



Markets Business Plan 2015-2018

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Director's Introduction

The Department of Markets and Consumer Protection (M&CP) has the widest span of all front-line service departments, employing some 238 staff with a combined local and central risk gross expenditure of £21,307,000 and an overall net local risk budget of £3,942,000 giving a total net budget including central risk and recharges of £3,237,000. Spread across ten locations the department ranges from the Heathrow Animal Reception Centre in the West, to Billingsgate and New Spitalfields Markets in the East, with Tilbury and London Gateway Ports on the North side of the Thames and Denton on the South side.

As the department reports to three separate Committees (Markets Committee; Port Health and Environmental Services Committee; Licensing Committee) for discrete aspects of its work, separate plans have been produced for each. This plan contains specific key information relating to the three wholesale food markets, covered by the Markets Committee. More detailed improvement objectives and performance measures are identified in the Local Business Plan of each market, and can be made available upon request.

Despite what seems to be an upturn in the national economy, public funds are going to be very tight for the foreseeable future, so working more efficiently, generating more income from our assets, and exploiting the benefits of modern technology will become increasingly important as we endeavour to maintain the high standards that our customers expect.

To ensure that we fulfil our obligations to our major customers, we need to satisfy the four perspectives shown on pages 8 to 11, our version of the Balanced Scorecard¹, while we endeavour to maintain our traditional standards and remain mindful of our corporate, environmental, and social responsibilities.

Implementing the Service Based Reviews and their associated work-streams will take an increasing amount of senior management time, so the corporate values of Lead, Empower, Trust will become increasingly important with middle managers, especially Team Leaders, being encouraged to use their initiative and take a proactive stance in problem solving, without always having to seek permission from higher authority. Decision-making must be delegated to the lowest possible level of management and there is nothing wrong with taking calculated, rational risks.

With so much change happening, we recognise the vital importance of having a skilled and highly motivated workforce, since it is people who will deliver our Plan and they deserve to be led thoughtfully and positively. Good leadership is going to become increasingly important and we are committed to provide the appropriate training and development opportunities to achieve this.

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

¹ Kaplan R. S. and Norton D. P. (1992). "The Balanced Scorecard: measures that drive performance", *Harvard Business Review*, Jan – Feb pp. 71–80

Overview of our Services

The City of London's wholesale markets have a long history and have always played a central role in the economies of the communities in which they operate. Billingsgate, New Spitalfields and Smithfield supply fish, fruit, vegetables, flowers, and meat to a host of food service sectors within the South East and beyond. Customers range from catering companies, butchers, fishmongers, and greengrocers to restaurants, hotels, schools, street and retail markets and small local businesses. The markets have a combined estimated turnover of about £2 billion per year and more than 25,000 customers per week.

Billingsgate Market has 47 fish merchants including specialist and catering suppliers, potato and trade sundries suppliers, with an annual turnover of some 25,000 tonnes, valued at approximately £250 million. Although traditionally a wholesale market, retail trade has increased in recent years, especially on Saturdays. The Billingsgate Seafood Training School, a registered charity supported by the City Corporation, is located within the market.

Smithfield Market is a world-renowned wholesale meat and provisions market serving Greater London and southern England. There are 42 individual businesses with approximately 120,000 tonnes throughput, valued at approximately £500 million. As well as meat and poultry, products such as cheese, pies, and other delicatessen goods are available.

New Spitalfields Market has 121 trading units for wholesalers in the market hall, 13 catering supplies units, and a further 20 supporting businesses. New Spitalfields Market houses the largest number of food wholesalers in the UK, with a turnover of some 750,000 tonnes, valued at approximately £750 million. Sustainability is a high priority for the market and over 75% of its waste is now recycled.

Business Planning Process



Departmental Vision

The overall vision of the Department of Markets and Consumer Protection is to support The City Together Strategy and the Corporate Plan through the provision of high quality, efficient services to our customers and stakeholders.

