)	31	21
Customer, Client Receipts (see note v)	L	(8,060)	(8,146)	(9,777)	(1,631)	19
Customer, Client Receipts (see note vi)	C	(1175)	(1,107)	(1,097)	10	21
Customer, Client Receipts (Rent)	C	(4,697)	(4,769)	(3,721)	1,048	20
Investment Income	L	(28)	(20)	(21)	(1)	21
Transfer from Service Charge Reserves	L	(22)	(100)	(27)	73	21
Transfer from Service Charge Reserves	C	(21)	(42)	(380)	(338)	21
Total Income		(14,365)	(14,459)	(15,267)	(808)	
TOTAL EXPENDITURE/ (INCOME) BEFORE SUPPORT SERVICES AND CAPITAL CHARGES		(674)	(1,250)	(2,077)	(827)	
SUPPORT SERVICES AND CAPITAL CHARGES						
Central Support Services and Capital Charges		6,652	6,490	2,469	(4021)	} Appendix 2
Recharges within Committees		0	0	0	0	
Recharges within Fund		(45)	(32)	(30)	2	
Recharges Across Funds		(259)	(276)	(282)	(6)	
Total Support Services and Capital Charges		6,348	6,182	2,157	(4,025)	
TOTAL NET EXPENDITURE/(INCOME)		5,674	4,932	80	(4,852)	

Notes - Examples of types of service expenditure:-

- (i) Premises Related Expenses, Local Risk (L) – includes repairs & maintenance, energy costs, rates, water services, cleaning and domestic supplies.
- (ii) Premises Related Expenses, Central Risk (C) – estimated car park rates liability at Billingsgate Market
- (iii) Supplies and Services, Local Risk (L) – Equipment, furniture, materials, uniforms, printing, stationary, professional fees, grants & subscriptions.
- (iv) Supplies and Services, Central Risk (C) – actual includes legal fees for Smithfield, current year includes rates and professional fees for Billingsgate.
- (v) Customer, Client Receipts Local risk (L) – service charge and car parking income and reimbursements for electricity and water (C) car park hoarding, car parking income.
- (vi) Car Park Hoarding and Car Parking Income Central Risk (C).

- 15. In Table 1, income and favourable variances are presented in brackets. Only significant variances (generally those greater than £100,000) have been commented in full in the following paragraphs.
- 16. An analysis of revenue expenditure by Service Managed is provided in Appendix 1.
- 17. There is a reduction of (£4.852m) in the overall budget between the 2013/14 original budget and the 2013/14 proposed latest approved budget. The movement is explained by the variances outlined below.
- 18. There is an overall reduction in local and central risk expenditure of (£19,000), due to the numerous ups and downs in the various expenditure categories.
- 19. The increase of (£1.631m) in local risk customer and client receipt income is due to:

Division	Description
Smithfield	<ul style="list-style-type: none"> • Increase in service charge income of (£2.012m) off set against a decrease in reimbursable work and filming income of £21,000.
Spitalfields	<ul style="list-style-type: none"> • A net reduction of £59,000 of service charge income as expenditure has fallen within the service charge.
Billingsgate	<ul style="list-style-type: none"> • A net reduction of £118,000 of service charge income as a result of reductions in service charge

	<p>expenditure.</p> <ul style="list-style-type: none"> • A reduction in car parking income of £35,000. • A net reduction of income due to a reduction in contribution to the repairs and repainting fund in the year of £120,000.
Smithfield Other	<ul style="list-style-type: none"> • A net reduction in car parking income from the Rotunda car park of £28,000.

20. The decrease in rental income within the central risk of £1.048m is mainly due to:

Division	Description
Smithfield	<ul style="list-style-type: none"> • Reduction in rental income due to the changes within the leases. The original budget for Smithfield Market was an all-inclusive total of £2.635m. The rent and service charge elements have now been split and the rent calculated according to the new leases which total £1.706m. The adverse variance in the central risk is £929,000. • Reduction in rental income on the Cock Tavern of £21,000 due to the premises being repossessed by City Surveyors for non- payment of debt.
Billingsgate	The rental income has reduced by £98,000 due to the vacant Satellite unit.

21. The net increase of (£225,000) income from the service charge reserve is mainly required due to the requirement to fund increased repair and maintenance costs at Billingsgate and Spitalfields.

TABLE 2 - CITY SURVEYOR LOCAL RISK			
Repairs and Maintenance	Original Budget 2013/14 £'000	Latest Approved Budget 2013/14 £'000	Movement
Additional Works Programme	683	419	(264)
Planned, Re-active & Cyclical Works			
Billingsgate	91	291	200
Smithfield	270	276	6
Spitalfields	213	207	(6)
Total City Surveyor	1,257	1,193	(64)

22. A rephrasing of the City Surveyors Additional Works Programme has resulted in a decrease of (£64,000).
23. Following the implementation of the MITIE and APEX contracts in July 2012, budgets have been re-aligned to reflect the tendered cost of the new contracts. The 2013/14 latest approved budget, therefore reflects those changes.

24. Analysis of the movement in manpower and related staff costs are shown in Table 3 below.

Table 3 - Manpower statement	Original Budget 2013/14		Latest Approved Budget 2013/14	
	Manpower Full-time equivalent	Estimated cost £000	Manpower Full-time equivalent	Estimated cost £000
Directorate	5.4	421	6.4	425
Spitalfields Market	29.0	1,283	29.0	1,235
Smithfield Market	49.0	1,797	49.0	1,835
Billingsgate Market	41.0	1,604	39.6	1,560
TOTAL MARKETS	124.4	5,105	124.0	5,055

Revenue Budget 2013/14

25. The forecast outturn for the current year is £80,000. It is anticipated that the Director of Markets and Consumer Protection will remain within his resource allocation.

Members Format

26. Members have, in the past, expressed interest in the financial performance of individual Wholesale Markets (i.e. excluding the car park and outside properties at Smithfield and Directorate costs). This is set out in Appendix 3, which has not been prepared in accordance with conventional City of London format but where expenditure and adverse variances are presented in brackets.
27. On this basis, there is an overall cost to the City of London Corporation of operating the Markets of £76,000 in 2013/14. The costs are lower this year than the overall Committee total, as the excluded items of the Smithfield Car Park and other services produce a small net surplus of £4,000. The costs of the Markets include capital charges and depreciation for 2013/14 totalling £846,000.
28. The City of London Corporation has now adopted the Generally Accepted Accounting Practice Standards for the UK, (UK GAAP) which

has resulted in the notional capital costs at Smithfield and Billingsgate Markets being written down and depreciation of the building charged to the revenue account. The charges are:

Spitalfields	£555,000
Billingsgate	£169,000
Smithfield	£122,000
Total	£846,000

Draft Capital and Supplementary Budgets

29. There are no details of Capital and Supplementary Budgets given within this report. An updated position of the Committee's draft capital and supplementary revenue projects latest estimated costs, are summarised within the 2014/15 estimate report, attached within this committee's agenda.

Contact:

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Chamberlain's Department
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APPENDIX 1

Analysis by Service Managed	Actual 2012-13 £'000	Original OR Budget 2013-14 £'000	Latest Approved Budget LAB 2013-14 £'000	Movement OR 2013-14 to LAB 2013-14 £'000	Paragraph Reference
CITY FUND					
Spitalfields Market					
- Service Charge Account	26	25	26	1	
- City Account	(875)	(792)	(816)	(24)	
- Repairing and Repairs Fund	0	0	0	0	
Total Spitalfields Market	(849)	(767)	(790)	(23)	
TOTAL CITY FUND	(849)	(767)	(790)	(23)	
CITY'S CASH					
Smithfield Market					
- Wholesale	6,731	6,116	0	(6,116)	
- Service Charge Account	0	0	1,755	1,755	
- Non-Service Charge Account	0	0	(550)	(550)	
- Other Services	(24)	(83)	4	87	
Total Smithfield Market	6,707	6,033	1,209	(4,824)	
Billingsgate Market					
- Service Charge Account	0	0	0	0	
- Non-Service Charge Account	(184)	(334)	(339)	(5)	
- Repairing and Special Works Account	0	0	0	0	
Total Billingsgate Market	(184)	(334)	(339)	(5)	
Markets Directorate	0	0	0	0	
TOTAL CITY'S CASH	6,523	5,699	870	(4,776)	
TOTAL	5,674	4,932	80	(4852)	

APPENDIX 2

Support Service and Capital Charges from/to Markets Committee	Actual 2012/13 £000	Original Budget OR 2013/14 £000	Latest Approved Budget 2013/14 £000
Support Service and Capital Charges			
Administrative Buildings	37	40	39
City Surveyor's Employee Recharge	180	189	179
Insurance	455	458	458
IS Recharges - Chamberlain	202	170	220
Capital Charges (note 1 below)	4,993	4,883	846
Support Services -			
Chamberlain	159	140	144
Comptroller and City Solicitor	146	158	156
Town Clerk	239	216	243
City Surveyor	170	162	113
Corporate (e.g. sustainability & contingency planning)	38	42	40
Liability Insurance	33	32	31
Total Support Services and Capital Charges	6,652	6,490	2,469
Recharges Within Funds			
Corporate and Democratic Core – Finance Committee	(77)	(77)	(77)
Unfit meat disposal charges – Port Health and Environmental Services Committee	48	62	62
Directorate Recharge – Port Health and Environmental Services Committee	(16)	(17)	(17)
Recharges Across Funds			
Directorate Recharge - Markets – City Fund			
Directorate Recharge – Licensing Committee	(17)	(15)	(15)
Directorate Recharge – Port Health and Environmental Services Committee	(242)	(261)	(265)
TOTAL SUPPORT SERVICE AND CAPITAL CHARGES	6,348	6,182	2,157

Note 1. The Capital Charges within this Committee total £846,000 in 2013/14. The breakdown of depreciation can be viewed at paragraph 28 of the report.

