

## 2013-2014 Progress against Markets Business Plan

This Report aims to bring Members up to date on progress in achieving the objectives set out in the annual Business Plan for the 1st period in 2013/14 (April– July inclusive).

		Target	Period 1 (April – July)	
KPI 1	Achieve 90% occupancy of all lettable space at Billingsgate and New Spitalfields Markets.	90%	Billingsgate	95%
			(excluding Satellite Unit)	
			New Spitalfields	99.7%
KPI 2	85% of debts to be settled within 60 days. <sup>1</sup>	85%	Billingsgate	94%
			Smithfield	98%
			New Spitalfields <sup>2</sup>	100%
KPI 3	Divert 90% of waste from landfill at the Markets.	90%	Billingsgate	100%
			Smithfield	100%
			New Spitalfields	95.6% <sup>3</sup>
KPI 4	All reports to be completed within 3 days following the notification of an incident.	100%	Billingsgate	57.1%
			Smithfield	100%
			New Spitalfields	100%

### Notes on KPIs

KPI 1 – expressed as a percentage of total space at each market by area (m<sup>2</sup> or ft<sup>2</sup>) occupied over the reporting period.

KPI 2 – expressed as the percentage of total debt outstanding that is settled within 60 days.

KPI 3 – expressed as a percentage of total waste from each market by weight that is diverted from landfill.

KPI 4 - when City of London staff are first notified of an accident, this must be reported to the City's Health & Safety Incident Helpline at the earliest opportunity and, in any case, must also be reported to the M&CP Safety Manager not more than three days after first notification. This indicator expresses the percentage of accident reports that have met these criteria.

<sup>1</sup> Source – Chamberlain's Debt Report

<sup>2</sup> Figure excludes debt recorded on System 2000

<sup>3</sup> April, May & June waste data

<p>1</p>	<p><b>Customer and Stakeholder Focus.</b>  <i>To maintain a strong positive relationship with the tenants and other stakeholders by providing good customer service, capturing business development opportunities, and promoting the markets externally.</i></p>	
	<p>Promote the markets.</p>	<p><b>April – July 2013 progress update</b></p> <ul style="list-style-type: none"> <li>The Director of Markets and Consumer Protection attended the annual WUWM conference that was held in Helsinki. The Superintendent at New Spitalfields Market and the Director of Markets and Consumer Protection attended the NABMA Wholesale Forum (chaired by the Director) that was held in Bradford this year.</li> </ul> <p><i>Billingsgate</i></p> <ul style="list-style-type: none"> <li>The London Fish Merchants Association (LFMA) at Billingsgate has a website in development which should be fully complete before the end of August 2013; the LFMA has been actively encouraged by CoL and Fishmongers Company staff to put such a website in place.</li> </ul> <p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>The Superintendent and City Surveyor’s Client Services Manager have shown the Chairman and Deputy Chairman of the SMTA, together with a number of interested traders, around the vacant space in the Poultry Market. A number of tenants have expressed an interest in taking various units, and the next step is to prepare “marketing particulars” for issue to confirm the principle terms under which the City would consider letting the vacant units.</li> </ul> <p><i>New Spitalfields</i></p> <ul style="list-style-type: none"> <li>The Superintendent met with representatives from ‘Popadeli’, a company whose aim is to encourage healthy eating among children by creating a website aimed specifically at 4-8 year olds. The SpMTA and the Fruiterers Livery Company are supporting the project and a launch event of ‘Popadeli’ website will be held at the market on 18 September. Attendees will include 30 children. Children from local schools were invited to design a picture for the website: the competition has been judged and the winner will be awarded a prize at the launch. A video of the launch will be produced and included on the website.</li> </ul>

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	<p><b>April – July 2013 progress update</b></p> <p><i>Billingsgate</i></p> <ul style="list-style-type: none"> <li>• Discussions are mostly informal but for key issues, such as the Roof Renewal project, a formal project board exists which includes tenant and Fishmongers Company representatives.</li> </ul> <p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>• In accordance with the terms of the new leases, the Superintendent is undertaking twice weekly early morning “walk-rounds” of the Market with the Chairman of the SMTA to monitor compliance with the Commitments.</li> <li>• Since the leases were signed, there has been a marked improvement in the removal of litter and general waste from common part areas of the Market and greater use of recycling cages and refuse bins. This has helped to improve the material state and visual appearance of the Market. There has also been a reduction in the level of obstructions within the Buyers Walks, pavements and public highways around the perimeter of the Market buildings. However, despite several verbal warnings from the Superintendent, a formal meeting has had to be held with the Managing Director of one company and a subsequent warning letter issued requiring full compliance with their lease terms. Daily monitoring of all common part areas continues.</li> </ul> <p><i>New Spitalfields</i></p> <ul style="list-style-type: none"> <li>• The Market has received visits by delegations representing both local and national government from countries including Kenya, Tanzania, Pakistan and Brazil (details of these visits are given in Appendix B). Such visits help to maintain the market’s profile and increase the throughput of trade.</li> <li>• The Superintendent continues to meet regularly with the CEO of the SpMTA to discuss matters of concern and keep one another updated on ongoing projects and initiatives. During this period there have been specific discussions over fire safety and tenants’ stand inspections.</li> </ul>

