

## **MARKETS COMMITTEE**

**Wednesday, 11 July 2018**

Minutes of the meeting of the Markets Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Wednesday, 11 July 2018 at 11.30 am

### **Present**

#### **Members:**

James Tumbridge (Chairman)	Alderman Professor Michael Mainelli
John Chapman (Deputy Chairman)	Wendy Mead
Peter Bennett	Deputy Robert Merrett
Nicholas Bensted-Smith	Andrien Meyers
Mark Bostock	Deputy Brian Mooney
Deputy Kevin Everett	Deputy Joyce Nash
Michael Hudson	John Petrie
Gregory Lawrence	Ian Seaton
Tim Levene	Mark Wheatley

### **In Attendance**

#### **Officers:**

Jon Averns	- Markets and Consumer Protection Department
Steven Chandler	- City Surveyor's Department
Leyla Dervish	- Chamberlain's Department
Anna Dunne	- Programme Director
Ben Milligan	- Superintendent, New Spitalfields Market
Paul Hickson	- Comptroller and City Solicitor's Department
Martin Newton	- Town Clerk's Department
Jennifer Ogunleye	- Town Clerk's Department
Donald Perry	- Markets and Consumer Protection Department
Mark Sherlock	- Smithfield Market Superintendent
David Smith	- Director of Markets and Consumer Protection
Julie Smith	- Chamberlain's Department

#### **1. APOLOGIES**

Apologies for absence were received from Rehana Ameer, Matthew Bell, Deputy Henry Jones, Deputy Edward Lord, the Chief Commoner and Deputy Giles Shilson.

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

There were no declarations.

3. **PUBLIC MINUTES**

**RESOLVED** – That the public minutes of the meeting held on 9 May 2018 be approved as a correct record.

4. **SUPERINTENDENTS' ORAL UPDATES**

The Committee heard from the market Superintendents and the following matters were raised:-

Smithfield Market

- No unguided HGV movements were recorded during the bi-monthly HGV audit carried out to 27 June. Taking account of the controlling mechanisms available on the site, with no fence / gatehouse and the difficulty in segregating pedestrians and vehicles, the HGV risk would continue to be recorded as moderate / amber.
- Noted that the condenser water temperatures had remained at appropriate levels during the recent hot weather. During 2019 the system pipework would be replaced.
- An event licence had been obtained for the Smithfield 150 celebrations and planning was at an advanced stage.

Billingsgate Market

- Daniel Ritchie introduced himself as Malcolm Macleod's replacement and the Committee noted that an EU fund award of £14,000 had been approved for a forklift truck and further applications would continue to be submitted for EU funding as appropriate.

New Spitalfields

- The Chairman referred to the email to Members and the Director of Markets and Consumer Protection (DMCP) from the Chairman of the New Spitalfields Market Tenants' Association. The email raised concerns at the cost of the waste / cleaning contracts at the market and associated issues relating to the proposed entry barrier. The Chairman asked the Superintendent to inform the Committee of his response and confirmed that, in liaison with the DMCP, he would send a formal reply on behalf of the Committee.

The Superintendent confirmed that the waste contract provided best value, being the cheapest and offering the best technical envelope. He also said that payment of the London Living Wage (LLW) had increased the contract recharge to the service charge, but that the impact is minimised as much as possible and that only those actually entitled to receive the LLW are included in Countrystyle's costs, with the company not permitted to make a 'blanket' wage increase. The Superintendent went on to say that tenant and customer waste needed to be contained collaboratively and that a culture change was required to do this.

On the entry barrier, the Superintendent reminded Members of previous problems with project implementation and said that lessons had been learnt from that process. He said that a Customer Service Board would look to address issues going forward, with appropriate service agreements used.

The Chairman commented on the culture change required to address some of these matters, including the issue of recharging centrally for services as happens at present. He said that it appeared that a significant part of meetings with the market tenants was taken up with concerns over increases in service charge.

Discussion commenced and a Member put forward his concern at the issues raised by the traders and the need for more empathy for them and further consideration of measures to alleviate the problems. The Superintendent confirmed had office cleaning been in the Countryside contract, the cost would have been in the region of £168,000, and therefore considerably higher than the £121,000 now charged by Servest. He went on to emphasise the intention to install the delayed entry barrier as rapidly as possible so that funds are generated to reduce the service charge. On this point, a Member expressed the view that an entry charge may reduce visitor numbers. On the service charge, it was noted that there had been a reduction of around 1.57% in 2016/17.

Debate continued and in response to Members' questions, the Superintendent confirmed the new contract waste charges are based on the amount of waste that a trader creates rather than it all being shared as a general cost spread over the whole service charge, where those who created little waste were, in effect, subsidising those who created more. As waste generated at the market was from the traders and their customers, it was considered legitimate for its collection to be part of the service charge. Members noted that neither an improved CCTV system nor an entry barrier would prevent customers from dumping surplus product, packaging, etc and a concerted and combined effort by both traders and the Corporation to run an educational campaign to address this issue would be necessary. Flytipping was not considered to be a particular problem at New Spitalfields.

The Chairman referred to discussion specifically on the entry barrier and its impact on the service charge and asked officers to submit a report to a future meeting, including tenants and officers' views, setting out 'pros and cons' for further debate. The Chairman went on to say that an appropriate balance was required on these issues that maintained the confidence of the tenants and the success of the market. He reaffirmed

the intention to respond in full to the concerns raised by the tenants, in association with the DMCP, and to communicate this response to the Committee.

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5. **MARKETS COMMITTEE RISK**

The Committee had before them the report of the DMCP on Markets Committee Risk. The following matters were raised:-

- In response to a Member, the New Spitalfields Market Superintendent said that he was unaware of the cost of the 'be-spoke' FLT safety procedures training. It was noted that tenants needed to take responsibility in respect of a number of health and safety considerations on site.
- Noted that confirmation should be available at the next meeting that all data protection matters within the remit of the Committee had been adequately dealt with.

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6. **REVENUE OUTFURN**

Members then considered the joint report by the Chamberlain and the DMCP on the revenue outturn. The following matters were raised:-

- A Member raised the question of reduced service charge income at Smithfield, due to additional Poultry Market units not being let, and said that this shortfall should be recharged to another appropriate budget rather than to the Markets Committee. The Chamberlain confirmed revenue estimates for the forthcoming year would take account of this situation.
- The Committee then noted a further point from the same Member regarding revised budgets during the year and the need to compare revenues against originally predicted figures. He referred to the capital and support services overspend of £200,000, including a figure of £75,000 for Chamberlain's (IT and City Procurement) (page 20 of agenda pack). The Chairman asked the Chamberlain to write to Members to advise them of the details of the £75,000 variance and confirm reasons for changes to the original budget.

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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 urgent items.
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 remaining 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.
10. **NON-PUBLIC MINUTES**  
**RESOLVED** – That the non-public minutes of the meeting held on 9 May 2018 be approved as a correct record.
11. **POLICY AND RESOURCES COMMITTEE RESOLUTION**  
The Committee considered the resolution of the Policy and Resources Committee.
12. **WORKING PARTY TERMS OF REFERENCE**  
The Committee considered the terms of reference of its Working Party and received an update on the Strategic Review of Markets by the Programme Director.
13. **URGENT ACTION**  
The Committee noted the urgent action taken under Standing Order No. 41(a).
14. **NON PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**  
There were no questions.
15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**  
The Committee considered an urgent item of business related to the Strategic Review of Markets.

**The meeting ended at 1.12 pm**

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Chairman

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