

Committee(s):	Date(s):
Markets	8 th May 2013
Subject: Markets Business Plan Up-date Period 3 2012/13 (December – March)	Public
Report of: Director of Markets and Consumer Protection	For Information
<p><u>Summary</u></p> <p>This report aims to bring Members up to date on progress in achieving the objectives set out in the annual Business Plan for the 3rd period in 2012/13 (December – March inclusive).</p> <p>The principal subjects covered in this report are:</p> <ul style="list-style-type: none"> • Promotion of the Markets. • Food Standard Agency. • Crossrail • Billingsgate Roof Renewal Project • Renting vacant premises • Spitalfields Health and Safety Plan • Energy efficiencies • Sickness update • Finance update <p>Recommendation - It is recommended that Members note the content of this Report.</p>	

Main Report

ISSUES AFFECTING THE MARKETS

Channel 4's 'Dispatches'

1. New Spitalfields Market was the location for filming the Channel 4 current affairs investigatory series, 'Dispatches'. The report aired on Monday 21 January as part of a programme entitled 'Secrets of Your Supermarket Shop'.
2. The programme examined the rising cost and variations in prices of fruit and vegetables across supermarkets, convenience stores and market stalls, the reasons behind this and the consequences of those increases as well as government initiatives to tackle the issue.
3. The film crew asked wholesalers for their views on whether the cost of fruit and vegetables really is rising and, if so, what they perceive as being the reasons

for this. The responses revealed that certain items have increased in cost, mainly because of the impact of bad weather. However, it was felt that on the whole fruit and vegetables are still cheap commodities and, if people were to shop according to the seasons from independent traders rather than just for convenience, they could buy fresh produce cheaply. The film crew also followed two independent greengrocers as they bought their stock for the day's trade at New Spitalfields.

Wholesale Changes – Article in the Fresh produce Journal

4. An article in the Fresh produce journal looks at Britain's busy wholesale markets and journalist Kathy Hammond visited Glasgow, New Covent Garden and New Spitalfields Market to find out the latest news. The following paragraphs about New Spitalfields are taken from this article:-

- With the Olympic Games on the doorstep of New Spitalfields Market, concerns abounded as to access to and from the market and how trade would be affected. The hoped for boost in the hotel trade and scores of Games-goers eating out around the capital did not seem to materialise as London emptied out. However, there were many that stayed and while most wholesalers and their customers at New Spitalfields don't shout about it, those involved with the suburban rather than central London trade were quietly happy. Jan Hutchinson of Spitalfields Market Tenants Association says "The preparations the market made were definitely worth all the hard work. Looking back all our planning really paid off. It gave the market confidence and traders felt that we had done all we could to prepare."
- New Spitalfields market has been at its east London site for 22 years next month and is still finding that its geographical position assures its 100 per cent occupancy. Traders, the customers' base and suppliers are all generally "very confident" looking to the future, according to Jan Hutchinson of Spitalfields Market Tenants Association. "We have a very diverse range at New Spitalfields and demand that grows all the time." Jan says "You get the impression that here In London we are in something of an economic bubble as the downturn has not hit as hard as it has in other parts of the UK".

Love Your Market campaign

5. Members may recall from the last Business Plan Up-date that Love Your Local Market campaign will run from 15th May to 29th May 2013 and though principally aimed at retail markets, as retail markets are important customers, there could be a boost to trade at wholesale markets.
6. At the NABMA Seminar in January the Markets industry was taken by surprise when Communities Minister The Rt Hon Don Foster MP outlined the Government's further support for the 2013 Love Your Local Market scheme with significant financial support.

7. The Minister acknowledged that the last few years had been a challenging time for markets and his department is keen to support the market trader. The Minister acknowledged that over the last two years help had been provided but in the absence of finance. The Minister paid tribute to NABMA for its endeavors in Love your Local Market campaign, and presented the NABMA President, Council Mrs. Geraldine Carter with a cheque for £25,000. The aim is for NABMA to help turn the passing interest of a prospective trader into a fulfilling career. Members will be kept informed of the campaign.

CUSTOMER AND STAKEHOLDER FOCUS

Billingsgate

Progress report on Market Byelaws

8. As part of the Review being conducted to ascertain whether new Market Byelaws are needed, the Working Party consulted widely, including with the three Tenants' Associations. Members will be updated with a separate report concluding the Market Byelaws Working Party review.

