



Appendix A: Markets Business Plan 2014-2017

Contents

Section	Page No
Key Achievements 2013-2014	3
Key Performance Indicators 2014-2015	4
Key Objectives 2014-2015	4
Detailed Objectives 2014-2015	5
Markets Management Structure	10
Financial Summary	11

Key Achievements 2013-2014

Billingsgate Market

- Gained approval for the works to replace the flat roof at Billingsgate Market. Work is scheduled to commence in March 2014 at a total cost of approx. £900,000; up to 50% of the cost is being funded by a grant from the European Fisheries Fund. It is estimated that the works will take 28 weeks to complete.
- Improved the safety of unloading of incoming fish supply vehicles by fork lift trucks with the introduction of a cordoned-off unloading area next to the East Canopy building.
- The satellite unit building is now being let.
- Enabled payment by mobile phone for parking customers.

Smithfield Market

- Implemented energy saving measures in common part areas of Smithfield Market. Measures included the replacement of 90 floodlight fittings around the exterior of the market buildings; 26 high level fittings in Grand Avenue; and, fluorescent tubes in East and West Market service corridors all being replaced with lower wattage LED fittings.
- Set up a Joint Specification Committee, under the terms of the new meat traders' leases, involving representatives from market management and Smithfield Market Tenants' Association to look at service provisions at the market. A Joint Review Group comprising similar representation was also formed to monitor service charge budgets and expenditure.
- Retained the full approval of The Food Standards Agency (FSA) for the common part areas of Smithfield Market, to the extent that improvements have resulted in the frequency of audits being reduced from 3 to 8 months.

New Spitalfields Market

- Achieved a 3% reduction in service charge costs for 2013-2014 as compared with the previous year.
- Reviewed the HGV unloading area at New Spitalfields Market and created a dedicated loading area and one-way system for HGV movements around the Catering Supply Building area.
- Received high profile visits from heads of states, including the Prime Minister of the United Republic of Tanzania and State Governors from Kenya.
- Worked in partnership with our waste and cleaning contractor, Countrystyle, at New Spitalfields Market to provide a profit sharing mechanism for the recycled commodities of pallets and cardboard resulting in payback of £38,554 to the service charge account.
- Achieved record levels of recycling as a result of effective waste management: in October, the highest ever tonnage of recycled materials; in July, the highest ever tonnage of waste sent to refuse derived fuel (RDF); and in June, the combined percentage of waste being recycled and waste sent to RDF was the highest on record.

Key Performance Indicators 2014-2015

Progress against these five key indicators will be reported to the Markets Committee on a four monthly basis throughout the year.

MKPI 1 Achieve an overall sickness level of no more than 7 days per person by 31 March 2015, and a total of no more than 868 days across all markets¹ .

MKPI 2 90% of debts to be settled within 60 days and 100% of debts settled within 120 days.

MKPI 3 Divert 90% of waste from landfill.

MKPI 4 Achieve 95% occupancy of all lettable space at Billingsgate, Smithfield and New Spitalfields Markets.

MKPI 5 Improve the standard of accident reports, ensuring all information and evidence is gathered thoroughly and documented. All reports to be completed within 3 days following the reporting of an incident.

Key Objectives 2014-2015

- Actively manage business risks and improve contingency plans.
- Continue to monitor and actively manage health and safety performance.
- Work more efficiently to achieve greater value for money, especially via the Service Based Review and, in conjunction with City Surveyors, the implementation of the new property management system, Oracle R12.
- Implement the lease schedule 3 (part 4) and service charge arrangements at Smithfield Market.
- Increase income generation.
- In accordance with the Corporation's objectives, and in consultation with the City Surveyor's Energy Team, reduce energy usage, in our control, in line with the City's Carbon Descent Plan (CDP).
- Reduce landfill and incineration of waste and increase recycling.
- Continue to effectively manage sickness absence.