Strategic Aims

This vision is reflected in the Department's strategic aims which relate to the wholesale markets:

- To operate the three wholesale food markets in a manner that provides an exemplary trading environment which is environmentally sustainable, well maintained, safe, hygienic, and financially viable.
- At all times to seek value for money in the activities we undertake so that the highest possible standards are achieved cost effectively.

Measuring Performance

We will measure our performance against eleven Key Improvement Objectives and five Operational Performance Indicators, as detailed on the following pages. Progress against these measures will be reported to the Markets Committee on a four monthly basis throughout the year.

The matrix at Appendix A maps the links between our objectives and performance indicators and the wider Departmental and Corporate strategic aims and objectives.

Data Quality

We are satisfied that data collected for the monitoring and reporting of improvement objectives and performance indicators is accurate. Effective systems and procedures are in place which produce relevant and reliable information to support management decision-making and to manage performance.

The Department complies with the Corporate Data Quality Policy and Protocol and has its own Departmental Data Quality Policy (Appendix B).

Key Improvement Objectives 2015-2016

The eleven **Key Improvement Objectives** for the wholesale markets for 2015-2016 are listed here under the four broad perspectives, or themes, which run across the whole of the Department of Markets and Consumer Protection.

Perspective 1 - Customer and Stakeholder Focus			
Deliver statutory and non-statutory services to a high quality with regulatory services being increasingly intelligence and risk-based, in line with the Government's Deregulation agenda and the risks accepted by Members in the Service Based Review.			
Action	Outcome	Measure	Responsibility
<u>Billingsgate Market</u> Refresh the Code of Practice at Billingsgate to include all areas that require compliance.	The Code of Practice will clearly set out the responsibilities of the landlord, tenants and market workers in terms of day-to day market activities. This will assist with ensuring that food hygiene standards and safety are maintained.	The updated Code of Practice will be communicated to all relevant parties and put in place by June 2015.	<ul style="list-style-type: none"> • Superintendent, Billingsgate Market • City Surveyor's Department
<u>New Spitalfields Market</u> Draft a Working Manual for New Spitalfields Market in consultation with the tenants.	The Working Manual will clearly set out the responsibilities of the landlord, tenants and market workers in terms of day-to day market activities.	<p>The draft Working Manual will be circulated for consultation to all relevant parties by May 2015.</p> <p>The final version of the Manual will be communicated to all relevant parties and be in place by October 2015.</p>	<ul style="list-style-type: none"> • Superintendent, New Spitalfields Market • City Surveyor's Department

Perspective 2 – Finance

Achieve greater Value for Money for all our services, including developing and implementing Action Plans for the Service Based Reviews and rigorous reviews locally of Service Charge costs and increased income generation.

Action	Outcome	Measure	Responsibility
<u>New Spitalfields Market</u> Manage the lease renewals in collaboration with City Surveyor's.	Successful completion of the lease negotiation process.	Heads of Terms to be agreed by 15 May 2015 The new leases will be signed and in place by December 2015.	<ul style="list-style-type: none"> • Superintendent, New Spitalfields Market • City Surveyor's Department
<u>Smithfield Market</u> Agree service specifications with the SMTA under the terms of the new leases.	The work of the Joint Specification Committee will be completed, with specification agreed for all services that are provided to our tenants. Terms of new leases become embedded as 'business as usual'.	All service specifications agreed with the SMTA and implemented by Oct 2015.	<ul style="list-style-type: none"> • Superintendent, Smithfield Market • Head of Business Performance
<u>Billingsgate & Smithfield Markets</u> Implement Service Based Review (SBR) proposals.	Car park usage at Billingsgate and Smithfield Markets, and associated income streams, will be increased in line with SBR commitments. The 7 vacant meat trading premises in the Smithfield Poultry Market will be let, and income opportunities maximised.	Additional income will be realised in 2015-16 as follows: <ul style="list-style-type: none"> • Billingsgate car park: £30,000 • Smithfield car park: £31,000 • Savings in Poultry Market service charge voids: £173,000 	<ul style="list-style-type: none"> • Superintendent, Smithfield Market • Superintendent, Billingsgate Market

Perspective 3 - Operations and Business Processes

Actively manage both operational and health & safety risks in all aspects of our operations. Collaborate with the City Surveyor to improve the quality of maintenance at our real estate in the short and medium term and, where possible, to improve it.