Smithfield

9. **Food Standards Agency (FSA) Approval Compliance.** The City of London FSA approval for the common parts of the Market was audited in February 2013. The advice from the previous audit was that improvements were required in certain areas of control and management processes. This was mainly in the areas of control in the East and West Market service corridors, control of personnel wearing the correct personal protective equipment (PPE) and control of prohibited activities of smoking, eating and drinking in the common parts of the Market buildings. There were also some cleaning and maintenance processes which were being carried out on a regular basis but were not documented on the cleaning and maintenance schedules.
10. There has been a marked improvement in enforcement. The best example of this is in the enforcement of no smoking in the common parts. A sustained campaign has taken place, which has included an education campaign run by the Market Constabulary and the City of London Smithfield Enforcement Team. This has included erecting banners in Grand Avenue, the distribution of mini-bins (portable ashtrays), face-to-face communication and recording of incidents. Those who have not complied have been issued with a Fixed Penalty Notice. The message is getting across and the feedback from the FSA has been positive, and a clear sign that we are heading in the right direction.
11. There are now six-weekly liaison meetings attended by the market management, Eville and Jones and the City of London Smithfield Enforcement Team. This collaborative approach to managing the FSA issues at the Market is working well and the next periodic report will summarise what has been achieved in the first year of the new contract.
12. It is also important to note that the way the FSA charge for their audit and inspection services changed on 1 April 2013. Instead of one invoice for the

whole Market being issued upon and paid for by the City, each individual meat trader (as a separately approved Food Business Operator) will be invoiced directly. The City will only receive an invoice for the common part areas for which it is directly responsible. This offers a real financial incentive to each individual food business to improve practices which could reduce the number of their audits required each year. It also takes the onus away from the City as the overarching landlord to monitor spending in areas not under our direct control, and frees up time to concentrate on the common parts of the market which are under our direct control.

13. **Lease Negotiations.** A separate report will be presented to update Members on the successful completion of the 51 meat traders' leases and to explain measures being taken to ensure both parties comply with their obligations entered into under the terms of the new leases.

14. **Crossrail.** Crossrail activity has intensified over the last few months in preparation for the tunnel boring machines (TBM's) meeting at Farringdon in a few months' time. Grouting shafts surround the Market buildings in preparation for grouting to be pumped under the ground to minimise the risk of subsidence. Monitoring equipment has already been fixed to the three buildings and the underground car park to measure any movement. In addition to this, twenty-four hour working has started on the Eastern Ticket Hall to the east side of Lindsey Street which means that vehicle movements will be carried out when the Market is in operation. The Thames Water pipes running through Grand Avenue and up St John Street also need to be checked to ensure that they will withstand any settlement caused by the TBMs. This will mean partial road closures on St John Street and restricted access to Grand Avenue, as a compound will need to be built on its junction with Charterhouse Street. Finally, Crossrail are also creating a larger temporary unloading and storage space on the lower level of the car park under the East Market building which will occupy approximately 30 spaces in the Rotunda from mid-April to mid-June 2013. Crossrail have fully consulted about all of the above works with the Smithfield Market Tenants' Association (SMTA) and the Market's Operations and Administration Manager prior to any works being implemented. The works are disruptive but, with careful management, the Market has been operating normally and without interruption.

New Spitalfields

15. In January New Spitalfields Market was awarded the Best Wholesale Market of the Year Award 2013 by NABMA. The citation from NABMA reads:

"This is one of the most hotly contested categories in Market of the Year and one where the judges would have been delighted to make an award to each of the entries. Ultimately, the judging panel made the award to one of our iconic wholesale markets, which is the largest in the UK and continues to offer local employment, a vibrant culture, and has seen great improvements in waste management performance. The Market has coped wonderfully well with the impact of the Olympics and continues to serve London and the rest of the country. The Best Wholesale Market 2013 is New Spitalfields, London."

16. It is pleasing to note that the Fresh Produce Consortium (UK's fresh produce trade association) has chosen Spitalfields Market for a second consecutive year as the location for their meeting. The meeting will give members of the Consortium an opportunity to tour the market and for the Superintendent to develop a stronger relationship with them.
17. The Market has received acknowledgement through a new tenant, Jenny Dawson, Founder and CEO of Rubies in the Rubble. Jenny Dawson works from a small portacabin at New Spitalfields Market and provides an alternative home for tonnes of fresh produce that would otherwise be discarded. Rubies in the Rubble has set out to do something about waste produce, turning surplus fruit and vegetables into a range of handmade chutneys and jams to provide work opportunities for long-term unemployed people. The kitchen was established on site just before the neighbouring Olympics began last summer. It was a move supported by the Market Superintendent, in an attempt to support social enterprises and charities which can contribute to reducing waste. A few of the traders that Rubies in the Rubble works with deal with supermarket rejects and know the company is there as a last resort before they make the decision to dump the produce. As there is a charge proportionate to the weight for it going to landfill, Rubies in the Rubble provides an attractive alternative. As well as safety-margin surplus, there is also lot of waste due to size specification. It is still early days for Rubies in the Rubble, but with the amount of bad press about the excessive waste in the food industry, it is evidently one solution that WRAP (Working together for a world without waste) would approve of. Rubies in the Rubble have received interest from the media (CNN, BBC News, Evening Standard, The Guardian, The Times, The Independent and The Observer) and have won contracts and trials with Fortnum & Masons and Waitrose.