1. Target based upon Full Time Equivalent (FTE) members of Markets staff at 31 December 2013 (no. 124).

Detailed Objectives 2014–2015 (1 April 2014 – 31 March 2015)

Perspective 1 – Customer and Stakeholder Focus			
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.			
Action	Task	Outcome	Responsibilities
Maintain regular communication between the markets, the tenants, and other stakeholders.	<ul style="list-style-type: none"> Regular meetings with the Tenants' Associations maintaining a two-way flow of information. In consultation with the tenants, complete the review of the Working Manual at Smithfield Market and the Billingsgate Market code of practice; and create a Working Manual for New Spitalfields Market. Maintain a good relationship and channels of communication between the City of London Markets and all other wholesale food markets in the country. 	<ul style="list-style-type: none"> Improved dialogue, engagement, and cooperation with the tenants and stakeholders. Working Manuals for each Market will lay out the responsibilities of the landlord, tenants, and Markets Workers in terms of day-to-day market activities. This will assist with ensuring that food hygiene standards and safety are maintained at the markets. Continued influence on market related decision making at a national level. Effective ongoing national benchmarking of city markets. 	<ul style="list-style-type: none"> Director of M&CP Market Superintendents Performance Management Officer
Ensure that the Crossrail project does not prejudice the continued uninterrupted, safe, effective, and hygienic operations at Billingsgate and Smithfield Markets.	<ul style="list-style-type: none"> Ensure stakeholder involvement by attending all relevant meetings regarding Crossrail and cascading information to staff and tenants. Work in unison with the London Fish Market Association (LFMA) and Smithfield Market Tenants' Association (SMTA) over Crossrail developments. Monitor Crossrail proposals with relevant CoL staff. 	<ul style="list-style-type: none"> Disruption to the markets' operations will be minimised. 	<ul style="list-style-type: none"> Director of M&CP Billingsgate Market Superintendent Smithfield Market Superintendent

Perspective 2 – Operations and Finance			
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.			
Action	Task	Outcome	Responsibilities
Actively manage business risks and improve contingency plans.	<ul style="list-style-type: none"> Review effectiveness of current safety management and assurance systems. Review and update risk registers on a quarterly basis. Update contingency plans. Train staff on emergency plans, and conduct test exercises. Implement agreed multiple fire inspections regime with costs applied for non-compliance (New Spitalfields Market). 	<ul style="list-style-type: none"> Risk management embedded in all processes. Improved ability to manage emergencies. 	<ul style="list-style-type: none"> Head of Business Performance Market Superintendents Technical Officer
Continue to monitor and actively manage health and safety performance. <i>(Links to MKPI 5)</i>	<ul style="list-style-type: none"> Identify 'Top X' risks to health and safety across the Department of Markets and Consumer Protection. Continue to monitor and impose effective workplace traffic management controls. 	<ul style="list-style-type: none"> Fewer health and safety incidents/accidents compared to 2013/14 total. Reduced risk of successful litigation against the City following an accident. 	<ul style="list-style-type: none"> Technical Officer Market Superintendents Heads of Security
Ensure the Markets are cleaned to a high standard.	<ul style="list-style-type: none"> Regular monitoring of general cleanliness of markets. Ensure that cleaning schedules are kept up to date and regular inspections are carried out to maintain standards. 	<ul style="list-style-type: none"> Fewer slip and trip incidents at the markets. FSA audits at Smithfield Market maintained at the current frequency of 8 months, or extended. Fewer complaints made about cleaning standards. Reduced risk of food contamination. 	<ul style="list-style-type: none"> Market Superintendents