Wholesale Markets Operating Summary

APPENDIX 3

2013-2014

	Spitalfields					Billingsgate					Smithfield					Total				
	Actual	Original	Latest	Percentage	Notes	Actual	Original	Latest	Percentage	Notes	Actual	Original	Latest	Percentage	Notes	Actual	Original	Latest	Percentage	
	2012/13	2013/14	2013/14	Increase/		2012/13	2013/14	2013/14	Increase/		2012/13	2013/14	2013/14	Increase/		2012/13	2013/14	2013/14	Increase/	
	£'000	£'000	£'000	decrease		£'000	£'000	£'000	decrease		£'000	£'000	£'000	decrease		£'000	£'000	£'000	decrease	
				OR to LAB					OR to LAB					OR to LAB					OR to LAB	
				%					%					%					%	
Operating Expenditure																				
Expenditure																				
Employees (basic pay, NI, pension, overtime, training and recruitment advertising)	(1,176)	(1,283)	(1,235)	3.7%		(1,581)	(1,604)	(1,560)	2.7%		(1,780)	(1,797)	(1,835)	-2.1%	9	(4,537)	(4,684)	(4,630)	1.2%	
Premises (Energy, repair and maintenance, rates, insurance, water, pest control, cleaning materials)	(950)	(1,133)	(1,124)	0.8%		(1,113)	(1,281)	(1,162)	9.3%		(2,339)	(3,138)	(3,058)	2.5%		(4,402)	(5,552)	(5,344)	3.7%	
Transport (Vehicle running costs, congestion charge and travel costs)	(6)	(6)	(6)	0.0%		(32)	(26)	(40)	-53.8%	3	(4)	(7)	(7)	0.0%		(42)	(39)	(53)	-35.9%	
Supplies and Services (Refuse collection, Equipment and CCTV hire/maintenance and purchase, uniforms and clothing, communication and office expenses)	(152)	(148)	(148)	0.0%		(238)	(119)	(150)	-26.1%	4	(291)	(422)	(454)	-7.6%	10	(681)	(689)	(752)	-9.1%	
Waste and Cleaning contract	(1,713)	(1,780)	(1,773)	0.4%		0	0	0	0%		0	0	0	0.0%		(1,713)	(1,780)	(1,773)	0.4%	
Total operating expenditure	(3,997)	(4,350)	(4,286)	1.5%		(2,964)	(3,030)	(2,912)	3.9%		(4,414)	(5,364)	(5,354)	0.2%		(11,375)	(12,744)	(12,552)	1.5%	
Income																				
Rent, Wayleaves and Tolls Income	1,424	1,359	1,359	0.0%		678	754	656	-13%	5	2,633	2,635	1,706	-35.3%	11	4,735	4,748	3,721	-21.6%	
Charges for Services (Filming, car parking, service charge income, insurance, advertising hoarding, reimbursement if direct recovered costs)	4,406	4,324	4,265	-1.4%	1	3,087	3,151	2,878	-8.7%	6	1,256	1,263	3,249	157.2%	12	8,749	8,738	10,392	18.9%	
Total Operating Income	5,830	5,683	5,624	-1.0%		3,765	3,905	3,534	-10.5%		3,889	3,898	4,955	27.1%		13,484	13,486	14,113	4.6%	
Net Operating Surplus/(Deficit)	1,833	1,333	1,338	0.4%		801	875	622	-28.9%		(525)	(1,466)	(399)	72.8%		2,109	742	1,561	110.4%	
Central Costs																				
Capital Charges and depreciation	(558)	(562)	(555)	1.2%		(380)	(381)	(169)	55.6%	7	(4,055)	(3,940)	(122)	96.9%	13	(4,993)	(4,883)	(846)	82.7%	
Other Central Costs* (Trf to and from reserves to fund repairs and works, support costs and Directorate apportionment)	(426)	(4)	7	275.0%	2	(237)	(160)	(114)	28.8%	8	(2,151)	(710)	(684)	3.7%	14	(2,814)	(874)	(791)	9.5%	
Total Market (Expenditure)/Income	849	767	790	3.0%		184	334	339	1.5%		(6,731)	(6,116)	(1,205)	80.3%		(5,698)	(5,015)	(76)	98.5%	

N.B.

This table has not been prepared in accordance with conventional City of London Corporation format. In the table above () = Expenditure / Deficit

The numbering relates to the numbering on Appendix 4, the Operating Statement notes.

Includes monies allocated from Policy and Resources Committee for additional repairs and maintenance at Smithfield and Legal and Surveying fees for lease renewals

*Excludes the car park and outside properties at Smithfield which equates to (£4,000).

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Operating Statement Notes

The tables below analyse the variances for the Wholesale Markets as reported on the Operating Summary which is attached at Appendix 3. The summary compares the 2013-14 Original Budget (OR) to the 2013-14 Latest Approved Budget (LAB) and has not been prepared in accordance with conventional City of London Corporation format. Brackets on the summary signify an expenditure item or deficit position.

<u>New Spitalfields Market Note number</u>	<u>Description</u>	<u>2013-14 OR to LAB 2013-14 Variance</u>
	Income	
1	Charges for Services	The (£59,000) decrease of -1.4% is due to reductions in Service Charge income.
	Central Costs	
2	Other Central Costs	The (£11,000) decrease of 275% is due to a net increase in funds transferred from the service charge reserve to the service charge.

<u>Billingsgate Market Note number</u>	<u>Description</u>	<u>2013-14 OR to LAB 2013-14 Variance</u>
	Expenditure	
3	Transport Related	The (£14,000) increase in transport costs of -53.8% due to: <ul style="list-style-type: none"> • The hire of a Johnson Sweeper, and the high repair costs for the existing sweeper vehicle. • A new machine will be purchased to replace the uneconomic sweeper.
4	Supplies and Services	<ul style="list-style-type: none"> • The (£31,000) increase of -26.1% is due to the costs associated with the letting of the Satellite unit.
	Income	

5	Rental and Loan	<p>The (£98,000) decrease in income of -13% is due to:</p> <ul style="list-style-type: none"> • The Satellite unit not generating rental income of £60,000, equivalent to 3 months rent. • A change in budget for capital repayment for the Porters loan that is repayable to the capital account resulting in a net reduction of £38,000.
6	Charges for Services	<p>The (£273,000) decrease of -8.7% is due to</p> <ul style="list-style-type: none"> • A reduction in the service charge income because of reductions in expenditure £118,000. • A reduction in car park income of £35,000. • A net reduction of £120,000 as the service charge contribution is reduced.
	Central Costs	
7	Capital and Depreciation	<ul style="list-style-type: none"> • The £212,000 decrease of 55.6%, is due to the City's adoption of the UK GAAP Standards and the subsequent changes in the accounting treatment of capital and depreciation.
8	Other central costs	<p>The £46,000 decrease of 28.8% is due to a net transfer from the reserve account.</p>

<u>Smithfield Market Note number</u>	<u>Description</u>	<u>2013-14 OR to LAB 2013-14 Variance</u>
	Expenditure	
9	Employment Costs	<ul style="list-style-type: none"> The (£38,000) increase of -2.1% is due to an increase in staff joining the pension scheme.
10	Supplies and Services	<p>The (£32,000) increase of -7.6% is due to:</p> <ul style="list-style-type: none"> New CCTV recording equipment purchased (£30,000). Small changes over various line items (£2,000).
	Income	
11	Rent, Wayleaves and Tolls	<p>The (£929,000), a decrease of -35.3% is due to the changes caused by the lease renewals agreed in April 2013. Implementing a separate service charge and rent charge has resulted in a reduction of income collated under the rent income section of the budgets. The rent charge per square foot was paid as an inclusive rent and service charge within this line item and this has now been reduced to include rent only. The service charge element is now reported within the Charges for Services line.</p>
12	Charges for Services	<p>The £1,986,000 increase of 157.2% is due to the:</p> <ul style="list-style-type: none"> Introduction of a separate service charge currently capped for 5 years at £2,012,000 Off- set by a reduction in filming income of (£5,000) and reimbursable works of (£21,000).

13	Capital and Depreciation	The £3,818,000 decrease of 96.9% is due to the adoption of the UK's Generally Accepted Accounting Practices (UK GAAP) by the City of London.
14	Other Central Costs	The £26,000 decrease of 3.7% is due to the decrease in the apportionment of Support costs £26,000.

Agenda Item 6

Committee(s):	Date(s):
Markets	20 November 2013
Subject: REVENUE AND CAPITAL BUDGETS - 2013/14 and 2014/15	Public
Report of: The Chamberlain Director of Markets and Consumer Protection	For Decision
<p><u>Summary</u></p> <p>This report is the annual submission of the revenue and capital budgets overseen by your Committee. In particular it seeks approval to the provisional revenue budget for 2014/15, for subsequent submission to the Finance Committee. Details of the Committee’s draft capital budget are also provided. The budgets have been prepared within the resources allocated to the Director.</p> <p>Business priorities for 2014/15 will focus on maintaining the present high quality of service to our tenants and developing new services within a cash- limited resource allocation. As all the Markets now have service charges, albeit with Smithfield's being phased in over five years, consultation with the respective Tenants' Associations on the level of services and their costs will be important to demonstrate value for money, whilst still ensuring that the City's responsibilities as landlord and property owner are protected.</p> <p>Other priorities will include; seeking to identify new sources of income and increasing revenue from existing income streams; reducing energy consumption in the City's areas to reduce costs and the carbon footprint; continuing to improve safety and reduce accidents at the Markets; preparing for lease negotiations at Spitalfields; continuing to ensure that the commitments in the new Smithfield leases are fully implemented by both the tenants and the City; improving the state of the infrastructure and cleaning standards at Billingsgate; providing leadership and management training for our middle managers.</p>	

Summary Of Table 1	Latest Approved Budget 2013/14 £'000	Original Budget 2014/15 £'000	Movement £'000
Expenditure	13,190	14,470	1,280
Income	(15,267)	(16,215)	(948)
Support Services and Capital Charges	2,157	2,112	(45)
Total Net Expenditure	80	367	287

Overall, the 2014/15 provisional revenue budget totals £367,000, an increase of £287,000 compared with the latest approved budget for 2013/14 of £80,000.