OPERATIONS AND FINANCE

Billingsgate

18. The two key upgrade projects at Billingsgate are roof renewal and the creation of additional fish handling facilities. Given the food hygiene compliance concerns, the roof renewal project is the more important of the two. Members will be updated with a separate report on the roof renewal. The financing of both projects is being funded in part by the Sinking Fund. As the Sinking Fund is no longer receiving contributions and likely to have a fund balance of £nil as a result of the financial demands of these projects, the roof renewal project will have first call on this funding. Specific additional facilities options will be proposed when the available funding has been confirmed.
19. The Fish Academy Ltd tenant has gone into liquidation. At the end of March 2013 their accounts with the City were up to date. If the 1st April quarter bills are not paid by 21st April the City can take lease forfeiture action or it may be that the liquidator disclaims the lease ahead of 21st April. In addition to on-going charges there will be the remaining 4+ years of the porters loan (remaining capital sum approx £11,700) outstanding. The City holds a rent deposit for £9,205.00. The City have a new tenant available to take occupancy

of the premises on similar terms at a moment's notice. It is disappointing when any business with a Billingsgate address collapses as it is highly likely that there will be many debts outstanding with little chance of being recovered, giving Billingsgate adverse publicity.

20. **Billingsgate Satellite Unit (ex. John Koch).** An arbitrator has been appointed to fix the compensation amount that the City needs to pay the previous tenant. A timetable has been set by the Arbitrator which will lead to a decision soon after 14th June 2013, should the two parties not reach agreement with each other ahead of that date.
21. Regarding the letting of the satellite unit to a new tenant, draft lease terms are being agreed and there is every chance that the new letting will be completed ahead of the compensation issues above being agreed.

Smithfield

22. **Cupola Renovation.** The final cupola works to the north west corner of the West Market building is mid-way through the project and, although the cold weather has delayed operations by approximately two weeks, it has not been a major disruption to the Market operations. The Cupola Renovation Project has been a good example of a well-managed project. Lidia Blaszczynska, the Project Manager from the City Surveyor's Department, and PAYE, the contractor carrying out the repairs, have provided excellent communication with the Market's management team as well as the SMTA, which has minimised the impact on the meat traders as far as possible and kept us all fully informed of progress.
23. **Renting Vacant Premises.** The Superintendent, in conjunction with the City Surveyor, has prepared an action plan to identify current vacant space in the Poultry Market which may be offered for letting to meat traders as soon as possible. The next stage is to review the space which is at present either sealed off or used for Market operations and prepare a plan detailing how this space could be made available for letting again. This will ensure the lettable space within the entire Poultry Market is fully utilised and maximum income is generated for the City of London.
24. **Working Manual Review.** Under the terms of the new leases both parties are committed to start a review of the Working Manual by the end of June 2013 and to complete the first review by the end of August 2013. Thereafter both parties are committed to reviewing the Working Manual annually.

New Spitalfields

25. **Health & Safety** – Members may recall from the last Business Plan Up-date that the final elements of the phased implementation of the changes to the Fork Lift Truck (FLT) H&S policies/plan and pedestrian safety came into force 1st January 2013.
26. Since then, not a single incident involving unloading produce from trucks with people standing on the forks of trucks has been observed. The good work by tenants and FLT operators in keeping the pedestrian walkways clear of pallets and produce was built upon by running a pedestrian walkway awareness campaign, to ensure that the walkways are promoted to help prevent pedestrians straying into road ways. Since the 1st January 2013 implementation of the single FLT speed throughout the entire market site (previously the speed limit within the market hall was 5mph and 10mph in the surrounding roads/car park) 3,463 speed checks have been undertaken and just 4 drivers apprehended speeding with penalty points issued as a result.
27. A review of accidents in a routine Health & Safety meeting showed that an unloading area needed to be created in the Catering Supply Building (CSB) area of the market. CSB tenants were consulted on the issue including an outline design, various parking regimes were adjusted and the final design of the unloading area/traffic management plan described. The lining out on the ground is all that remains to be implemented within 2013/14, waiting for better weather for the works to be completed cost effectively.
28. Members may recall from the last Business Plan up-date that the Maintenance team were managing at staffing levels of 9, rather than 11, with the proviso that this be reviewed at the end of the fiscal year 2012/13. It has been decided to continue to trial at this staffing level for 2013/14. The impact on costs of the use of the new Building Repairs and Maintenance (BRM) contractor, changes to the operations of the City Surveyors Dept as a result, and other organisational changes, mean that it is possible that there could be an impact to our maintenance programme in the future.