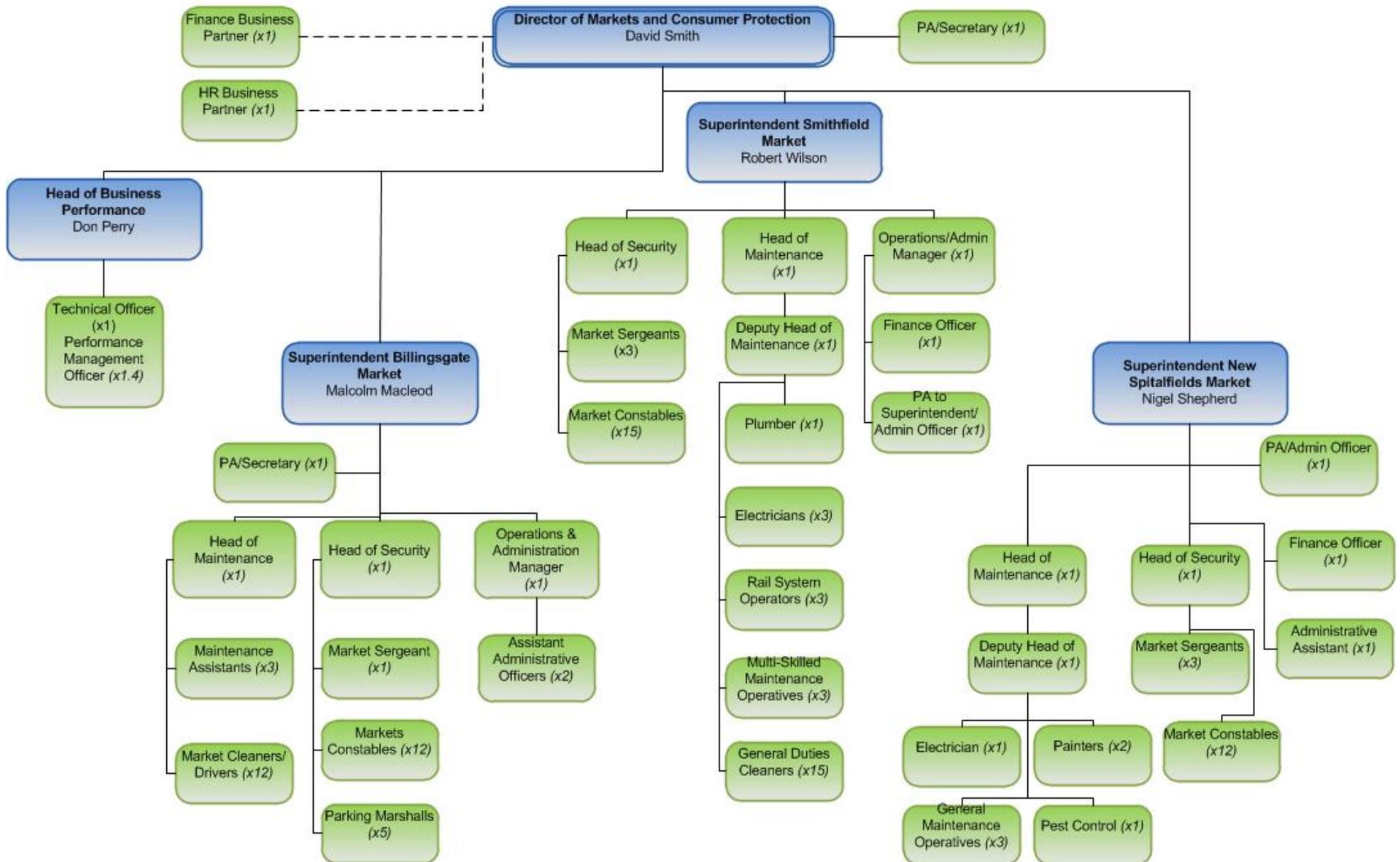
Perspective 2 – Operations and Finance			
Ensure safety and security of tenants and property, optimise efforts when carrying out operations and ensure the markets are financially viable to the City while minimising costs for the tenants.			
Action	Task	Outcome	Responsibilities
<p>Work more efficiently to achieve greater value for money, especially via the Service Based Review and, in conjunction with City Surveyors, the implementation of the new property management system, Oracle R12. <i>(Links to MKPI 2)</i></p>	<ul style="list-style-type: none"> Review main areas of activity at each market and assess whether still fit for purpose or identify changes that could be made. Work to ensure that tenants are being provided with a good service and investigate ways of reducing running costs. Actively manage outstanding debts in line with corporate policy and in accordance with MKPI 2. Develop/enhance current business partnering relationships. Review systems and processes for raising invoices for rent and service charges to make effective use of the integrated property management and finance system, Oracle R12, when it is introduced. 	<ul style="list-style-type: none"> The City is able to demonstrate best value services are being delivered to tenants. Debt levels in compliance with MKPI 2. 	<ul style="list-style-type: none"> Market Superintendents Head of Business Performance Chamberlain’s Department
<p>Implement the lease schedule 3 (part 4) and service charge arrangements at Smithfield Market.</p>	<ul style="list-style-type: none"> Actively manage the Joint Specification Committee and Joint Review Group regarding services and service charge budgets at Smithfield Market. Update the Working Manual. 	<ul style="list-style-type: none"> Adherence to terms set out in the new leases’ service charge provisions. Working Manual to be updated by 31 July 2014. 	<ul style="list-style-type: none"> Smithfield Market Superintendent Head of Business Performance
<p>Increase income generation. <i>(Links to MKPI 4)</i></p>	<ul style="list-style-type: none"> Investigate ways in which the markets could increase their income streams. Promote car parking usage at Billingsgate and Smithfield Markets. Review car park tariffs at Smithfield Market. Let all vacant office premises at Billingsgate and Smithfield Markets. Renew the advertising hoardings lease at Billingsgate Market. Complete letting of vacant premises in the Smithfield Poultry Market. 	<ul style="list-style-type: none"> Increased revenue to reduce risk of having to cut front-line services. Full Market letting to ensure rent income is maximised/void costs minimised or eliminated. 	<ul style="list-style-type: none"> Head of Business Performance Market Superintendents Chamberlain’s Department