Action	Outcome	Measure	Responsibility
<p><u>Billingsgate Market</u> Renew the metal roof and adjacent balcony.</p>	<p>Safer roof and compliance with the food hygiene regulations.</p>	<p>The project will pass all Gateway stages by the end of March 2016 with the works being complete by September 2016.</p>	<ul style="list-style-type: none"> • Superintendent, Billingsgate Market
<p><u>Billingsgate Market</u> Additional Fish Handling facilities, modernisation works.</p>	<p>Increased capacity for fish handling transit areas. Tenants will have adequate temperature controlled building space to safely handle each day's fish volumes.</p>	<p>As many temporary cold storage containers as possible will be removed from site. The Consultant's (EPR Architects) evaluation of options report is due on 18 May 2015. The project will pass all Gateway stages by September 2016 with the works being complete by December 2017.</p>	<ul style="list-style-type: none"> • Superintendent, Billingsgate Market
<p><u>Billingsgate Market</u> Resolve internal market cleaning.</p>	<p>An improvement in the overall standard of cleaning will be apparent, to all stakeholders.</p>	<p>Fewer or no complaints received from tenants compared with the equivalent period of 2014/15. Implement all recommendations made by EHO (Environmental Health Officer) by June 2015.</p>	<ul style="list-style-type: none"> • Superintendent, Billingsgate Market
<p><u>New Spitalfields Market</u> Improve safety in relation to workplace transport operations in and around the Market Hall with a focus on forklift truck manoeuvres.</p>	<p>Recommendations from the short/medium/long term Traffic Management Plans and associated procedures will be put in place, reducing the risk of accidents and near misses.</p>	<p>Fewer incidents involving forklift trucks will occur compared with the equivalent period of 2014/15.</p>	<ul style="list-style-type: none"> • Superintendent, New Spitalfields Market

Perspective 3 - Operations and Business Processes

Actively manage both operational and health & safety risks in all aspects of our operations. Collaborate with the City Surveyor to improve the quality of maintenance at our real estate in the short and medium term and, where possible, to improve it.

Action	Outcome	Measure	Responsibility
<p><u>Smithfield Market</u> Put measures in place to control the risks associated with HGV Banksmen duties.</p>	<p>The, currently 'red', health and safety risk associated with Banksmen duties will be controlled and the target risk of 'amber' achieved.</p>	<p>A full risk assessment of the Banksmen duties will be completed no later than the end of April 2015</p>	<ul style="list-style-type: none"> • Superintendent, Smithfield Market
<p>Work with the City Surveyor to agree Mission Critical assets at each of our sites as part of the BRM (Building Repairs and Maintenance) Asset Verification Process</p>	<p>A definitive list of Mission Critical assets for M&CP properties, with an agreed Planned Preventative Maintenance schedule in place for each, which will facilitate the improved performance of the BRM contract (MITIE).</p>	<p>M&CP operational property managers to provide timely input to the asset verification process.</p>	<ul style="list-style-type: none"> • Superintendent, Billingsgate Market • Superintendent, New Spitalfields Market • Superintendent, Smithfield Market

Perspective 4 - People and Innovation

Enhance the quality of our leadership and people-management in line with the corporate values of "Lead, Empower, Trust." Instil a greater sense of responsibility in our middle management cadre.