SUSTAINABILITY

Smithfield

29. Removing broken pallets from the incinerated waste stream started in February 2013. This has further reduced incinerated waste tonnage by approximately 10 tonnes each month. The broken pallets are collected and taken away at a reduced rate where a saving of £40 per tonne is achieved.
30. There are also opportunities for income to be generated from recycling cardboard, but space to put a large compactor needs to be found before we can proceed with this initiative. As the Market has limited circulating space available this needs to be considered very carefully. Office waste is currently being collected and recycled which all reduces incinerated waste charges.
31. Within the new leases meat traders have signed up to a commitment to recycle waste and deposit waste in the correct bins. This will help with the waste

project immensely, not only achieving more savings but ultimately allowing us to segregate more types of waste including shrink-wrap and plastics.

32. **Power Factor.** The Head of Maintenance has run a programme to ensure that the power factor¹ of the electricity supplies to the Market buildings is as efficient as possible. Alterations to all four sides of the East and West Market buildings have been completed and the levy which was previously paid has been reduced to under £2 a month from just under £200 per month previously. This is not only a significant financial saving but makes the East and West Market buildings more energy efficient by reducing the electricity which is wasted. The next stage is to carry out this work in the Poultry Market.

New Spitalfields

33. The latest data available that has been analysed runs up until the end of February 2013 for the fiscal year 12/13. As at this date, total electricity used at New Spitalfields Market is down by 0.19% (i.e. static), tenants use is up by 1.33% and common parts use down by 6.56%.
34. By actively working with tenants and encouraging them to utilise the lower energy lighting technology used in common parts in the market hall, one tenant has signed up to the same lighting on their three stands. Covering approximately 5,300 sq.ft (i.e. a larger tenant) comparing 11/12 electricity consumption to 12/13 (to end February 2013), this showed a 19% reduction. Others will be encouraged to follow this lead using the data as a case study in future communications.
35. **Reduce landfill waste and increase recycling / value for money.** The cleaning and waste service at New Spitalfields Market contracted out to Countrystyle completed another phase of development. Active recycling has led to consistent 70% + levels over the past year or so. Effort was spent during the last six months on diversion of the remaining 25-30% or so landfill waste to other routes. Refuse derived fuel (RDF) was considered a potential cost effective option, meaning waste burnt in an incinerator as fuel. A trial was initially shaky at one location, but we can now transport waste to the Edmonton incinerator cost effectively. Adding recycling and landfill diversion (RDF) together, in the first two months of 2013 we have achieved levels of 95 and 96%.

¹ (Power Factor is a measure of how efficiently electrical power is consumed. Ideally, Power Factor would be unity (or 1). Unfortunately in the real world, Power Factor is reduced by highly inductive loads to 0.7 or less. This induction is caused by equipment such as lightly loaded electric motors, luminaire transformers and fluorescent lighting ballasts and welding. When the power factor falls below a set figure, it is considered wasteful, and the electricity supply companies charge a premium on the power being consumed)

PEOPLE MANAGEMENT

Sickness

36. At the end of the year the department's overall sickness record is 62% above the target figure. This is illustrated in appendix 1 and 2.
37. This higher than expected end of year sickness performance is due to a spike in sickness absence during the periods July to September and December to March, which is due to a relatively small number of long-term cases across all three of the markets. Each of these cases has been actively managed in accordance with the City's Sickness Absence Management Policy and, in all but one case, the individuals are now back at work.

Smithfield

38. The staff annual appraisals have highlighted that more employees would like basic computer training; however, some staff have not been confident to attend courses provided centrally until they have at least grasped the very basics. The Administration Officer is setting up training courses in-house to deliver this training at the Market. Toolbox talks have also been set up to refresh cleaners about health and safety – these will be delivered on a six-weekly basis and will cover manual handling, basic food hygiene, COSHH and risk assessing.
39. We continue to support learning to enhance career advancement, the Operations and Administration Manager is continuing with her MSc in Facilities and Environment Management which she will complete in September 2013. One of the Multi-skilled Maintenance Operatives has almost completed the ILM Certificate in First Line Management and the Administration Officer is completing an online Prince 2 Project course. All of which should be of credit to the department.

New Spitalfields

40. A female constable has been recruited within the constabulary team; this will be the first female constable at the Market and to accommodate, a few adjustments were made in the gatehouse to ensure suitable changing facilities are available.