Perspective 3 – Sustainability and Site Optimisation			
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.			
Action	Task	Outcome	Responsibilities
In accordance with the Corporation's objectives, and in consultation with the City Surveyor's Energy Team, reduce energy usage, in our control, in line with the City's Carbon Descent Plan (CDP).	<ul style="list-style-type: none"> Work with the City Surveyor's Energy Team to clearly identify and separate tenants' energy usage from that of the City at each site. Encourage tenants to consider reducing their utility usage, illustrating the potential cost saving to incentivise. 	<ul style="list-style-type: none"> Reduction in utilities usage. Tenants' usage identified separately within the City's Carbon Descent Plan. 	<ul style="list-style-type: none"> Market Superintendents Head of Business Performance Performance Management Officer CoL Energy Team
Reduce landfill and incineration of waste and increase recycling. <i>(Links to MKPI 3)</i>	<ul style="list-style-type: none"> Work with tenants to incentivise them to segregate recyclable waste. Continue to apply charges for services and waste dumping at the Markets. 	<ul style="list-style-type: none"> Divert 100% of waste from landfill. Divert as much waste possible from incineration at Smithfield Market – improve on 2013/14 figures by 10%. 	<ul style="list-style-type: none"> Head of Business Performance Market Superintendents Heads of Maintenance
Improve the material state of the markets.	<ul style="list-style-type: none"> In conjunction with the City Surveyor, ensure that each market's 20 year maintenance plan is brought up to date. Ensure that quarterly liaison meetings with the City Surveyor's Department at all three markets are effective in making progress, and that the agreed level of maintenance work is carried out to time and cost. Monitor at Senior Management Group. <p><u>Billingsgate</u></p> <ul style="list-style-type: none"> Replace the flat roof (priority 1) work commencing April 2014. Replace the metal roof (priority 2). Additional facilities project (priority 3). <p><u>Smithfield</u></p> <ul style="list-style-type: none"> Replace or repair the Poultry Market roof. <p><u>New Spitalfields</u></p> <ul style="list-style-type: none"> Establish outline business case for photovoltaic cells on Market Hall roof. 	<ul style="list-style-type: none"> Property is well maintained and asset values protected. Billingsgate roof renewal project to start no later than the end of March 2014 and, upon completion, resolve the leaking roof issue. The material state of Billingsgate Market improved. At Smithfield, have full specified programme of works for the Poultry Market roof so that works can commence in May 2015. Potential cost saving and income generation at New Spitalfields Market. 	<ul style="list-style-type: none"> Market Superintendents Head of Business Performance