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	<p>Ensure that the Crossrail project does not prejudice the continued uninterrupted, safe, effective, and hygienic operations at Billingsgate and Smithfield.</p>	<p><b>April – July 2013 progress update</b></p> <p><i>Billingsgate</i></p> <ul style="list-style-type: none"> <li>• There have been no real problems at Billingsgate during the Crossrail construction. There has been some damage to yard drains caused by heavy goods vehicle traffic movements into the Billingsgate “blue land” compound but Canary Wharf Contractors have readily assumed responsibility and attended to the repairs.</li> </ul> <p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>• The main contract works on construction of the Eastern Ticket Hall to the east of Lindsey Street are now in full progress 24 hours a day, 7 days a week, and the main contractor is utilising part of the lower level of the Rotunda car park. The one area of concern is Crossrail’s sewer and water mains works which have closed northerly traffic along St Johns Street and trenches have been dug at either end of Grand Avenue. This work has caused no disruption to the Market.</li> </ul>

2	<p><b>Operations and Finance.</b>  <b><i>Ensure safety and security of tenants and property, optimise efforts when carrying out operations and ensure the markets are financially viable to the City while minimising costs for the tenants.</i></b></p>	<p><b>April – July 2013 progress update</b></p>
	<p>Better Management of business risks and improved contingency plans.</p>	<p><i>Billingsgate</i></p> <ul style="list-style-type: none"> <li>• Billingsgate’s Head of Security recently attended a police organised terror alert workshop; Canary Wharf being an obvious high profile terror target. Although there is an annual review of business risks it is an area that needs much greater attention going forward. To this end, a wider pool of representatives from the site, not just CoL staff, will be included in this process in future.</li> </ul> <p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>• The Market’s management team is currently reviewing all business risks in order to produce a comprehensive local Risk Register in line with CoL policy.</li> </ul> <p><i>New Spitalfields</i></p> <ul style="list-style-type: none"> <li>• In conjunction with the SpMTA, the management are exploring the possibility of creating local rules and an agreement that will help address several recurring issues with the operation of tenants’ stands. Examples include fire extinguishers, fire detection system, alarms, smoking within the market building, and charging of electric fork lift trucks.</li> </ul>
	<p>Continue with the improvement of the markets’ health and safety performance and accident reductions.</p>	<p><i>Billingsgate</i></p> <ul style="list-style-type: none"> <li>• The Billingsgate site Health &amp; Safety Committee meets quarterly. The fish porters’ representative withdrew from the Committee sometime ahead of the conclusion of the porters issue and since then the shop floor has been under-represented; two new shop floor representatives are now to join the Committee.</li> </ul> <p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>• During the 1st period there was one accident reported at the Market.</li> </ul> <p><i>New Spitalfields</i></p> <ul style="list-style-type: none"> <li>• The public address system is being used to regularly remind tenants of their obligations in regard to health and safety risks, and to address specific health and safety matters. It is also being used to make ad hoc announcements about dangerously parked vehicles, dumping of waste, and lost property.</li> </ul>