FINANCIAL AND RISK IMPLICATIONS

41. The 1st April – 28th February 2013 monitoring position for the Department of Markets & Consumer Protection services covered by Markets Committee is provided at Appendix 3 This reveals a net underspend to date for the Department of £368k (13%) against the overall local risk budget to date of £2.8m for 2012/13.
42. Overall the Director of Markets & Consumer Protection is currently forecasting an underspend position of £134k (4%) for his City Fund and City Cash services under his control, the majority of which relates to lower than

anticipated costs for Citigen water supplies and waste collection & refuse contract charges at Smithfield Wholesale Market; and a rates refund at Billingsgate Market. He will be continuing to closely monitor all his budgets and will report further any major variances from within his overall resource base as part of the closing of accounts report in June. The table below details the summary position by Fund.

Local Risk Summary by Fund	Latest Approved Budget £'000	Forecast Outturn £'000	Variance from Budget +Deficit/(Surplus)	
			£'000	%
City Fund	48	46	(2)	(4%)
City Cash	3,310	3,178	(132)	(4%)
Total Markets Committee Local Risk	3,358	3,224	(134)	(4%)

The reasons for the significant budget variations are detailed in Appendix 1, which sets out a detailed financial analysis of each individual Market within the Department of Markets & Consumer Protection.

Risk Implications

43. Key risks from the markets risk register are shown in Appendix 4.

Annual assurance statement for data quality

By: David A H McG Smith CBE, Director of Markets and Consumer Protection

44. For the financial year 2012-2013 I give assurance to Members that my department complies with the corporate Data Quality Policy and Protocol in producing its service and performance data. I confirm that my department has effective systems and procedures in place that produce relevant and reliable information to support management decision-making and to manage performance.

Contact:

Donald.perry@cityoflondon.gov.uk

T: 020 7332 3221

Billingsgate Market

Superintendent – Malcolm Macleod

T: 020 7332 3067

E: Malcolm.macleod@cityoflondon.gov.uk

Smithfield Market

Superintendent – Robert Wilson

T: 020 7332 3747

E: Robert.wilson@cityoflondon.gov.uk

New Spitalfields Market

Superintendent – Nigel Shepherd

T: 020 8518 7670

E: nigel.shepherd@cityoflondon.gov.uk

Appendices

Appendix 1 - Market Department Sickness statistics

Appendix 2 Market Department Sickness statistics chart

Appendix 3 – Local Risk Revenue Budget 1st April – 28th February 2013

Appendix 4 –Market Departments Risk Register

Appendix 5 – Smithfield tonnage

Appendix 6 – Billingsgate tonnage

MATTERS OF GENERAL INTEREST TO THE COMMITTEE

BILLINGSGATE MARKET

Filming/photography

January

Friday 25 – The One Show- filming interviews with tenants for a show featuring comedian Micky Flanagan. Fee £100 + VAT

9 visits for student/non-commercial photography also took place in the month of January

February

Tuesday 19 - Kent and Essex Inshore Fisheries and Conservation Authority- photography for fish identification website – no fee

10 visits for student/non-commercial photography took place in the month of February

March

Throughout March – Caters News Agency photographer, photographing seal at Billingsgate – no fee

Friday 15 – Spanish TV Channel- ‘Cuatro’ filming for programme ‘Conixion Samata’ with merchant Thomas Wicker – no fee

Thursday 28 –Savoy Hotel – filming with Merchant Chamberlain & Thelwell – no fee

Friday 29 – BBC Breakfast – filming item on Common Fisheries Policy – no fee

8 visits for student/ non-commercial photography also took place in the month of March

NEW SPITALFIELDS MARKET

Visitors

February

Monday 11 - group from Costco USA and International Fresh Produce Suppliers as part of their global tour visited the market, this visit was arranged by one of the market tenants, Mr Peter Turone of Fresh Salad Box Ltd and Costco UK

March

Monday 4 - group of student and chaperones from North Carolina State University including Dr. Barbara Kirby, a Director from their Agricultural Institute

April

Thursday 11 - group of growers from Pakistan on a European Fruit Market Tour

Friday 12 - group from New Covent Garden Market Authority which included Jan Lloyd the Chief Executive, Pam Alexander OBE, the new Chair and John Wilson a Member of the Board

SMITHFIELD MARKET

January

Wednesday 9 - student photography Petro Pravettoni

Thursday 17 - student photography Julian Hawkins

February

Friday 1 - student photography Ian Ryder

Friday 15 - filming Stephen Douglas – Sky News (interview with Greg Lawrence)

Thursday 21 - student photography Rebekah East

March

Wednesday 6 - photography Jonathan Cowley –Difforsguide.com

Wednesday 13 - photography Rick Foulsham – Kevil & Kevil website

Thursday 14 - photography Oli Scarff – Getty Images

Friday 15 - student photography Wing-Shun-Tang

April

Thursday 4 - photography Christian Koch – Metropolitan Magazine (Eurostar)