Action	Outcome	Measure	Responsibility
<p><u>Smithfield Market</u> Complete the restructure of the security team.</p>	<p>Security service meets the agreed specification and produces the required cost reductions as identified in the SBR measures.</p>	<p>New team structure in place by October 2015</p>	<ul style="list-style-type: none"> • Superintendent, Smithfield Market
<p>Develop and implement a workforce plan which ensures that our workforce has both the capability and resources to meet the Division's business objectives.</p>	<p>A Departmental Workforce Plan will be published and the actions within it will have begun to be carried out.</p>	<p>A Succession Plan will be in place by December 2015. The M&CP Workforce Plan will be published by December 2015. A Chief Officer led workforce planning group will be established within the Department by June 2015.</p>	<ul style="list-style-type: none"> • Chief Officer • Superintendent, Billingsgate Market • Superintendent, New Spitalfields Market • Superintendent, Smithfield Market • Head of Performance Management • Performance Management Officer • HR Business Partner
<p>M&CP senior managers review and implement all relevant actions from the Business improvement plan to address any gaps identified through the IIP assessment.</p>	<p>Contributing to achieving the stretch target of Silver in September 2015.</p>	<p>Still on track for the Gold award in 2016.</p>	<ul style="list-style-type: none"> • David Smith, Chief Officer • Superintendent, Billingsgate Market • Superintendent, New Spitalfields Market • Superintendent, Smithfield Market • Head of Performance Management • Performance Management Officer • HR Business Partner

Operational Performance Indicators 2015-2016

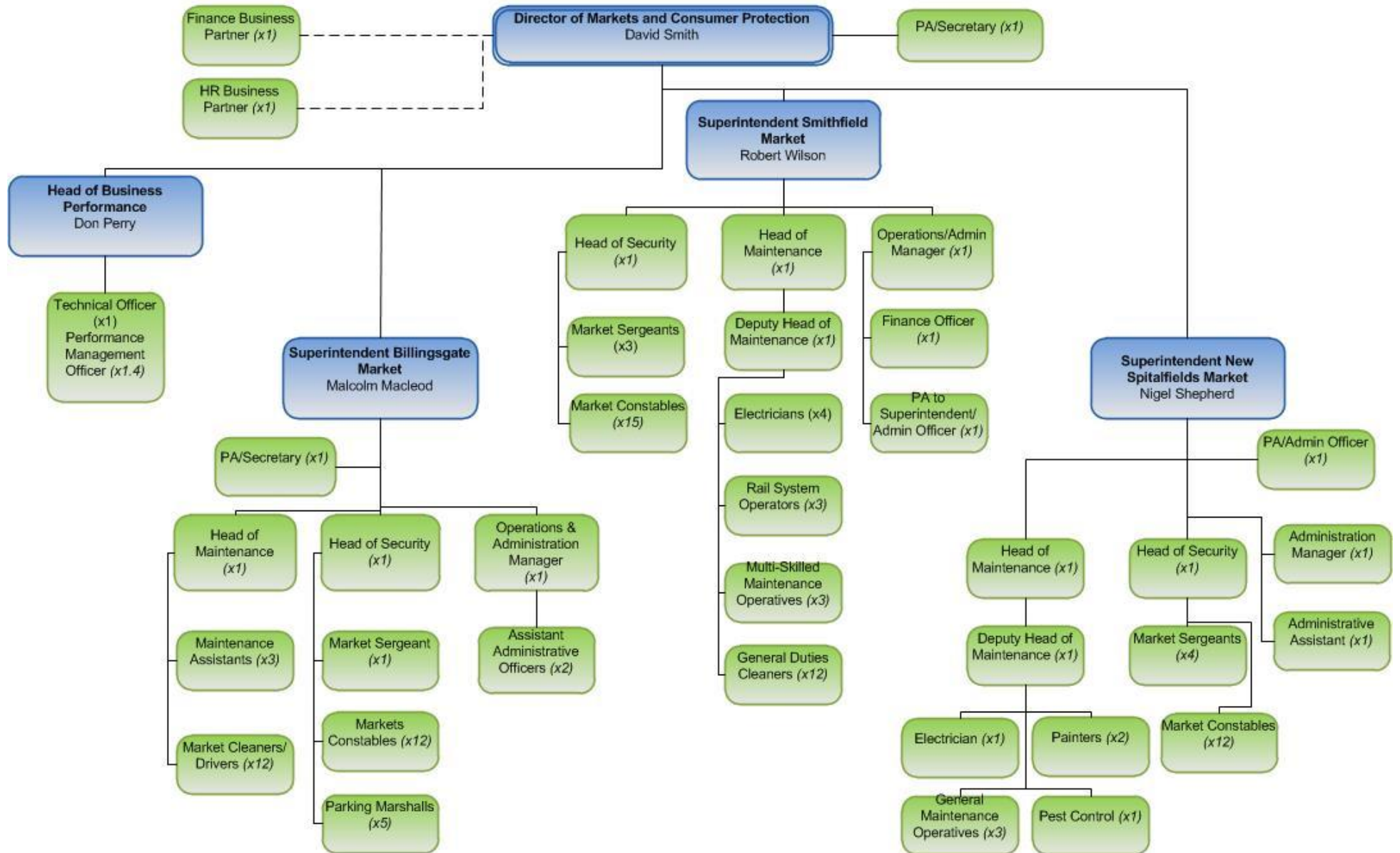
The five **Operational Performance Indicators** for the wholesale markets for the year 2015-2016 are shown here.