The main reasons for this increase are:

- 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 have 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 relates to additional costs that are recoverable through the service charges.
- Reduction in support services and capital charges of (£45,000).

Recommendations

The Committee is requested to:

- Review the provisional 2014/15 revenue budget to ensure that it reflects the Committee's objectives and, if so, approve the budget for submission to the Finance Committee.
- Review and 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 will be submitted to this committee for approval.

Main Report

Introduction

1. The City of London Corporation owns and manages Billingsgate Market (fish) in Docklands, Smithfield Market (meat) in the City and Spitalfields Market (fruit, vegetables and flowers) in Leyton. Smithfield and Billingsgate Markets are funded from City's Cash and Spitalfields Market is funded from City Fund.
2. This report sets out the proposed revenue budget and capital budgets for 2014/15. The revenue budget management arrangements are to:
 - Provide a clear distinction between local risk, central risk and recharge budgets.
 - Place responsibility for budgetary control on departmental Chief Officers.
 - Apply a cash limit policy to Chief Officers' budgets.
3. The provisional budget for 2014/15 has been analysed by the service expenditure (see Table 1) and compared with the latest approved budget for 2013/14 which has undergone significant changes due to the Smithfield lease agreement and the City of London's adoption of the UK Generally Accepted Accounting Standards (UK GAAP). The provisional Latest Approved Budget compared to the Original Budget for 2013/14 will be presented to your Committee for approval as a separate report.
4. The report also compares the current year's latest approved budget with the forecast outturn.

Business Planning Priorities

5. Business priorities for 2014/15 will focus on maintaining the present high quality of service to our tenants and developing new services within cash limited resource allocation. As all the Markets now have service charges, albeit with Smithfield's being phased in over five years, consultation with

the respective Tenants' Associations on the level of services and their costs will be important to demonstrate value for money, whilst still ensuring that the City's responsibilities as landlord and property owner are protected.

6. Other priorities will include; seeking to identify new sources of income and increasing revenue from existing income streams; reducing energy consumption in the City's areas to reduce costs and the carbon footprint; continuing to improve safety and reduce accidents at the Markets; preparing for lease negotiations at Spitalfields; continuing to ensure that the commitments in the new Smithfield leases are fully implemented by both the tenants and the City; improving the state of the infrastructure and cleaning standards at Billingsgate; providing leadership and management training for our middle managers.
7. Phase 1 of the Billingsgate roof replacement project should be completed during mid-2014 and, depending on the current evaluation, phase 2 may be conducted immediately afterwards. Depending on the funding available after the roof replacement is completed, the Billingsgate additional facilities project, which is currently suspended, may be progressed. The Smithfield Poultry Market roof repairs and electrical re-wiring project has been initiated and will be progressed as rapidly as possible. Other 'historic works' at Smithfield will be progressed by the City Surveyor in line with the approved Additional Works Programme. Consideration will be given to initiating a project to use part of the market hall roof at Spitalfields for solar power.

Proposed Revenue Budget for 2014/15

8. The proposed Revenue Budget for 2014/15 is shown in Table 1 below analysed between:
 - Local Risk budgets – these are budgets deemed to be largely within the Chief Officer's control.
 - Central Risk budgets – these are budgets comprising specific items where a Chief Officer manages the underlying service, but where the eventual financial outturn can be strongly influenced by external factors outside of his control or are budgets of a corporate nature (e.g. interest on balances and rent incomes from investment properties).
 - Support Services and Capital Charges – these cover budgets for services provided by one activity to another. The control of these costs is exercised at the point where the expenditure or income first arises as local or central risk.
9. The provisional 2014/15 budgets, being presented to your Committee, and under the control of the Director of Markets and Consumer

Protection have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees. These include the 2% inflation allowance and the final 1% of the total 2% efficiency savings required by 2014/15.

TABLE 1 MARKETS COMMITTEE SUMMARY – ALL FUNDS						
Analysis of Service Expenditure	Local or Central Risk	Actual 2012-13 £'000	Latest Approved Budget 2013-14 £'000	Original Budget 2014-15 £'000	Movement 2013-14 to 2014-15 £'000	Paragraph Reference
EXPENDITURE						
Employees	L	4,932	5,055	5,150	95	13
Premises Related Expenses (see note i)	L	4,058	3,910	4,373	463	14
Premises Related Expenses (see note ii)	C	172	144	135	(9)	18
City Surveyor – Repairs & Maintenance	L	745	1,193	1,870	677	15
Transport Related Expenses	L	42	54	39	(15)	} 18
Supplies & Services (see note iii)	L	965	847	817	(30)	
Supplies & Services (see note iv)	C	879	180	150	(30)	
Waste & Cleaning Contract at New Spitalfields Market	L	1,714	1,773	1,810	37	
Capital Charges	L					
Transfer to Service Charge Reserves	L	184	34	126	92	
Total Expenditure		13,691	13,190	14,470	1,280	
INCOME						
Other Grants, Reimbursements and Contribution	L	(362)	(244)	(462)	(218)	} 19
Customer, Client Receipts (see note v)	L	(8,060)	(9,777)	(10,171)	(394)	
Customer, Client Receipts (see note vi)	C	(1,175)	(1,097)	(1,169)	(72)	
Customer, Client Receipts (Rent)	C	(4,697)	(3,721)	(3,748)	(27)	
Investment Income	L	(28)	(21)	(10)	11	
Transfer from Service Charge Reserves	L	(22)	(27)	0	27	
Transfer from Service Charge Reserves	C	(21)	(380)	(655)	(275)	
Total Income		(14,365)	(15,267)	(16,215)	(948)	
TOTAL EXPENDITURE/ (INCOME) BEFORE SUPPORT SERVICES AND CAPITAL CHARGES		(674)	(2,077)	(1,745)	332	
SUPPORT SERVICES AND CAPITAL CHARGES						
Central Support Services and Capital Charges		6,652	2,469	2,393	(76)	} Appendix 2
Recharges within Committees		0	0	0	0	
Recharges within Fund		(45)	(30)	6	36	
Recharges Across Funds		(259)	(282)	(287)	(5)	
Total Support Services and Capital Charges		6,348	2,157	2,112	(45)	
TOTAL NET EXPENDITURE/(INCOME)		5,674	80	367	287	

Notes - Examples of types of service expenditure:-

- (i) Premises Related Expenses, Local Risk (L) – includes repairs & maintenance, energy costs, rates, water services, cleaning and domestic supplies
- (ii) Premises Related Expenses, Central Risk (C) – estimated car park rates liability at Billingsgate Market
- (iii) Supplies and Services, Local Risk (L) – Equipment, furniture, materials, uniforms, printing, stationary, professional fees, grants & subscriptions
- (iv) Supplies and Services, Central Risk (C) – actual includes legal fees for Smithfield Market, current year estimates include rates and professional fees for Billingsgate.
- (v) Customer, Client Receipts, Local Risk (L) – service charge and car parking income and reimbursements for electricity and water
- (vi) Customer, Client Receipts, Central Risk (C) – car park hoarding, car parking income.

10. On Table 1 income and favourable variances are presented in brackets. Only significant variances (generally those greater than £100,000) have been commented on in the following paragraphs.
11. An analysis of revenue expenditure by Service Managed is provided in Appendix 1.
12. There is a reduction of £287,000 in the overall budget between the 2013/14 latest approved budget and the 2014/15 original budget. This movement is explained by the variances outlined below.
13. There is an increase in the employment costs of £95,000 which is due to inflationary increases, incremental increases and additional pension costs.
14. The increase in local risk premises related expenditure of £463,000 is mainly a result of;
 - increases in energy costs £89,000, repairs £31,000 and additional contributions from local risk service charge expenditure to the service charge reserve fund at Spitalfields Market of £50,000.
 - increases in energy costs of £12,000, repairs of £45,000 and additional contributions from the local risk service charge to the service charge reserve fund at Billingsgate Market of £171,000.
 - increases in energy and carbon of £73,000 at Smithfield Market.
 - various decreases of £8,000.
15. Increased costs are funded via the service charge for each market and/or by drawing funds from the Markets service charge reserve accounts.

The total increase of £677,000 in the budget for the City Surveyor's repairs and maintenance programme reflects changes in the composition and phasing of the works as outlined in Table 2 overleaf.

TABLE 2 - CITY SURVEYOR LOCAL RISK	Latest Approved Budget 2013/14 £'000	Original Budget 2014/15 £'000	Movement
Repairs and Maintenance			
Additional Works Programme	419	819	400
Planned, Reactive & Cyclical Works			
Billingsgate	291	396	105
Smithfield	276	276	0
Spitalfields	207	379	172
Total City Surveyor	1,193	1,870	677

16. Budgets have provisionally been included for the 2014/15 additional works programme based on bids considered by the Corporate Asset Sub Committee in June 2013. However, a decision on funding of the programme is not due to be made by the Resource Allocation Sub Committee until December. It may therefore be necessary to adjust budgets to reflect the Resource Allocation Sub Committee's decision.
17. The main elements for the increase in the additional works programme is that the value of work identified in the City Surveyor's 20 year programme for 2014/15 has increased in comparison with the combined value of various programmes in 2013/14.
18. The balance relating to all other costs of (£45,000) is a combination of adverse and favourable variances as shown in the expenditure section of Table 1.
19. The increased income of (£948,000) is mainly due to additional service charge income and increased transfers from the service charge reserves for New Spitalfields and Billingsgate Markets to fund increases in the service charge expenditure as detailed in paragraphs 13 to 18 above.
20. Analysis of the movement in manpower and related staff costs are shown in Table 3 overleaf.