Monday 8 - student photography Jerome Timothy

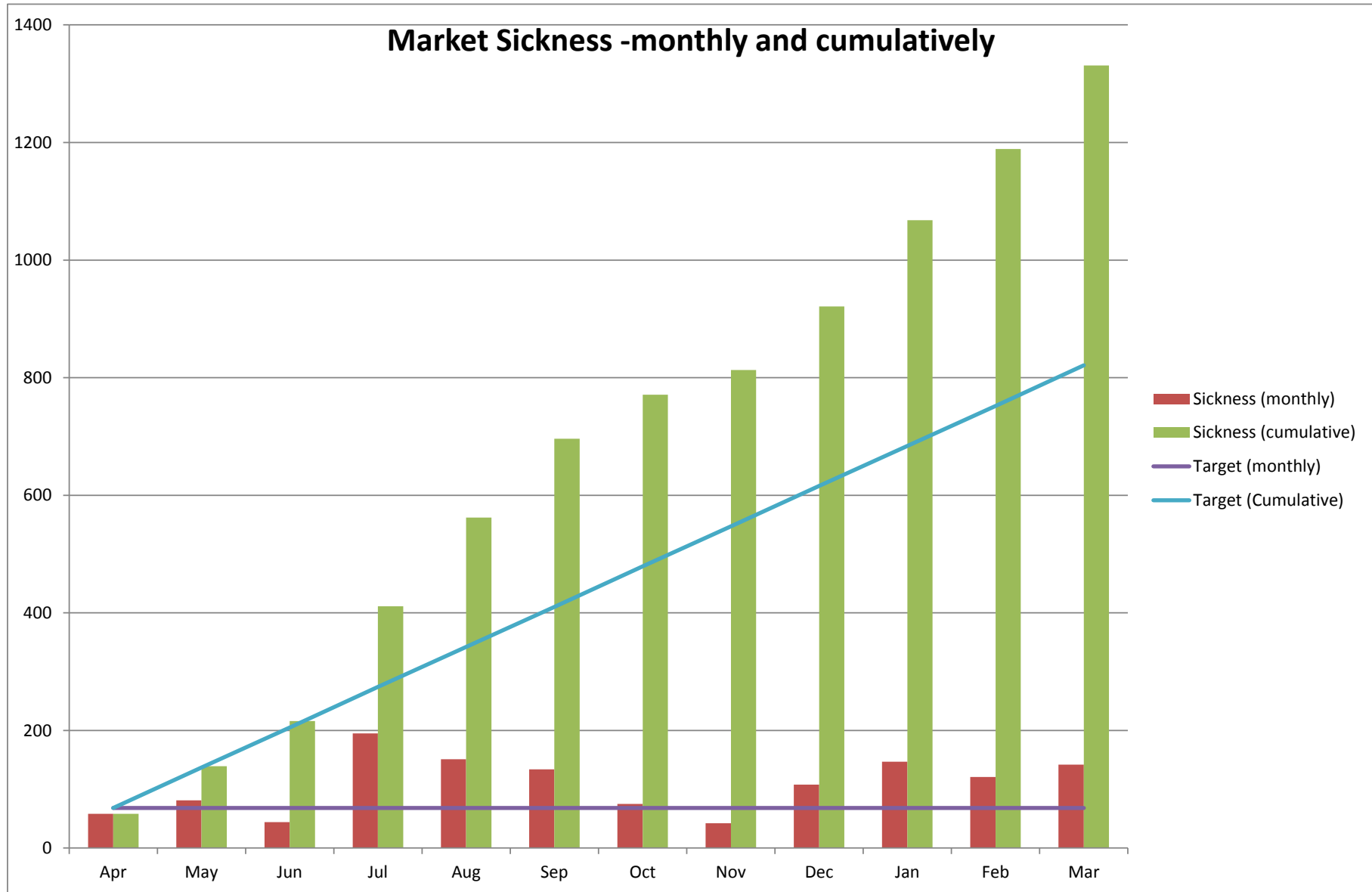
Tuesday 9 - student photography Mel Hussein

Appendix 1

MARKET SICKNESS 2012/13

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Total Staff Strength	117	117	117	117	117	117	117	117	117	117	117	117
Total Sickness	58	81	44	195	151	134	75	42	108	147	121	142
No of persons that make up sickness	13	19	18	22	25	25	18	19	17	29	25	15
Over 20 days	0	1	1	3	2	0	0	0	1	1	0	2
Sickness (monthly)	58	81	44	195	151	134	75	42	108	147	121	142
Sickness (cumulative)	58	139	216	411	562	696	771	813	921	1068	1189	1331
Target (monthly)	68	68	68	68	68	68	68	68	68	68	68	68
Target (Cumulative)	68	137	205	274	342	410	479	547	616	684	752	821