- MKPI 1** Achieve an overall sickness level of no more than 6 days per person by 31 March 2016, and a total of no more than 720 days across all markets².
- 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.

². Target based upon Full Time Equivalent (FTE) members of Markets staff at 31 December 2014 (no. 120).

Department of Markets and Consumer Protection

Markets Management Structure



Workforce Capability

Workforce planning

Analysis of the wholesale markets' workforce profile has emphasised the need to plan for the future. 40% of the markets' staff lies in the '51 and over' age range, the implication being that over the coming years a significant number of staff are likely to retire taking much valuable expertise and knowledge with them.

At the same time, we are aware of the importance of retaining those staff in the lower age bands. 30% of our staff are aged '40 and under', but only 7% of those are younger than 31. We need to identify the potential of these members of staff and invest in their development to incentivise and encourage them to stay.

The HR Business Partner is working with the Superintendents and Senior Managers to develop a workforce plan which will identify future need skills gaps and put in place appropriate measures to mitigate the impact of this. These will include succession planning, training; coaching and mentoring and devolving responsibilities/delegation.

Senior management are considering roles that might be suitable for Trainees/Apprenticeships at the markets as part of the workforce planning.

Learning and Development

Learning and Development is a priority for the department as a whole. The Markets' budget for learning and development for 2015/16 is £21,000. We spent £21,371 on training in 2014/15.

In addition to mandatory training, the individual development needs of all members of staff are identified at performance appraisals and progress is monitored at review stages. Each Market will have a dedicated Training Plan, based on needs identified at the end of year and mid-year performance appraisals, which will be monitored by the Superintendent's administration office. Appropriate in house and external training courses are utilised, along with informal learning and development methods such as coaching, shadowing and mentoring.

Leadership and effective management has been identified as a departmental aim for 2015/16 and senior managers are currently identifying ways to develop this across all management roles. The first step will be a Market Leader's Conference, planned for June 2015. The outcome of this conference will influence the next steps.

Investors in People

In December 2013 the City of London Corporation decided to continue to work within the framework provided by Investors in People (IiP) and be assessed for the Bronze standard. The assessment will be held over three years with the aim of reaching the Gold standard by 2016.

Following the assessment that took place in September 2014, the City of London Corporation met 67 evidence requirements and achieved recognition as a BRONZE Investor in People.

A corporate IiP business Improvement Plan was approved by Summit Group on 23 February 2015. Senior Managers in Markets & Consumer Protection are reviewing and implementing all relevant actions to address any gaps identified through the IiP assessment. The Department's IiP Champions are working with managers to help achieve the stretch goal of 'Silver' which the Corporation is aiming for.