2	<b>Operations and Finance.</b> <i>Ensure safety and security of tenants and property, optimise efforts when carrying out operations and ensure the markets are financially viable to the City while minimising costs for the tenants.</i>	<b>April – July 2013 progress update</b>
		<ul style="list-style-type: none"> <li>• The risk of slips and falls has been highlighted at the cleaning contractor’s monthly review meetings. The introduction of a check sheet and documentation to be signed off in the event of any claims will tighten up management controls.</li> </ul>
	Work more efficiently and achieve greater value for money.	<p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>• The Operations and Administration Manager has recently completed a draft strategic review of waste management at the Market which has been sent to the SMTA and Cleansing department for comment. The main aim is to work more collaboratively in order to obtain greater efficiencies and cost savings. Initial meetings of the following groups have been held with the SMTA:             <ul style="list-style-type: none"> <li>○ Joint Specifications Committee (JSC) in order to draw up an agreed specification for future security services;</li> <li>○ Joint Review Group (JRG) to consider service charge budgets in order to drive down service charge costs.</li> </ul> </li> </ul> <p><i>New Spitalfields</i></p> <ul style="list-style-type: none"> <li>• The Superintendent has just completed a round of negotiations with the Waste and Cleaning contractor, Countrystyle, to provide for a profit sharing mechanism for the recycled commodities of pallets and cardboard. This has resulted in a payback of £29,954 credited to the service charge account.</li> </ul>
	Generate more income.	<p><i>Billingsgate</i></p> <ul style="list-style-type: none"> <li>• Commercial Car Parking and Advertising Hoardings are the main sources of additional income.</li> <li>• The contract for the advertising hoardings is being renegotiated with the possibility of an enhancement to one of the hoardings, subject to planning permission from Tower Hamlets. If this permission is granted, there is potential for an increase in revenue of some £100k per annum.</li> <li>• The Mirror Group, with minimum notice, reduced their car parking requirements from £75.8k to £34.5k per annum from the start of April 2013: a reduction of £41.3k per annum. Forecasted 2013/14 overall car parking income is currently</li> </ul>

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		<p>£29k lower than budget at £252k (the budget was set before news of the Mirror Group reduction was known). There would appear to be a surplus of car parking capacity at Canary Wharf with the main competitor to Billingsgate, the Hertsmere Road multi-storey car park, currently having quarterly and annual permits on offer at marginally lower rates than Billingsgate.</p> <ul style="list-style-type: none"> <li>• In addition to quarterly/annual permit holders, a minority of car park users continue to pay to park on a daily basis. Every effort is being made to maximise the income that Billingsgate generates from car parking.</li> </ul> <p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>• The management team are looking at opportunities for letting vacant space in the Poultry Market. They are also considering running a marketing campaign to increase usage of the Rotunda car park by both casual users and season ticket holders.</li> </ul> <p><i>New Spitalfields</i></p> <ul style="list-style-type: none"> <li>• The 1st Quarter finance review meeting with the SMTA will be an opportunity to consult on several ideas currently at the initiation stage:             <ul style="list-style-type: none"> <li>○ Increasing charges for waste dumping;</li> <li>○ Increasing charges for waste self-surrender (by tenants);</li> <li>○ Installation of more water meters for CSB units;</li> <li>○ Installation of barriers at the entrance to the Market and nominal charging.</li> </ul> </li> </ul> <p>Noting that all the additional income in these areas will benefit the Service Charge.</p>
	<p>Investigate options for dealing with continuing breaches of local enforcement policies. Byelaw working party to continue to review the best options for enforcement.</p>	<ul style="list-style-type: none"> <li>• The Markets Byelaws Working Party’s final report recommending that no new byelaws should be introduced at present but that the position should be kept under review was approved at May’s Committee. The Working Party has not met during the current period (April-July).</li> </ul>

<p>3</p>	<p><b>Sustainability and Site Optimisation.</b>  <i>To provide well-maintained markets, fit for purpose, within budget and demonstrate environmental responsibility in the way we manage waste and use resources while being financially viable.</i></p>
	<p><b>April – July 2013 progress update</b></p>
<p>In line with the Corporation’s objectives, and in consultation with the Energy Management Team, reduce energy consumption in line with the City’s Carbon Descent Plan (CDP), in areas which are under the control of CoL.</p>	<p><i>Billingsgate</i></p> <ul style="list-style-type: none"> <li>• A significant proportion of Billingsgate energy use is billed directly to tenants. Although energy road shows have been run for tenants there has been a poor take up, so Billingsgate staff target the energy usage that is directly under CoL control: the non-charged energy, common refrigeration usage, external lights, and recycling machinery. Electricity is the big item and early indications in 2013/14 are that electricity use is much higher when compared with the same period in the previous year. April and May monthly electricity consumption figures are almost identical to the previous year; however in June and particularly July there is a sharp increase in units used (7% in June and 12% in July). This is primarily due to the need to keep the fish handling areas of the North and East Canopy refrigerated in extremely warm weather.</li> </ul> <p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>• A programme of replacing 90 external floodlights and 26 high level fittings in Grand Avenue with lower wattage LED fittings has recently commenced. In addition, high wattage fluorescent tubes are being replaced with lower wattage LED fittings in East and West Market service corridors.</li> </ul> <p><i>New Spitalfields Market</i></p> <ul style="list-style-type: none"> <li>• Market staff and the City’s Energy Manager are working with a provider of photovoltaic (PV) cells to investigate the option of installing a large array of cells on the market hall roof. This project will not, however, advance to the next stage until the outcome of the recent energy survey carried out by AECOM consultants is known. Funding for this project might also be difficult if the payback period doesn’t meet City of London capital investment requirements.</li> <li>• Routine replacement of water heating systems is due by way of planned preventative maintenance at predicted end of lifetime. This will result in a reduction of stored hot water capacity, which will save money without impacting on performance.</li> <li>• As tenants’ meters fail they are being replaced with “smart ready” meters which</li> </ul>