Table 3 - Manpower statement	Latest Approved Budget 2013/14		Original Budget 2014/15	
	Manpower Full-time equivalent	Estimated cost £000	Manpower Full-time equivalent	Estimated cost £000
Directorate	6.4	425	6.4	432
Spitalfields Market	29.0	1,235	29.0	1,265
Smithfield Market	49.0	1,835	49.0	1,851
Billingsgate Market	39.6	1,560	39.6	1,602
TOTAL MARKETS	124.0	5,055	124.0	5,150

Potential Further Budget Developments

21. The provisional nature of the 2014/15 revenue budget recognises that further revisions may be required, including in relation to:
- budget adjustments relating to the City of London Procurement initiatives savings;
 - budget adjustments relating to Markets service reviews;
 - decisions on funding of the Additional Work Programme by the Resource Allocation Sub Committee;
 - implications arising from Carbon Trading Allowances; and
 - changes in respect of recharges.

Revenue Budget 2013/14

22. The forecast outturn for the current year is £80,000, which is in line with the latest approved budget. Your Committee will be presented with a separate report regarding the 2013/14 latest approved budgets. It is anticipated that the Director of Markets and Consumer Protection will remain within his resource allocation.

Members Format – Operating Summary

23. Members have, in the past, expressed interest in the financial performance of individual Wholesale Markets (i.e. excluding the car park and outside properties at Smithfield). This is set out in Appendix 3, which has not been prepared in accordance with conventional City of London format but where expenditure and adverse variances are presented in brackets.

24. On this basis, there is an overall cost to the City of London Corporation of operating the Markets of £76,000 in 2013/14 and £339,000 in 2014/15. The costs are lower this year than the overall Committee total as the excluded items produced a small net surplus of (£4,000) in 2013/14 and (£28,000) in 2014/15. The costs of the Markets include capital charges and depreciation for 2014/15 totalling £775,000.
25. The City of London Corporation has adopted the Generally Accepted Accounting Practices UK (GAAP UK) which has resulted in the notional capital costs at Smithfield Market and Billingsgate Market being written down and depreciation of the building and plant being charged to the revenue account. The charges for 2014/15 are:

Market	£
Spitalfields	555,000
Billingsgate	204,000
Smithfield	16,000
Total	775,000

Draft Capital and Supplementary Budgets

26. The Committee's draft capital and supplementary revenue project latest estimated costs are summarised in the Tables below. These items are approved but not yet contractually committed.

	Exp. Pre 01/04/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Later Years £'000	Total £'000
Billingsgate Market: Satellite Unit 1 compensation		1,350						1,350
Flat roof & Ceiling renewal		97						97
Venting & Cooling Phase 2	82		361	161				604
Total	82	1,447	361	161	0	0	0	2,051

	Exp. Pre 01/04/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Later Years £'000	Total £'000
Billingsgate Market: Fish Handling Facilities, options appraisal costs	17	15						32
Smithfield Market: Poultry Market repairs, option appraisal costs		25						25
Total	17	40	0	0	0	0	0	57

27. In addition to the approved budget items above, the implementation phases of three schemes are also planned within the next two years. Of these, the roof and ceiling renewal at Billingsgate Market together with the fish handling facilities are to be financed from the Sinking Fund and/or grant from DEFRA. The City has undertaken to fund repairs to the Poultry Market at Smithfield.
28. The latest Capital and Supplementary Revenue Project budgets will be presented to the Court of Common Council for formal approval in March 2014.

Contact:

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APPENDIX 1

Analysis by Service Managed	Actual 2012-13 £'000	Latest Approved Budget 2013-14 £'000	Original Budget 2014-15 £'000	Movement 2013-14 to 2014-15 £'000	Paragraph Reference
CITY FUND					
Spitalfields Market					
- Service Charge Account	26	26	25	(1)	
- City Account	(875)	(816)	(822)	(6)	
- Repairing and Repairs Fund	0	0	0	0	
Total Spitalfields Market	(849)	(790)	(797)	(7)	
TOTAL CITY FUND	(849)	(790)	(797)	(7)	
CITY'S CASH					
Smithfield Market					
- Wholesale	6,731	0	0	0	
- Service Charge Account	0	1,755	1,785	30	
- Non-Service Charge Account	0	(550)	(215)	335	
- Other Services	(24)	4	28	24	
Total Smithfield Market	6,707	1,209	1,598	392	
Billingsgate Market					
- Service Charge Account	0	0	0	0	
- Non-Service Charge Account	(184)	(339)	(434)	(95)	
- Repairing and Special Works Account	0	0	0	0	
Total Billingsgate Market	(184)	(339)	(434)	(95)	
Markets Directorate	0	0	0	0	
TOTAL CITY'S CASH	6523	870	1164	294	
TOTAL	5,674	80	367	287	

APPENDIX 2

Support Service and Capital Charges from/to Markets Committee	Actual 2012/13 £000	Latest Approved Budget 2013/14 £000	Original Budget 2014/15 £000
Support Service and Capital Charges			
Administrative Buildings	37	39	39
City Surveyor's Employee Recharge	180	179	189
Insurance	455	458	468
IS Recharges - Chamberlain	202	220	211
Capital Charges (see note i)	4993	846	775
Support Services -			
Chamberlain	159	144.	141
Comptroller and City Solicitor	146	156	149
Town Clerk	239	243	236
City Surveyor	170	113	114
Corporate (e.g. sustainability & contingency planning	38	40	40
Liability Insurance	33	31	31
Total Support Services and Capital Charges	6,652	2,469	2,393
Recharges Within Funds			
Corporate and Democratic Core – Finance Committee	(77)	(77)	(39)
Unfit meat disposal charges – Port Health and Environmental Services Committee	48	62	62
Directorate Recharge – Port Health and Environmental Services Committee	(16)	(17)	(17)
Recharges Across Funds			
Directorate Recharge - Markets – City Fund	0	0	0
Directorate Recharge – Licensing Committee	(17)	(15)	(15)
Directorate Recharge – Port Health and Environmental Services Committee	(242)	(265)	(272)
TOTAL SUPPORT SERVICE AND CAPITAL CHARGES	6,348	2,157	2,112

Notes

(i) The Capital Charges within this Committee total £775,000 in 2014/15. These relate to depreciation charges at Spitalfields Market (£555,000), depreciation at Smithfield Market and the Car Park (£16,000), and depreciation charges at Billingsgate Market (£204,000), based on the estimated value as at 1 April 2013 divided by anticipated life of the assets. This is in accordance with the City adopting the UK GAAP accounting standards.

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Wholesale Markets Operating Summary

APPENDIX 3

2014-2015

	Spitalfields					Billingsgate					Smithfield					Total			
	Actual	Latest	Original	Percentage	Notes	Actual	Latest	Original	Percentage	Notes	Actual	Latest	Original	Percentage	Notes	Actual	Latest	Original	Percentage
	2012/13 £'000	Approved Budget 2013/14 £'000	Budget 2014/15 £'000	Increase/ decrease %		2012/13 £'000	Approved Budget 2013/14 £'000	Budget 2014/15 £'000	Increase/ decrease %		2012/13 £'000	Approved Budget 2013/14 £'000	Budget 2014/15 £'000	Increase/ decrease %		2012/13 £'000	Approved Budget 2013/14 £'000	Budget 2014/15 £'000	Increase/ decrease %
Operating Expenditure																			
Expenditure																			
Employees (basic pay, NI, pension, overtime, training and recruitment advertising)	(1,176)	(1,235)	(1,265)	-2.4%	1	(1,581)	(1,560)	(1,602)	-2.7%	4	(1,780)	(1,835)	(1,851)	-0.9%	10	(4,537)	(4,630)	(4,718)	-1.9%
Premises (Energy, repair and maintenance, rates, insurance, water, pest control, cleaning materials)	(950)	(1,124)	(1,035)	7.9%		(1,113)	(1,162)	(1,121)	3.5%		(2,339)	(3,058)	(3,531)	-15.5%	11	(4,402)	(5,344)	(5,687)	-6.4%
Transport (Vehicle running costs, congestion charge and travel costs)	(6)	(6)	(6)	0.0%		(32)	(40)	(26)	35.0%	5	(4)	(7)	(6)	14.3%	12	(42)	(53)	(38)	28.3%
Supplies and Services (Refuse collection, Equipment and CCTV hire/maintenance and purchase, uniforms and clothing, communication and office expenses)	(152)	(148)	(145)	2.0%		(238)	(150)	(116)	22.7%	6	(291)	(454)	(426)	6.2%		(681)	(752)	(687)	8.6%
Waste and Cleaning contract	(1,713)	(1,773)	(1,810)	-2.1%	2	0	0	0	0.0%		0	0	0	0.0%		(1,713)	(1,773)	(1,810)	-2.1%
Total operating expenditure	(3,997)	(4,286)	(4,261)	0.6%		(2,964)	(2,912)	(2,865)	1.6%		(4,414)	(5,354)	(5,814)	-8.6%		(11,375)	(12,552)	(12,940)	-3.1%
Income																			
Rent, Wayleaves and Tolls Income	1,424	1,359	1,359	0.0%		678	656	727	10.8%	7	2,633	1,706	1,736	1.8%		4,735	3,721	3,822	2.7%
Charges for Services (Filming, car parking, service charge income, insurance, advertising hoarding, reimbursment if direct recovered costs)	4,406	4,265	4,459	4.5%		3,087	2,878	3,083	7.1%		1,256	3,249	3,251	0.1%		8,749	10,392	10,793	3.9%
Total Operating Income	5,830	5,624	5,818	3.4%		3,765	3,534	3,810	7.8%		3,889	4,955	4,987	0.6%		13,484	14,113	14,615	3.6%
Net Operating Surplus/(Deficit)	1,834	1,338	1,557	16.4%		801	622	945	51.9%		(525)	(399)	(827)	-107.3%		2,109	1,561	1,675	7.3%
Central Costs																			
Capital Charges and depreciation	(558)	(555)	(555)	0.0%		(380)	(169)	(204)	-20.7%	8	(4,055)	(122)	(16)	86.9%	13	(4,993)	(846)	(775)	8.4%
Other Central Costs* (Trf to and from reserves to fund repairs and works, support costs and Directorate apportionment)	(426)	7	(205)	-3028.6%	3	(237)	(114)	(307)	-169.3%	9	(2,151)	(684)	(727)	-6.3%		(2,814)	(791)	(1,239)	-56.6%
Total Market (Expenditure)/Income	850	790	797	0.9%		184	339	434	28.0%		(6,731)	(1,205)	(1,570)	-30.3%		(5,698)	(76)	(339)	-346.1%

N.B.