In 2015 the focus will be on the effectiveness of engagement of frontline teams in all elements of strategy implementation: recognition and reward, involvement and empowerment, learning and development.

In 2016 the focus will be skills of managers in evaluating the outcomes from learning and development activities: learning and development strategy, performance measurement and continuous improvement will be looked at.

Equalities and Diversity

We have named 'Departmental Equalities Champions' who represent the Department and Division on the Corporate Equalities Working Group. The Champions share best practice and provide support and advice to colleagues on equality and diversity issues.

Tests of relevance and Equalities Impact Assessments are carried out for any new or significantly amended policies/procedures which may affect service users or our own employees. Several members of staff have been trained to help ensure these are carried out effectively.

We continue to liaise with the corporate Equalities and Diversity Officer on emerging guidance and legislation and to ensure compliance with corporate equalities requirements we publish the Public Sector Equality Duty (under The Equality Act 2010) each January.

Risk Management

Business Continuity and Emergency Planning

The City has an overarching business continuity strategy and framework, as well as a corporate business continuity plan for large scale disruptions that affect more than one business area or location. The Department also has its own business continuity arrangements aimed at dealing with localised disruptions.

Both corporate and departmental arrangements are regularly reviewed to ensure they align with the relevant risk registers and business objectives. The Technical Officer from the department shares best practice and attends the Emergency Planning and Business Continuity Steering Group, which sits on a quarterly basis.

Business Risks

The Department's key business risks are actively managed in line with corporate policies and procedures. Risks are identified, analysed, assessed and addressed on an ongoing basis by named representatives across the department.

The Departmental Risk Tracker is regularly updated and reported to the Markets Committee every four months. Red risks and those which have moved from Green to Amber are reported at each Markets Committee meeting. The key business risks for the wholesale markets are shown in the extract of the Departmental Risk Tracker at Appendix C.

Health and Safety Risks

The Department's Top X Register comprises a list of our main Health and Safety risks. The Register is monitored, regularly updated and presented to the Corporate Health and Safety Committee annually.

The Department complies with the Corporate Health and Safety Policy, including having its own Departmental Health and Safety Policy Statement. There is a Departmental Health & Safety Committee with a Markets sub-Committee, as well as local Health & Safety Groups at each market. Named individuals have specific health and safety responsibilities including carrying out risk assessments and accident/incident reporting.

A copy of the Top X Register is at Appendix D along with a diagram showing the structure of health & safety management and reporting within the department.

Property and asset management

I confirm, as Director of the Department of Markets and Consumer Protection, that the Department is utilising its assets efficiently and effectively and that I have considered current and future requirements for service provision. Any assets that have been identified as surplus to the department's requirements have been or will be reported as required to the Corporate Asset Sub-Committee and the schedule will be annually reviewed to ensure that the use of assets by the Department of Markets and Consumer Protection continues to be challenged appropriately.

Signed [CHIEF OFFICER of DEPARTMENT]

Dated

Capital projects 2015-2020

The table below shows basic information about projects which may require over £50k of capital expenditure during the next five years.