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		will enable energy consumption at the Market to be more accurately split between tenants' usage and common parts usage.
	Reduce Landfill waste and increase recycling.	<p><i>Billingsgate</i></p> <ul style="list-style-type: none"> <li>• No Billingsgate waste is sent to landfill.</li> </ul> <p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>• The amount of wood and cardboard recycled over the period has remained fairly static at 24.24% and 14.95% respectively, with proposals in the Strategic Waste Review to significantly increase these levels.</li> </ul> <p><i>New Spitalfields Market</i></p> <ul style="list-style-type: none"> <li>• During the period April – June recycling reached 80% for the first time, with the monthly series being 72%, 79% and 80%. Adding in refuse derived fuel (RDF) the total diverted from landfill was consistently in the range 95-96% for the last quarter.</li> </ul>
	HGV Vehicle Management.	<p><i>New Spitalfields Market</i></p> <ul style="list-style-type: none"> <li>• A campaign was run in May focusing on safe HGV movement around the site. A specific aim was to ensure that curtain sided trucks do not move around the site with the curtains unsecured, in order to avoid cargo falling from the vehicles.</li> <li>• New signage has been approved and ordered, and additional line painting requirements agreed, to delineate an unloading area near the Catering Supply Buildings.</li> </ul>
	Improve the material state of the markets.	<p><i>Billingsgate</i></p> <ul style="list-style-type: none"> <li>• In consultation with the London Fish Merchants Association, an additional cleaner has been employed with the aim of having a more regular deep cleaning regime in place at the Market. However, there continues to be a large difference between the resources that are required and what is affordable. Given that these are times of austerity and having already increased the service charge by 3.5%</li> </ul>

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	<p><b>April – July 2013 progress update</b></p>	
		<p>there is limited scope to add further resources at present.</p> <p><i>Smithfield</i></p> <ul style="list-style-type: none"> <li>• The Management Team is looking at opportunities to let vacant space in the Poultry Market. This would create active, open shop fronts rather than the current dull chequer plate elevations.</li> </ul> <p><i>New Spitalfields Market</i></p> <ul style="list-style-type: none"> <li>• Roads will be resurfaced over the August Bank Holiday weekend.</li> <li>• Relevant members of staff have been trained in manhole surround repair to create better finishes. This is a more cost effective use of resources than using an external contractor.</li> <li>• A trial of IP (internet protocol) CCTV cameras has been conducted to illustrate the quality of image available. This is the first part of a project to upgrade the Market’s CCTV system.</li> </ul>

4	<b>People and Innovation.</b> <i>To improve the quality of leadership and management throughout the department and ensure that all staff have a chance to maximise their potential and job satisfaction.</i>	
		<b>April – July 2013</b>
	Continue to manage sickness absence.	<ul style="list-style-type: none"> <li>At the end of the 1st period, the department’s overall sickness absence level is 3% above the target figure. This is illustrated in Appendix E.</li> </ul>
	Continue to use the internal communication channels and investigate using social media to externally promote activities within the markets.	<i>Billingsgate</i> <ul style="list-style-type: none"> <li>As well as the use of the City website, the imminent availability of a London Fish Merchants website will be an additional forum for the City to advertise commercial car parking and promote other activities. Some Billingsgate tenants and customers are using Twitter and that could prove to be a useful tool for the CoL at Billingsgate in the future: there does seem to be a considerable amount of Twitter chatter about Billingsgate. There are also a number of videos about Billingsgate on YouTube, including a recent video which shows a day in the life of Billingsgate Fish Market (<a href="http://www.youtube.com/watch?v=nw_kf32GfHY">http://www.youtube.com/watch?v=nw_kf32GfHY</a>) and has been viewed many times.</li> </ul>

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