This table has not been prepared in accordance with conventional City of London Corporation format. In the table above () = Expenditure / Deficit

The numbering relates to the numbering on Appendix 4, the Operating Statement notes.

Includes monies allocated from Policy and Resources Committee for additional repairs and maintenance at Smithfield and Legal and Surveying fees for lease renewals

*Excludes the car park and outside properties at Smithfield (£28,000).

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Operating Statement Notes

The tables below analyse the variances for the Wholesale Markets as reported on the Operating Summary which is attached at Appendix 3. The summary compares the 2013-14 Latest Approved Budget (LAB) to 2014-15, Original Budget (OR). The Operating summary and statement has not been prepared in accordance with conventional City of London Corporation format. Brackets on the summary signify an expenditure item and/or deficit position. All increases in the budget, whatever the percentage and decreases of 10% or more have been detailed below.

<u>New Spitalfields Market Note number</u>	<u>Description</u>	<u>2013-14 LAB to 2014-15 OR variance</u>
	Expenditure	
1	Employee Costs	The (£30,000) -2.4% increase in costs is due incremental and allowable inflationary increases.
2	Waste/cleaning Contract	The (£37,000) -2.1% increase in the waste and cleaning is due to the annual increase in RPI allowable under the contract.
	Central Costs	
3	Other Central Costs	The (£212,000) -3028.6% increase which is created as a result of net transfers between the service charge reserves and the revenue accounts.

<u>Billingsgate Market Note number</u>	<u>Description</u>	<u>2013-14 LAB to 2014-15 OR variance</u>
	Expenditure	
4	Employee costs	The (£42,000) -2.7% increase is due to incremental and allowable inflationary increases.
5	Transport related	The £14,000 35% decrease is because of the purchase of a new Johnson Sweeper, reducing the high repair costs associated with the previous sweeper as well as the hire costs

		incurred when the previous sweeper underwent repairs.
6	Supplies and Services	A reduction of £34,000 22.7% is due to: <ul style="list-style-type: none"> • non-recurring professional fees for the letting of the Satellite unit, • various changes of £4,000.
	Income	
7	Rent, Wayleaves and tolls	The £71,000 10.8% increase is due to the expected increase in rent for the Satellite unit for part of the year.
	Central Costs	
8	Capital Charges and depreciation	The (£35,000) increase of -20.7% is due to the increase in depreciation of the residual construction for the Satellite Unit.
9	Other central costs	The (£193,000) -169.3% increase is created as a result of net transfers from service charge reserves to the revenue accounts.

<u>Smithfield Market Note number</u>	<u>Description</u>	<u>2013-14 LAB to 2014-15 OR variance</u>
	Expenditure	
10	Employee costs	The (£16,000) -0.9% increase is due to incremental and allowable inflationary increases.
11	Premises related	The (£473,000) increase of -15.5% is due to <ul style="list-style-type: none"> • the Additional Works Programme increase (£400,000) • energy cost increase (£63,000) • increase in Carbon Reduction credits (£14,000) • netted off against small changes for various other costs £4,000
12	Transport related	The £1,000 decrease of 14.3% is due to a reduction of the congestion charge to staff during certain shift patterns.
	Central Costs	

13	Capital Charges and depreciation	The £106,000 reduction of 86.9% is due to the adoption of the UK GAAP and changes required for depreciation.
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Agenda Item 7

Committee(s):	Date(s):
Markets	20 November 2013
Subject: Enforcement Activity at Smithfield Market	Public
Report of: Director of Markets & Consumer Protection	For Information
<u>Summary</u>	
<p>This report advises your Committee of Enforcement Activity carried out by the Smithfield Enforcement Team within my Department, and the Food Standards Agency, at Smithfield Market during the four month period from 1 June 2013 to 30 September 2013.</p> <p>It also provides information on the Food Standards Agency's (FSA) National Co-ordinated Food Sampling Programme 2013-14 in which the City of London Corporation is participating; information on the on-going City of London Corporation / Food Standards Agency joint initiative regarding food delivery vehicles that visit Smithfield Market, an update on the equine (horse) DNA in beef products incident; and National Audit Offices recent report on food safety and authenticity in the processed meat supply chain.</p> <p>The Food Standards Agency's (FSA) Lead Veterinarian has reported that there is currently one stall on the FSA's Cause for Concern list. In respect of food safety and hygiene a number of formal enforcement notices have been served and there has been an increase in the number of enforcement actions taken during the period in line with the hierarchy of enforcement.</p> <p>In respect of enforcement under the Health & Safety at Work etc Act 1974, there has been a decrease in the level of Health and Safety compliance on the market which has resulted in an increase in the number of verbal advices given both to Market traders and customers.</p> <p>Recommendations</p> <p>I recommend that your Committee notes the content of this report.</p>	

Main Report

Background

1. This is the thirtieth such report submitted to your Committee. The attached table (Appendix 1) gives a more detailed breakdown of Health & Safety enforcement activity for the four month period, but without releasing the names of tenants to whom warnings were issued. The table (Appendix 2) shows the Health & Safety enforcement activity over a twelve month period.

Current Position

2. As a result of FSA enforcement (Appendix 3), the FSA's Lead Veterinarian, Raquel Lugue, has reported that there is currently one stall on the FSA's national Cause for Concern list.
3. Following a successful bid to the Food Standards Agency, £28,370 has been awarded to the City of London Corporation to undertake a food sampling programme at Smithfield Market, as part of a National Co-ordinated Food Sampling Programme. The programme will run from June 2013 to March 2014. In respect of Smithfield, the programme aims to analyse a total of 70 samples from a wide range of manufactured meats and minced meat products to verify compliance in respect of compositional standards and species authentication.
4. To date, 36 samples have been analysed by the Public Analyst, 34 of which have been found to be satisfactory, two have failed. One sample failed regarding excess fat content over and above the maximum permitted levels; and the other sample failed in regard to the presence of sheep DNA in a beef product not identified on the label. The manufacturers of the failed products in addition to the home local authorities (the local authority that has enforcement responsibility for the producer and the sellers on Smithfield Market) have all been written to and advised of the failures. A further update will be provided in future reports.
5. Members will be aware from the report considered on 10 July 2013 that officers from the Smithfield Enforcement Team are currently involved in a joint initiative with the Food Standards Agency in relation to food delivery vehicles that visit Smithfield Market. Phase 1 involved the development and distribution of a food safety management leaflet which was undertaken in February 2013. Phase 2 assessed the impact of the leaflet amongst the food delivery vehicle operators, and the level of food business registration, and was undertaken in June 2013. The initiative is currently at Phase 3,

where officers are liaising with local authorities throughout England and Wales. To date, 25 local authorities have been written to, seeking confirmation that those businesses are registered with them and 11 replies have been received so far. A further update will be provided in future reports.

6. Since the last report to the Committee on 10 July 2013, the Food Standards Agency Board have agreed an action plan to be delivered by the Food Standards Agency to address the findings of Professor Pat Troop's final report, which reviewed the Food Standards Agency's response to the contamination of beef products with horse and pork meat and DNA, and the action plan can be found at:
<http://www.food.gov.uk/multimedia/pdfs/board/board-papers-2013/fsa-130704-annex.pdf>
7. The action plan will not impact directly on the City of London Corporation's activities. However, the plan indicates the need for consideration for further targeted sampling programmes in the future which may involve local authorities.
8. On 10 October 2013, the National Audit Office published its report on Food Safety and Authenticity in the Processed Meat Supply Chain. The report examined the overall effectiveness of the assurance the Government gives consumers regarding food safety and authenticity. The January 2013 horse meat in beef products incidents revealed a gap between what the public expect of the controls over authenticity of their food and the effectiveness of the controls in reality.
9. The report found that while arrangements for identifying and testing for risks to food safety are relatively mature and effective, similar arrangements for the authenticity of food are not. It found that Government failed to identify the possibility of adulteration of beef products with horse meat despite indications of heightened risk, as substantial rises in beef prices were not being reflected in retail prices together with a world-wide fall in the price of horsemeat. It also found that the split in responsibilities for food policy between the Food Standards Agency and two Government departments in 2010 led to confusion amongst stakeholders about the role of the Food Standards Agency and the Department of Food and Rural Affairs in responding to food authenticity incidents.
10. The report notes that a Food Standards Agency review of the 2013 horse meat incident found that some of its own staff and local authorities were confused during the incident's early stages. The report also found that the

Food Standard Agency does not have a complete picture of all public testing, and that only one third of all English local authorities record laboratory results on the Food Standards Agency's national database, and that the number of food samples tested by official control laboratories have gone down by a quarter since 2009-10. Although a substantial amount of testing is carried out by private food businesses.

11. Members should note that the results of all food samples taken by officers at Smithfield are entered onto the Food Standards Agency's United Kingdom food surveillance system (UKFSS) national food sampling database.
12. Amongst its recommendations, the National Audit Office recommends that some resource should be shifted away from activities such as the inspection of abattoirs to the checking of the manufacture of processed meat products and the long and complex chains involved. The report concludes that Government needs to remove the confusion that has been created and improve its understanding of potential food fraud and how intelligence is brought together and shared.
13. The Committee will note that one of the key findings of the National Audit Office report is that the number of public analysts in England has reduced from 40 to 29 since 2010. This clearly impacts on the capacity of public analysts to examine food samples submitted by local authorities and this has the potential to increase analysis times and costs. The report's summary and key findings can be found in Appendix 4.
14. Over the four month period from 1 June 2013 to 30 September 2013 informal enforcement has continued under the Health and Safety at Work etc. Act 1974. Informal enforcement is detailed in paragraph 9 (Informal Action). During this period formal enforcement has been reinstated following the publication of the National Local Authority Enforcement Code. The Code states that at premises where high risk activities such as workplace transportation, working at height, and the use of cutting and lifting equipment takes place, these premises will continue to be subject to proactive inspection. These high risk activities are all undertaken at Smithfield Market.

