

Committee(s):	Dated:
Policy & Resources Committee – For Information Court of Common Council – For Information	13/02/2025 06/03/2025
Subject: Markets Food Study	
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1-2, 4-5, 9-10-11-12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Michael Cogher – SRO and Comptroller & City Solicitor, Deputy Chief Executive	For Discussion
Report author: Theresa Grant, Independent Advisor	

Summary

Artefact were commissioned by the City of London Corporation (CoL) to provide an independent and research-led assessment of the role and significance of Smithfield and Billingsgate wholesale food markets, taking into account the decision to close the existing market sites and support traders in relocating in 2028/2029. In this context, their report evaluates the markets’ current functions, considers the implications of site closures for traders and their supply chains, and situates these changes within the broader transition affecting London’s food markets. Their analysis benefitted from extensive stakeholder engagement, including collaboration with the Smithfield Market Tenants’ Association (SMTA) and the London Fish Merchants Association (LFMA), as well as their supply chains and customer bases.

The study outlines the importance of the markets but concludes that concerns over food security due to closure of the present physical Smithfield and Billingsgate sites are largely overstated. The relocation of a critical mass of traders in 2028/2029 provides an opportunity to upgrade their facilities, improve operational efficiencies, and enhance supply chain adaptability, thereby further mitigating any perceived food security risk. Furthermore, for external, non-household consumption, the presence of alternative wholesalers insulates supply chains and helps to facilitate continued supply to caterers, restaurants, and other foodservice operators.

Recommendations

Members are asked to:

- **NOTE: The contents of this report and the Markets Food Study at Appendix A.**

Main Report

Background

1. On 11 July 2024 Members approved independent research into the importance of the Corporation's wholesale food markets to London and the Southeast.
2. A brief was shared with seven consultancy firms to find a partner with the required analytical skills and food supply chain knowledge. Following this competitive process, Artefact were appointed. Artefact is a global data & AI consultancy specialising in data-driven research, strategic analysis, and stakeholder engagement across a wide range of industries. With 1,500 employees in 28 offices across 23 countries, Artefact operates at scale, delivering data-driven insights that inform decision-making for both public and private sector clients. Artefact brings extensive experience in analysing complex market dynamics and supporting large-scale transitions. Their approach ensures a comprehensive and objective analysis, grounded in robust research and stakeholder insights.
3. Artefact's desktop research was largely completed over the summer of 2024 however the interview section of the research was not started until October 2024 as they required access to the traders directly and the trader's supply chains and customers. The Policy & Resources Committee was updated on 7 November 2024 that this work would continue and conclude in the New Year (2025).
4. Now that this work has completed, this report updates Members on the main outcomes of the Food Study which is located at Appendix A.

Food Study Summary

5. Artefact's work has been informed by extensive stakeholder engagement, including collaboration with the SMTA and the LFMA. Both organisations facilitated access to Market traders, who provided insights into their operations, the anticipated challenges of relocation, and their strategies for navigating the transition. Traders also supported engagement with their supply chains, enabling Artefact to gather perspectives from key customers and suppliers.
6. The research situates findings within a broader analysis of food supply patterns in the UK, and highlights trends such as the steady decline in per capita meat and fish consumption over the past two decades, with reductions of 20% and 25% respectively.
7. The joint statements with the SMTA and LFMA have indicated a collective commitment among their members to continue trading, with 70% of Smithfield traders (and 100% of trade) and 90% of Billingsgate traders continuing to trade following a move from their current sites.
8. Customer and supplier feedback reveals minimal concern regarding potential disruptions to the food supply chain due to relocation. Digital ordering platforms and increased means of remote ordering, such as phone calls, emails, and online trading platforms, along with an increasing ability of traders to handle

outbound logistics independently with their own delivery, means that their operations are no longer tied to physical market locations, which reduces the impact of relocation on customers.

9. Although there is some nervousness in the wider supply chain, the study indicates that concerns over food security due to closure of the present physical Smithfield and Billingsgate sites are largely overstated. For external consumption, the presence of alternative wholesalers ensures continued supply to caterers, restaurants, and other foodservice operators. It should also be noted that the majority of UK meat and fish consumption flows through supermarket channels that operate independently of Smithfield and Billingsgate.
10. The relocation of traders in 2028/2029 provides an opportunity to upgrade their facilities, improve operational efficiencies, and enhance supply chain adaptability, thereby further mitigating any perceived food security risk.
11. CoL is actively supporting traders in their search for alternative premises in which to continue trading and expand/modernise their businesses. This includes land searches across various London Boroughs as well as brokering collaborations with third party developers. Options include traders moving into established premises (which would require modification) through to purchasing new land and constructing bespoke buildings. Subject to further Member approval, it is the intention to appoint dedicated CoL resource (managed from City Surveyors) to support traders through to a conclusion which allows for a smooth transition to new locations with minimal to no impact on the supply chain. This resource will also continue to assess any impact of the changes on independent businesses, supply chains, and the broader food ecosystem as the programme progresses.

Private Bill Update

12. The bill was deposited on 27 November. The bill is now proceeding through its stages in the House of Commons, its first house. Second Reading took place on 30 January. The next stage is Committee Stage which is yet to be scheduled.

Conclusion

13. The Food Study provides credible data that further supports CoLC's decision. It also concludes that traders are positive about the moves in 2028/2029 as it provides them with the opportunity to upgrade their facilities, improve operational efficiencies, and enhance supply chain adaptability, thereby further mitigating any perceived food security risk.

Appendices

- **Appendix A – Markets Food Report**

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