Perspective 4 – People and Innovation			
To improve the quality of leadership and management throughout the department and ensure that all members of staff have a chance to maximise their potential and job satisfaction.			
Action	Task	Outcome	Responsibilities
Continue to effectively manage sickness absence. <i>(Links to MKPI 1)</i>	<ul style="list-style-type: none"> Rigorous application of the Absence Management Policy. 	<ul style="list-style-type: none"> Achieve a sickness level of no more than 7 days absence per person by 31 March 2015², with a total number of days at each market of no more than: <ul style="list-style-type: none"> Billingsgate: 280 New Spitalfields: 203 Smithfield: 343 Directorate: 42 	<ul style="list-style-type: none"> Market Superintendents Line Managers
Continue to use internal communication channels and investigate using social media to promote activities at the markets.	<ul style="list-style-type: none"> Provide regular articles on activities at the Markets to the PR Department. Contribute news stories to the quarterly M&CP newsletter. Utilise Smithfield Market Twitter account and, depending upon the success of this, encourage the other two markets to set up their own accounts on Twitter and/or other appropriate social media. 	<ul style="list-style-type: none"> More effective promotion of the achievements and diversity of our markets and their staff to the wider CoL and externally. 	<ul style="list-style-type: none"> Market Superintendents Performance Management Officer PA to Director
Maintain the skills base of the workforce.	<ul style="list-style-type: none"> Where appropriate, all staff to undertake relevant training to be kept up to date in their area of expertise. Staff to be trained in emergency response. Create and maintain a training needs analysis/skills matrix. 	<ul style="list-style-type: none"> Workforce have their skills maintained and enhanced and are able to continue to deliver a first class service. Enhanced ability to deal with an emergency situation. 	<ul style="list-style-type: none"> Market Superintendents Line Managers HR Business Partner
Develop the leadership and management skills of existing and potential managers.	<ul style="list-style-type: none"> All existing and potential managers to undertake a Leadership and Management Development training event and pass any associated assessments by the end of March 2015. 	<ul style="list-style-type: none"> All managers and potential managers will complete a leadership training event and pass any associated assessments by 31 March 2015. Highly skilled managers who have the ability to lead and motivate their teams to provide an efficient, high quality and cost effective service to key stakeholders. 	<ul style="list-style-type: none"> Line Managers

2. Target based upon Full Time Equivalent (FTE) members of Markets staff at 31 December 2013 (no. 124).

Department of Markets and Consumer Protection
Markets Management Structure



Financial Summary

We will build on the close working relationships that have been successfully developed between our budget managers and our finance partners in the Chamberlain's department. The focus this year will be on further improvements to financial profiling and forecasting our budgets. This will be supported through regular meetings between budget managers and accountants and our Head of Finance's attendance at Senior Management Group meetings.

Over the coming year we will be fully supporting the organisation's drive for efficiency and savings in order to meet the projected shortfall in City Resources of £13m by 2017/18.

The department is also fully engaged with the planned implementation of Oracle Property Manager. The system will enable us to drive further efficiencies in the management of our market tenants' leases and the raising of service charge and rental income.

Financial Information – Markets & Consumer Protection Markets Committee

	2012/13	2013/14	2013/14	2013/14		2014/15	N.B
	Actual	Original Budget	Revised Budget (latest approved)	Forecast	Outturn	Original Budget	
	£'000	£'000	£'000	£'000	%	£'000	
Employees	4,932	5,105	5,055	4,969	98.3%	5,150	
Premises	4,058	3,944	3,910	4,103	104.9%	4,373	
Transport	41	39	54	70	129.6%	39	
Supplies & Services	965	823	847	862	101.8%	817	
Third Party Payments	1,714	1,780	1,773	1,773	100.0%	1,810	
Transfer to Reserve	184	4	34	34	100.0%	126	
Contingencies	0	0	0	0	0.0%	0	
Unidentified Savings	0	0	0	0	0.0%	0	
Total Expenditure	11,894	11,695	11,673	11,811	101.2%	12,315	
Total Income	(8,471)	(8,581)	(10,069)	(10,345)	102.7%	(10,643)	
Total Local Risk	3,423	3,114	1,604	1,466	91.4%	1,672	1.
Central Risk	(4,842)	(5,621)	(4,874)	(5,221)	107.1%	(5,287)	
Recharges	6,363	6,182	2,157	2,157	100.0%	2,112	
Total Expenditure (All Risk)	4,944	3,675	(1,113)	(1,598)	143.6%	(1,503)	2.

N.B.

1. Excludes Local Risk amounts spent by the City Surveyor
2. Forecast outturn 2013/14 based on monitoring at period 10 (31/01/2014)