Formal Action

15. The FSA's Lead Veterinarian has advised that during the period 1 June 2013 to 31 September 2013 the following actions have been taken against traders:

706 enforcement actions have been taken by the FSA during the period these were:

- On 659 occasions verbal advice was given, of which 37 related to Animal By Product controls
- 36 written advices
- 11 Detention of Food Notices and Agreement to Destroy Notices
- 2 referrals to local authorities

Other relevant action during this period:

- The main non-compliances related to high temperatures in the chillers and freezers of several tenants during the summer period of hot weather. In particular one business was unable to maintain its freezer lower than -2^o Centigrade.
- 17 non-compliances related to 16 consignments arriving to Smithfield from different slaughterhouses.
- Tenants had been disposing of the drain waste they produce as Category 3 material following advice from their Consultant. As a result of a meeting with the Smithfield Market Tenants Association, agreement was reached to categorise this type of waste as Category 2 material.
- 1 new stall has been added to the “Cause for Concern” list during the reporting period. As the FSA anonymise the information, we are unaware which stall this is.
- A protocol has been agreed between the Food Standards Agency and the Market Superintendent to deal with product that has either been delivered to the Market but not to a tenant (transhipped) or product that has been dumped in common areas. In the case of transhipped product, if the sender or the buyer of the product has been identified, they are required to collect within a specified time (for the sender 4 hours as they may further to travel, for the buyer 1 hour), or the product is removed to the ABP facility and disposed of, and the owner will be invoiced for disposal of the product. If ownership cannot be established, the product is removed to the ABP facility and disposed of with the cost being borne by the City. Once product has been identified as being dumped, the Market Constabulary attempt to establish

ownership. If successful, the owner will be charged disposal costs and issued where appropriate with a Fixed Penalty Notice of £80. If however, the Market Constabulary is unable to identify the owner, the product is removed and disposed of with the cost being borne by the City.

- Liaison meetings between the City Corporation and the Food Standards Agency continue to be held every six weeks.
- There has been an increasing practice of visitors and staff not wearing adequate personal protective equipment in service areas despite advice on the issue.
- Improvements have been made on the traceability of products left in common areas due to action taken by the tenants. This is an arrangement between the FSA and the SMTA. The FSA are in the process of improving traceability of product upon arrival in service corridors. Previously product has been delivered without any stall identification details. The sender/producer is now putting a label on the product to advise of which stall the product is intended. Discussion between the FSA and the SMTA is continuing to seek further improvements, additionally the FSA would like to see both the time of arrival and the temperature upon arrival detailed on the consignment. The food safety significance is that the product can be monitored to see how long it remains in the service corridors and what temperature change has occurred in that period and whether it remains compliant.

Informal Action

16. Officers in the Smithfield Enforcement Team have taken the following action:
 - Verbal advice was given on 124 occasions (traders and visitors to the Market) for Health & Safety infringements, e.g. not wearing personal protective equipment.
17. Overall there has been a decrease in compliance on the market. Of the 124 verbal advices given, 22 involved traders compared to 8 during the previous quarter.
18. Food Hygiene enforcement is governed by the FSA under the Compliance Code for Regulators. It will continue to be applied to Food Business Operators in the Market. This code is also applied when undertaking Health & Safety enforcement, along with the Public Protection Service Policy Statement on Enforcement, as this is a statutory duty of the City.

Conclusion

19. Over the last two reporting periods there has been a fall overall in Health and Safety compliance. Interventions will continue to improve standards on Smithfield Market.

Background Papers:

Please note: the autonomous numbering system used for the stalls in Appendices 1 and 2 now differs from Appendix 3. The Food Standards Agency has imposed its own autonomous numbering system (Appendix 3) which is different from that used by the City's enforcement team for Health and Safety enforcement activity.

Appendix 1: Table showing breakdown of Health & Safety enforcement activity during the four month period of 1 June 2013 to 30 September 2013 (inclusive).

Appendix 2: Comparison table showing Health & Safety enforcement activity summary for the period 1 October 2012 to 30 September 2013.

Appendix 3: Table showing breakdown of Food Hygiene enforcement activity during the period 1 October 2012 to 30 September 2013 (inclusive).

Appendix 4: Summary and key findings of the National Audit Office report on Food Safety and Authenticity in the Processed Meat Supply Chain 10 October 2013.

Contact:

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HEALTH & SAFETY ENFORCEMENT ACTIVITY SUMMARY FOR LONDON CENTRAL MARKETS 1 June 2013 to 30 September 2013

1. Health & Safety Management System relates to breaches of: The Management of Health & Safety at Work Regulations 1999
2. Defective work equipment relates to breaches of: The Provision and Use of Work Equipment Regulations 1998
3. Health & Safety Advice relates to breaches of: The Personal Protective Equipment at Work Regulations 1992

Stall	Verbal advice	Written advice	Formal Notices	Referred for Investigation and possible prosecution	Reason
2	3				Health & Safety Advice
3	3				Health & Safety Advice
4	2				Health & Safety Advice
5	8				Health & Safety Advice
7	2				Health & Safety Advice
8	1				Health & Safety Advice
12	3				Health & Safety Advice
14	1				Health & Safety Advice
15	6				Health & Safety Advice
16	1				Health & Safety Advice
18	3				Health & Safety Advice
24	4				Health & Safety Advice
28	6				Health & Safety Advice
30	1				Health & Safety Advice
31	12				Health & Safety Advice
32	13				Health & Safety Advice
33	1				Health & Safety Advice
35	4				Health & Safety Advice
38	6				Health & Safety Advice
40	3				Health & Safety Advice
44	2				Health & Safety Advice
45	1				Health & Safety Advice
Combination of Market tenants and customers	124				Health & Safety

Each company has been allocated a number, so that the above information remains confidential. The number allocated to the company will remain the same in each period, and this will demonstrate whether companies are improving or whether they are continuing to fail to comply with the Regulations.

HEALTH SAFETY ENFORCEMENT ACTIVITY SUMMARY
SMITHFIELD MEAT MARKET - 1 OCTOBER 2012 to 30 SEPTEMBER 2013

The following information shows the breakdown of the enforcement activity. Each company has been allocated a number, so that the information remains confidential. The number that has been allocated to the company remains the same, and this will demonstrate whether companies are improving or whether they are continuing to fail to comply with the Regulations.

Key A: Verbal advice C: Formal notices
 B: Written advice D: Recommended for prosecution

Stall	Oct 12 to Jan 13				Feb 13 to May 13				June 13 to Sept 13				TOTAL
	A	B	C	D	A	B	C	D	A	B	C	D	
1													0
2					3				3				6
3									3				3
4									2				2
5	2				2				8				12
6													0
7									2				2
8									1				1
9													0
10													0
11													0
12					3				1				4
13													0
14									2				2
15					3				6				9
16									1				1
17													0
18									3				3
19													0
20													0
21													0
22	1				1								2
23													0
24		1							4				5
25													0
26													0
27													0
28		1			3				6				10
29													0
30					1				1				2
31	3	3			3				12				21
32	5	3			2				13				23
33					1				1				2
34													0
35									5				5
36													0
37					1								1
38					2				6				8
39													0
40		1			2				3				6
41													0
42					4								4
43													0
44									2				2
45					1				1				2
46													0
TOTAL	11	9	0	0	32	0	0	0	86	0	0	0	138

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FSA ENFORCEMENT ACTIVITY SUMMARY - SMITHFIELD MEAT MARKET

1 OCTOBER 2012 - 30 SEPTEMBER 2013

The following information shows the breakdown of the enforcement activity. Each company has been allocated a number, so that the information remains confidential. The number that has been allocated to the company remains the same, and this will demonstrate whether companies are improving or whether they are continuing to fail to comply with the Regulations.

Key **A:** Verbal advice **C:** Formal notices
 B: Written advice **D:** Detention of food notices/Agreement to destroy food

Stall	Oct 12 to Jan 13				Feb 13 to May 13				June 13 to Sep 13				TOTAL
	A	B	C	D	A	B	C	D	A	B	C	D	
1	1				12				1				14
2	17	12			26	6	1		21				83
3	2				15				30				47
4	2				6	2			16				26
5	9				7				8				24
6	2				6				16	1			25
7	1				3			1	2				7
8					8				19	2			29
9					1				7				8
10	3				8			1	6				18
11	5				5				12				22
12	4				8				25			2	39
13	14				11				16	1		1	43
14	16				5				11				32
15	5				10				16				31
16	4				17				14	2			37
17	14		1		4				23				42
18					5				14				19
19	11	1			10				12				34
20					2				13	3			18
21	4	2			9				7	3			25
22	3				16				34				53
23	9	3			24				16				52
24	28				14				36				78
25	1				3				10				14
26	13				10	1			21				45
27	21				5				16	2		3	47
28	8				6				23	1			38
29	5				9				12				26
30	7				2				7				16
31	12	10			12	5			17	1		2	59
32	6				6	2			21	4			39
33					11				4				15
34	8	4			22	4			22	3		2	65
35	3				10				4				17
36	22	1			11				16			1	51
37	14				22	2			27	7			72
38	24	6		1	23				21	3			78
39	1				11	2			20	2			36
40	6				7				9				22
41	2				11				13				26
42	3				1				7				11
43	1				6	2			14	1			24
TOTAL	311	39	1	1	420	26	1	2	659	36	0	11	1507

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National Audit Office

Report

by the Comptroller
and Auditor General

**The Food Standards Agency, Department for Environment,
Food & Rural Affairs, Department of Health**

Food safety and authenticity in the processed meat supply chain

Key facts

490,308

registered food businesses
in England in 2012

£241m

estimated spend in 2011-12
to protect consumers from
food incidents

75%

of this spend related to
local authorities in 2011-12
to enforce food law

- Three** key departments in England with responsibility for aspects of food policy
- 26 per cent** fall in the number of all local authority food samples tested since 2009-10
- 12** different national and European databases housing data on food intelligence
- 1,380** new reports of fraud recorded on the national food fraud database in 2012, up two-thirds since 2009

Summary

Introduction

1 The horsemeat incident of January 2013 (**Figure 1**) exposed weaknesses in controls in the food supply chain. The government has established a number of reviews to reflect on the lessons it needed to learn. The incident showed the complexity of the food supply chain, involving a food processor in France, its subsidiary in Luxembourg, a subcontractor in Cyprus, a meat trader in the Netherlands, abattoirs in Romania, and a number of food businesses in the United Kingdom and across Europe selling the end products.