Brief description of potential project	Approximate cost	Indicative source of funding	Indicative timetable for project
Billingsgate Market: Metal profile roof.	£1.2 million	50% Sinking Fund 50% European Fisheries Fund	Evaluation work partially complete. Subject to Committee approval, works likely to be complete by September 2016
Billingsgate Market: Fish handling facilities.	£1.4 to £2.0 million	50% Sinking Fund 50% European Fisheries Fund grant to be applied for.	The Consultant's (EPR Architects) evaluation of options report is due on 18 May 2015. The project will pass all Gateway stages by September 2016 with the works being complete by December 2017.
Smithfield Market: Poultry Market roof.	£9.1 million	Resource allocation from City's Cash.	A gateway 4 report seeking Committee authority to progress a preferred repair option is anticipated in July 2015
New Spitalfields Market: Renewed CCTV system	Not yet known	Repair and Repainting fund (20 year plan item)	At pre-Gateway Zero concept stage. Outline concept document to be produced and evaluated.
New Spitalfields Market: Multi barrier entry system to the market.	Not yet known	Partly the old Spitalfields fund and the Repair and Repainting fund.	At pre-Gateway Zero concept stage. Outline concept document to be produced and evaluated.
New Spitalfields Market: Photovoltaic Cells on the Market Hall roof	Not yet known	To be decided	At pre-Gateway Zero concept stage. Outline concept document to be produced and evaluated.
New Spitalfields Market: Space Cooling - VRV System replacement, Allen House	£50,000	Repair and Repainting fund (20 year plan item)	2015/16 (Managed on behalf of market by CSD, the asset managers)
New Spitalfields Window replacement, Market Pavilion	£120,000	Repair and Repainting fund (20 year plan item)	2016/17 (Managed on behalf of market by CSD, the asset managers)
New Spitalfields Market: Electrical distribution panel replacement	£90,000	Repair and Repainting fund (20 year plan item)	2017/18 (Managed on behalf of market by CSD, the asset managers)
New Spitalfields Market: HV switchgear replacement	£250,000	Repair and Repainting fund (20 year plan item)	2018/19 (Managed on behalf of market by CSD, the asset managers)

Financial summary

We will continue to 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 to ensure effective use of the new Oracle Property Manager module, working with Chamberlain's to ensure a smooth transition from our stand alone System 2000 at New Spitalfields Market and from the corporate Manhattan System for Billingsgate and Smithfield for the raising and recovery of rent and service charge.. 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 implementing our Service Review savings at Smithfield and Billingsgate Markets agreed by Members in support of the organisation's drive for efficiency and budget reductions in order to meet the projected shortfall in City Resources of £13m by 2017/18.

Financial Information - Markets & Consumer Protection Markets Committee

	2013/14	2014/15	2014/15	2014/15		2015/16	N.B.
	Actual	Original Budget	Revised Budget (latest approved)	Forecast	Outturn	Original Budget	
	£'000	£'000	£'000	£'000	%	£'000	
Employees	4,947	5,150	5,220	5,082	97.4%	5,213	
Premises	3,849	4,373	5,381	5,382	100.0%	4,836	
Transport	70	39	58	53	91.4%	50	
Supplies & Services	837	817	866	904	104.4%	892	
Third Party Payments	1,765	1,810	1,807	1,807	100.0%	1,857	
Transfer to Reserve	-52	126	0	0	0	81	
Contingencies	0	0	0	0	0	0	
Unidentified Savings	0	0	0	0	0	0	
Total Expenditure	11,416	12,315	13,332	13,228	99.2%	12,929	
Total Income	(10,244)	(10,643)	(11,402)	(11,498)	100.8%	(11,327)	
Total Local Risk	1,173	1,672	1,930	1,730	89.6%	1,602	1.
Central Risk	(4,756)	(5,063)	(4,492)	(4,694)	104.5%	(4,781)	
Recharges	2,104	1,903	1,975	1,975	100.0%	1,969	
Total Expenditure (All Risk)	(1,479)	(1,488)	(587)	(989)	168.5%	(1,210)	2.

N.B.

1. Excludes Local Risk amounts spent by the City Surveyor
2. Projected outturn 2014/15 based on monitoring at period 10 (31/01/2015)

Consultation

The following Corporate contacts have been consulted in the preparation of this plan:

- Town Clerk's Department – Human Resources Business Partner
- Chamberlain's Department – Finance Business Partner
- Chamberlain's Department – Information Systems Business Partner
- Corporate Equalities and Diversity Manager
- City Surveyor's Department
- Corporate Programme Office
- Town Clerk's Policy Officer
- Corporate Risk Manager

In addition, members of staff at each market have been invited, via local team meetings and briefings, to make suggestions and comments as to the content of the plan, including the identification of Service Improvement Objectives and Operational Performance Indicators.

The final version of the Plan will be made available to all members of staff on the Department's intranet page.