Appendix 2



Appendix 3

Department of Markets & Consumer Protection Local Risk Revenue Budget - 1st April to 28th February 2013								
(income and favourable variances are shown in brackets)								
	Latest Approved Budget 2012/13 £'000	Budget to Date Net Expenditure £'000	Actual to Date Net Expenditure £'000	Variance to Date +Deficit / (Surplus) £'000	Projected Outturn +Deficit / (Surplus) £'000	Variance from Latest Approved Budget 2012/13		Note
						£'000	%	
Markets (City Cash)								
Directorate	417	382	371	(11)	407	(10)	-2%	
Billingsgate - Corporate Account	164	150	58	(92)	80	(84)	-51%	1
Billingsgate - Service Charge	0	(130)	(106)	24	0	0	0%	
Billingsgate - Repainting and Special Works	0	96	99	3	0	0	0%	
Smithfield - Wholesale Market	2,835	2,613	2,430	(183)	2,720	(115)	-4%	2
Smithfield - Other (Including Car Park)	(106)	(92)	(9)	83	(29)	77	73%	3
	3,310	3,019	2,843	(176)	3,178	(132)	-4%	
Markets (City Fund)								
Spitalfields - Corporate Account	23	21	18	(3)	21	(2)	-9%	
Spitalfields - Service Charge	25	(271)	(460)	(189)	25	0	0%	4
Spitalfields - Repair and Repainting	0	48	48	0	0	0	0%	
	48	(202)	(394)	(192)	46	(2)	-4%	
TOTAL MARKETS COMMITTEE LOCAL RISK	3,358	2,817	2,449	(368)	3,224	(134)	-4%	
Notes:								
1. Billingsgate Corporate Account - the favourable variance to date and projected year end underspend is mainly due to a rates refund.								
2. Smithfield Wholesale Market - the favourable variance to date and projected year end underspend is mainly due to lower than anticipated costs for Citigen Water Supplies and the waste collection & refuse contract charges, due mainly to reduced pricing.								
3. Smithfield Other - the projected year end overspend is mainly due to lower than anticipated car park income and additional energy costs for the market.								
4. Spitalfields Service Charge - the favourable variance to date is mainly due to underspends on salary costs due to vacancies in the Constabulary and Maintenance sections and additional energy costs recovered from Traders. These underspends will be offset at year end by a reduction in the required service charge required from Traders.								

Appendix 4

Markets Key Risks

The table below shows a selection of our key risks which form part of our Departmental Risk Register.

Risk No.	Risk Direction	Risk Details	Risk Owner/ Lead Officer	Existing Controls	Likelihood	Impact	Status	Further Action
MKT1	↔	Closure of a Market as a result of not retaining approval under Food Hygiene Regulations.	Director of Markets/ Superintendents	Ensuring that standards are maintained for common parts and maintaining a dialogue with tenants such that each of the food services operators retain their approval.	Unlikely	Major	A	No further action at present.
MKT2	↔	Closure of building, or safety incident, at market due to underfunded maintenance.	Director of Markets/ Superintendents	Developing robust financial systems, improving property management and financial administration at each market. To identify and report the main areas of maintenance cost within each market, with proposals for achieving better value for money. Actively engage with Property Services Department in identifying areas where structural maintenance has been historically under-funded and seeking funding to effect repairs.	Unlikely	Major	A	No further action at present.
MKT3	↔	Risk of spread of infectious disease from cooling systems.	Director of Markets/ Superintendents	City Surveyors Department has completed a review of risk assessments and control measures and manages the contract for on-going monitoring of the cooling towers at Smithfield. Each market has arrangements in place to manage the risk from domestic hot and cold water systems	Unlikely	Major	A	No further action at present.