Figure 1

The horsemeat incident

In November 2012, at a routine meeting between the Food Safety Authority of Ireland and the UK Food Standards Agency, the former mentioned that they were developing a new methodology for checking the composition of meat products. On 14 January 2013, the Food Safety Authority of Ireland told their English counterparts they had found equine contamination in Tesco, Iceland and Lidl processed beef products. On 15 January, the Irish Authority published the test results on its website and the Food Standards Agency held a meeting with key UK stakeholders at which a four-point action plan was agreed.

The initial discovery by the Food Safety Authority of Ireland related to products manufactured in three plants, two in Ireland and one in the United Kingdom. In a subsequent Environment, Food and Rural Affairs Select Committee evidence session, the chief executive of the manufacturer's parent company claimed the adulteration took place because a management team sourced meat from a Polish company which was not an approved supplier.

There were two levels of inquiry – European and UK. The Food Standards Agency led the UK response to the incident and instructed food businesses and retailers to test the composition of beef products. As at the end of August 2013, they tested 24,480 samples, of which 47 tested positive for horse DNA, involving 17 product lines. The Agency also requested 28 local authorities to carry out composition tests on processed meat products. Local authorities tested 514 beef products over three phases, of which two tested positive for horse DNA and four tested positive for pig DNA. The European Commission also asked member states to test for horse DNA in beef products, for which the UK submitted 150 samples all of which tested negative.

Six months on, inquiries are still ongoing and the original source of the adulteration has not been identified. Since the incident began there have been five arrests as part of the UK investigation and Europol are continuing their investigations.

Source: National Audit Office

2 In England, in our view, the challenge of overseeing the complex food supply chain is compounded by having split roles and responsibilities and accountabilities for aspects of food policy across government. The Food Standards Agency's (the Agency's) main objective is food safety and to protect the consumer. It has policy responsibility for food safety aspects of labelling, as well as responsibility for investigating incidents throughout the UK, including misleading labelling and food fraud. The Department for Environment, Food & Rural Affairs (the Department)¹ is responsible for food composition, authenticity and labelling policy in England where it does not relate to food safety or nutrition and it also leads on relevant EU labelling negotiations for the UK. The Department's Food Authenticity Group identifies risks to food authenticity and develops methods to test against these risks. The Department of Health is responsible for nutritional labelling and health claims policy and leads on relevant EU negotiations. Public Health England is responsible for identifying and investigating outbreaks of foodborne infection. Local authorities are responsible for the delivery and enforcement of both food safety and food authenticity, tasked by and submitting results to the Agency. Their activities account for three-quarters (75 per cent) of the government's spending on protecting consumers in 2011-12.

3 Testing food in the laboratory is one of the key ways of checking whether food businesses are complying with food law. Official control laboratories testing for food hygiene are part of Public Health England whereas those testing for food standards and some matters of food safety are carried out by public analyst laboratories, who are either private companies or local authority funded.

4 We considered the horsemeat adulteration incident as a way to examine the effectiveness of government's monitoring and enforcement of legislation for food safety and composition in England for processed meat products. We report on the clarity of responsibilities, the effectiveness of food intelligence gathering and analysis, food sample testing and the targeting of resources across the food supply chain. We do not examine the nutritional labelling of food or the robustness of the checks on nutrition or health claims (e.g. low fat labelling).

¹ Throughout the report, we refer to the Department for Environment, Food & Rural Affairs as 'the Department'. References to the Department of Health are made explicit.

Key findings

Responsibilities

5 A split since 2010 in the responsibilities for food policy in England has led to confusion among stakeholders and no obvious benefit to those implementing controls. The government transferred responsibilities for food authenticity and composition policy (where not related to food safety), and for nutritional labelling from the Agency to the Department and the Department of Health respectively. Enforcement responsibilities remained with local authorities. Food safety, composition and nutritional issues often intertwine. The horsemeat incident turned out to be primarily an authenticity issue (substitution of beef with horse) but the possibility of phenylbutazone ("bute") contamination meant it could have been a safety issue. An Agency review found that some of their staff and local authorities were confused, during the early stages of the response, about which department was taking the lead, suggesting that the reasons for this could have been better communicated. Local authorities said they continue to be unclear on whom to contact, or get information from, in certain areas of food policy. They find that each department has a different approach and way of working which requires duplication of effort on their part (paragraphs 2.1 to 2.3 and 2.7 to 2.9).

6 One of the consequences of the Machinery of Government change is that intelligence sharing has been weakened. A workshop in June 2013 between the Department and the Agency identified the need to improve links between them to access and share intelligence. Our discussion with the Food Safety Authority of Ireland found that its relationship remains chiefly with the UK Agency not the Department, despite the Irish Authority having responsibility for food authenticity. The Irish Authority told us that they would find it helpful to understand the outcomes of the Authenticity Group's work and likewise that this group would benefit from knowing what the Irish Authority was doing (paragraphs 2.10 and 3.12).

Food intelligence

7 Government recognises it needs to address weaknesses in how food intelligence is brought together for analysis and the Agency is taking steps to improve its intelligence handling. National intelligence on food safety and fraud incidents is held on 12 separate types of database operated by several bodies. These bodies include the European Union, the Agency, the Department and Public Health England. The Agency can only directly interrogate intelligence from its own four databases. It plans to work with other relevant organisations, which should allow for more coherent analysis, and patterns of related incidents to be identified (paragraphs 3.2 to 3.6).

8 The UK authorities had not tested for possible horsemeat adulteration since 2003 when no significant problem was found. It was the Food Safety Authority of Ireland that decided, in November 2012, to test for adulteration of beef products as they were concerned that while there had been a substantial rise in beef prices, this was not being reflected in retail prices. In addition, the worldwide price of horsemeat had fallen and the Irish authority concluded that there were thus incentives for fraud. They found that beef products may have been adulterated with horsemeat since at least April 2012, and they believe it is likely to have been present for longer. Government recognises that it needs to improve its understanding of food supply chains and the potential for food fraud and is taking steps to do this (paragraphs 3.9 to 3.14).

9 There is a gap between consumers' expectations for the authenticity of their food and the effectiveness of controls. The Agency routinely monitors consumer attitudes, and this continues to show higher public concern for food safety. However, consumers also have high expectations of the authenticity of food. While government has a system in place to detect risks in certain aspects of food composition and carries out a programme of testing through local authorities, these systems failed to include testing for horsemeat. However, they did indicate other cross-species contamination. One in six products tested for the presence of a different species (though not horse) failed in 2012. While most would object strongly to the possibility they were eating horse, in the UK's multicultural society some people will have much stronger religious and ethical views about eating other species. In the UK, pig DNA has also been found in beef products. The consequence of such incidents creates a loss of confidence in both government and the food industry (paragraphs 1.9 to 1.10 and 1.13).

Testing

10 While there is national prioritisation of risks to food safety, the national programme for food authenticity lacks clarity over the relative risks. The Agency analyses intelligence on food safety incidents to assess national risks and priorities. The Department is responsible for setting priorities for testing for food authenticity. However, the criteria for assessing and prioritising risks in the food authenticity programme needs strengthening. The Agency provides intelligence to the Department to assist in scoping the annual coordinated sampling plan. However, it is unclear the extent to which overall resources are targeted towards the areas of highest risk to food authenticity (paragraph 4.6).

11 The total number of food samples tested for risks to food safety or authenticity by official control laboratories in England has reduced by a quarter since 2009-10. The fall is partly because local authorities have reduced the number of their tests as local funding has been cut, but also reflects a move towards a more risk-based and coordinated approach. To encourage local authority sampling activity to be targeted towards risks identified in the national programme, the Agency invites local authorities to bid for funding to test against those identified risks. The reduction in testing means there is less intelligence in the round. For 2013-14, the Agency is holding back 10 per cent of its budget for sample testing to react to any emerging risks which are identified (paragraphs 4.4 and 4.7).

12 Since 2010, the number of public analysts in England has reduced from 40 to 29. In addition, the number of official control laboratories hosting public analysts currently stands at nine, with four laboratories having closed within the last two years. Although government reports that there was sufficient capacity within the public analyst network to respond to the horsemeat incident, the rate of its decline, and a lack of monitoring, creates a potential risk of insufficient capacity or capability to respond to a large-scale authenticity incident that may occur in the future (paragraphs 4.10 to 4.11).

13 The Agency does not have a complete picture of all public testing which weakens national intelligence. Only one-third of English local authorities record laboratories' test results on the Agency's national database. The Agency is incentivising authorities to use the database by making its use mandatory to access national funding for sampling. Public Health England holds a separate database on the results of its laboratories' microbiological testing, which is in the process of being linked into the Agency's UK Food Surveillance System (paragraphs 4.12 to 4.14).

14 The amount of testing by private food businesses is substantial, but public authorities do not know the amount, nature or results of these tests. There is no standard approach or best practice to this private testing for authenticity and no specific legal requirement to share test results with government, unless companies identify a food safety issue. Previous steps taken by the Agency to get industry to share testing data has been difficult and commercial confidence has been a barrier. The absence of sharing presents a missed opportunity to deliver better value for money. Local authorities said that more information on businesses' testing would help them target resources. The Agency and Department are discussing with business representatives how to overcome the barriers to intelligence sharing (paragraphs 4.15 to 4.19).

Targeting resources

15 Assurance activity should be better aligned to reflect the risks with the increase in consumed processed meat products and the long supply chains involved, but this will require European agreement. The levels and stages of enforcement activity in Agency approved meat establishments are heavily prescribed by EC regulation and the UK has limited discretion to change them. At present, a quarter of all the public resource spent on assurance activity is devoted to checking slaughterhouses, cutting plants and primary producers. Although this stage of the food chain carries clear risks, resource is currently tied up here which could otherwise be applied at later stages of the food chain which may present higher risks, such as in the processed food sector. The Agency is negotiating changes to the system of official meat controls with the relevant European authorities (paragraphs 5.4 to 5.5).

16 Local authorities are targeting activity on premises categorised as high risk according to national criteria but the Agency rightly considers that there is a need for greater flexibility for local authorities to interpret risk. The Agency's risk framework sets out criteria against which food businesses are rated for risk. These include factors such as type of food and method of handling. The Agency is currently consulting on a revised framework to give authorities more flexibility in deciding how to target resources, enabling factors such as membership of accreditation schemes, history of compliance, and confidence in management practices to influence a business risk assessment (paragraphs 5.6 to 5.7).

17 The number of local authority staff working on food law enforcement has declined but the Agency's research found that this has not affected national outcomes to date. Since 2008-09, 63 per cent of local authorities have reduced staff numbers working on food law enforcement, reflecting the general reduction in local authority resources. The Agency's monitoring found that staff reductions have not impacted on outcomes to date. Many authorities have responded to cutbacks by removing management posts leading to flatter management structures, more activities being delegated, and junior staff taking on greater responsibilities (paragraph 5.9).

18 Government has incomplete information on local authorities' activity costs and authorities are under no obligation to supply them. This means it cannot link costs to outcomes. The Agency does, however, have good data on compliance, numbers of registered food businesses which have not yet been risk rated, and the proportion of high-risk businesses within local authorities. It uses this to identify authorities to include in its own inspection and audit programme, which is aimed at improving the provision of official food controls (paragraphs 5.10 and 5.13 to 5.14).

Conclusion on value for money

19 The horsemeat incident has revealed a gap between citizens' expectations of the controls over the authenticity of their food, and the effectiveness of those controls. While systems for identifying and testing for risks to food safety are relatively mature and effective, similar systems for the authenticity of food are not and do not optimise value for money. They failed to identify the potential risk of adulteration of beef with horsemeat, despite indications of heightened risk.

20 To deliver better value for money, the government needs to address the confusion brought about by the current split of responsibilities, improve its market intelligence and understanding of potential food fraud and how intelligence is brought together and shared. It needs to work with others to help bring about scrutiny and inspection that better reflects risk at all stages of modern food supply chains.

Recommendations

Unless otherwise stated, 'government' refers collectively to the Agency, the Department, and the Department of Health.

Responsibilities

- a** Government needs to consider the split of responsibilities between the Agency, the Department and the Department of Health, taking into account its forthcoming independent review into the *Integrity and Assurance of Food Supply Networks*:
- If government concludes that current responsibilities should be brought under one entity, it needs to consider where they best sit.
 - If government concludes that the split should continue, it should clearly set out the appropriate and robust governance arrangements to ensure joint working, and communicate clearly how the system for food safety and authenticity will work.

Food intelligence

- b** Government needs to continue to strengthen its intelligence gathering and understanding of the incentives and opportunities for food fraud, by:
 - building on existing work to better understand characteristics of supply chains which could incentivise risks to food fraud;
 - establishing the means by which intelligence from industry surveillance activity can be better shared;
 - pursuing intelligence from those sources for which gaps currently exist; and
 - reviewing the costs and benefits of bringing together databases holding intelligence on incidents of food safety or authenticity.

Testing

- c** Government needs to better understand the impact of the reduction in sampling activity, by:
 - keeping under review the adequacy of official control laboratory capacity and capability to ensure that it is sufficient to respond to a food incident; and
 - engaging with industry to share intelligence on risks to food authenticity and encourage a common set of standards for testing activity.

Targeting activity

- d** Government needs to balance the need for clarity about national priorities and assurance that risks are being targeted effectively, with the need for sufficient local flexibility to identify new and emerging risks which in turn will feed into national prioritisation. In doing so it needs to review some local authorities' concerns that nationally guided testing for known risks has been at the expense of overall intelligence.

Driving efficiency

- e** The Agency should work with local authorities and other government departments to better understand activity costs for local authority food control work. Through its audit programme it should consider costs and efficiency criteria to help identify good practice that can be shared across the system.

Agenda Item 8

Committee(s):	Date(s):
Markets	20 November 2013
Subject: Christmas 2013 – Smithfield Market Trading Hours and Traffic Management Plan	Public
Report of: Superintendent - Smithfield Market	For Decision
<u>Summary</u>	
This report is to seek members' approval to the proposed Christmas trading and traffic arrangements for Smithfield Market.	
Recommendations	
a. That the Markets trading hours are varied as requested under paragraph 1	
b. The Committee approve the proposed traffic plan shown as Appendix A to this report	

Main Report

Background

Christmas Trading Hours

1. An application has been received from the Smithfield Market Tenants' Association (SMTA) to vary the trading times over this period and details of these are set out below:

- 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

Traffic flow around the Market

2. During Christmas week last year the City of London Police complement was one sergeant, five constables and two motor cycle officers. This latter provision was used for the first time and was very effective in preventing vehicles being improperly parked.
3. Even with this level of police presence there was significant build-up of traffic during Christmas week last year with, at peak times, congestion and some grid locking around the Market.

Current Position

4. A meeting was held on Tuesday 17 September 2013 and it was agreed by all parties that the 2012 Christmas Traffic Campaign had been a success in no small part due to the level of City Police presence keeping traffic flowing around the Market. It was also agreed that similar arrangements to last year should be put in place for 2013, and in particular the City of London Police complement. However, we have now been informed that, due to the recent reduction in staff following the Comprehensive Spending Review, and the number of other events occurring over the Christmas period, it will not be possible for the City of London Police to provide the full complement of resources requested by the Market. The complement which has been designated for this Christmas is one sergeant, three constables and cycle officers (wherever possible). Accordingly a revised Operational Plan for Christmas 2013 is attached as Appendix A to this report.

Conclusion

5. It is, therefore, recommended that the Committee approve the proposed traffic plan shown as Appendix A to this report and that the Markets trading hours are varied as requested under paragraph 1 above.

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OPERATIONAL PLAN

Smithfield Market Christmas Campaign 2013

Intention

1. The aim of this plan is:
 - To keep traffic moving
 - Minimise the levels of vehicle congestion
 - Prosecute offenders as appropriate
 - Prevent crime
 - Provide community reassurance

Method

2. A robust policing policy will be carried out in the vicinity of the following junctions:
 - Charterhouse Street / East Poultry Avenue
 - Charterhouse Street / St Johns Street
 - Charterhouse Street / Lindsey Street
 - Lindsey Street / Long Lane
 - West Smithfield / East Poultry Avenue
3. One Sergeant, three Constables and cycle officers (wherever possible) from the City Police will be engaged in directing and regulating traffic and preventing unauthorised obstructions. Officers will work in partnership with the Market Constabulary, together with Civil Enforcement Officers from the City of London and the London Borough of Islington.
4. The two teams of Civil Enforcement Officers will provide regular patrols of their respective parking areas around the Market. They will enforce parking regulations and deter unauthorised obstructions at the direction of the City Police.

Resources

5. a) City of London Police – 1 Sergeant, 3 constables and cycle officers (wherever possible), together with Police response as and when required.
b) London Central Markets Constabulary – 1 sergeant and 5 constables (available to assist as and when required).

- c) City of London Traffic Management Section – 3 Civil Enforcement Officers on a roving patrol for the three nights from Thursday 19/Friday 20, Sunday 22/ Monday 23 and Monday 23/Tuesday 24 December.
- d) London Borough of Islington Parking Services – still awaiting definitive plan.

Timetable

6. Dates of operation:

- Tuesday 17/Wednesday 18
- Wednesday 18/Thursday 19
- Thursday 19/ Friday 20
- Sunday 22/ Monday 23
- Monday 23/ Tuesday 24

Briefing each night at Snow Hill Police Station at 2245 hours with a representative from each of the partner organisations present.

The operation to commence at 2300 through to 0700 or as directed by the City of London Police Officer in charge.

7. **Additional Provisions**

- i) The Superintendent of London Central Markets will have a leaflet prepared and distributed informing customers and drivers (particularly of private vehicles) of the traffic and parking arrangements over the Christmas period. Subject to approval of the Markets Committee this will also include details of any discounted parking rates, as approved by the Markets Committee in a separate report for this meeting, and will include a map of the car park location. The leaflet will be distributed from Monday 2 December 2013 by the Market Constabulary as directed by the Superintendent.
- ii) The City of London Corporation will site 15 portable notices/stands at strategic junctions around the Market from Monday 2 December 2013 informing motorists of possible delays in the market area.
- iii) 100 “no parking” cones will be placed out each night of the operation under paragraph 6 above at strategic locations and junctions in order to deter illegal parking.
- iv) Superintendent of London Central Markets to continue to liaise with representatives of the Smithfield Market Tenants’ Association regarding the proposed implementation of the operational plan.
- v) Corporate Communications will be asked to distribute appropriate press release for inclusion in various traffic reports and other media.

Agenda Item 12

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of the Local Government Act 1972.

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