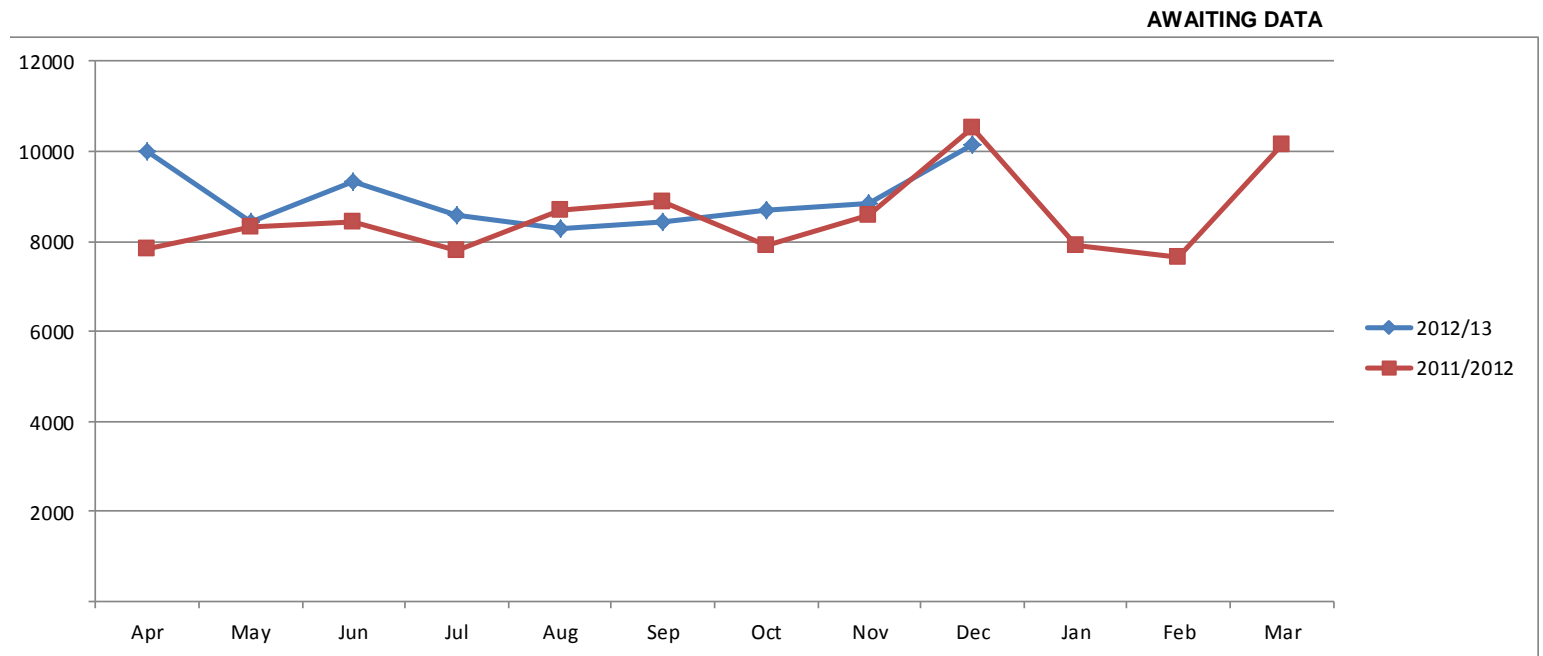
MKT6	↔	Cost of Regulation becoming too great for tenants to bear.	Director of Markets/ Superintendents	Department of M&CP implementing cost saving measures to reduce tenants' costs, including energy & water efficiency, water harvesting and recycling waste. Continue to develop income generation activities and to raise the profile of the Markets.	Possible	Major	A	No further action at present.
------	---	--	---	---	----------	-------	---	-------------------------------

Appendix 5

Operational Information - 2012/2013

Smithfield - Tonnage of Throughput

	QTR 1			QTR 2			QTR 3			QTR 4			Year to Date
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
2012/13	9985	8446	9339	8562	8281	8450	8685	8832	10155				80735



2011/2012	7836	8321	8432	7800	8677	8886	7895	8588	10526	7897	7659	10137	102654
2010/2011	5463	5675	7846	9229	7488	8745	8189	7193	7256	7571	7765	10316	92736
2009/2010	7442	6547	6731	7840	7670	9640	8202	7060	6798	6102	7358	9018	90408
2008/2009	9137	10479	8255	10193	8082	8991	11074	7375	6742	7300	7836	5582	101046

Appendix 6

Operational Information - 2012/2013

Billingsgate - Tonnage of Throughput

	QTR 1			QTR 2			QTR 3			QTR 4			Year to Date
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
2012/13	1503	1877	1612	1743	1649	1763	1712	1585	1666	1489	1501	Awaiting data	18100

The chart displays monthly tonnage of throughput for two periods: 2012/2013 (blue line with diamond markers) and 2011/2012 (red line with square markers). The x-axis represents months from April to March. The y-axis represents tonnage, ranging from 0 to 2500. The 2012/2013 data shows a peak in May (1877) and a low in February (1501). The 2011/2012 data shows a peak in July (1916) and a low in February (1458). The 2012/2013 data for March is 'Awaiting data'.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Year to Date
2012/2013	1503	1877	1612	1743	1649	1763	1712	1585	1666	1489	1501		18100
2011/2012	1694	1645	1843	1916	1646	1667	1561	1701	1605	1480	1458	1755	19971
2010/2011	1756	1663	1715	1942	1528	1914	1695	1715	1510	1397	1498	1649	19982
2009/2010	1620	1625	1889	2033	1838	1932	2104	1694	1967	1480	1617	1995	21794
2008/2009	1869	1865	1701	1911	1710	1795	1869	1759	1882	1314	1404	1487	20566