

2015-2016 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 2nd period in 2015/16 (August– November inclusive).

To end of Period 2 (April - November)			Period Target (April- November)	Actual days lost (April- November)
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 markets ¹ .	Billingsgate	160	184
		Smithfield	184	325
		Spitalfields	112	265
		Directorate	24	3
		Total	480	777
<p>Comments: The number of days lost to sickness is high and exceeds the end of Period 2 target of 480, but the number of days lost to sickness in period 2 (August – November) is less than in period 1 (April –July). In period 1 there were an exceptionally high number of sickness cases and 455 days lost to sickness, in period 2, 322 days were lost to sickness. Return to work interviews, referrals to Occupational Health and formal action where sickness trigger points have been reached are being applied to manage sickness absence. Further details are given in Appendix D.</p> <p>Billingsgate Market. There has been a hike in short-term sickness cases, but the sickness in period 2 is 4 days less than in period 1.</p> <p>Smithfield Market. There has been a combination of short term and long term sickness cases, predominantly within the Constabulary team, but sickness in period 2 is 83 days less than in period 1.</p> <p>Spitalfields Market. A small number of Maintenance staff have been off on long-term sickness for planned surgical procedures, but the sickness in period 2 is 47 days less than in period 1 and the individuals have now returned to work.</p>				

		Target	Period 2 Result	
MKP 2a	90% of debts to be settled within 60 days.	90%	Billingsgate	99%
			Smithfield	83%
			Spitalfields	54%

¹. Target based upon Full Time Equivalent (FTE) members of Markets staff at 31 March 2015 (no. 166.22).

Appendix A

<p>Comments: Smithfield Market. 83% of debts settled by 60 days relates predominately to 1 debtor which was chased and payment has now been received. Spitalfields Market. 54% of debts settled by 60 days was due to insufficiently rigorous chasing of late payment; a more robust regime of following up overdue payments has been instigated. All overdue amounts have now been paid.</p>				
MKP 2b	100% of debts settled within 120 days.	100%	Billingsgate	100%
			Smithfield	96%
			Spitalfields	98%
<p>Comments: Smithfield. 121 plus days aged debt of £7,000.10 relates to 1 debtor. This debt is currently under investigation. Spitalfields. 121 plus days aged debt of £4,742.33 relates to 21 debtors, all of which are being chased.</p>				
MKP 3	Divert 90% of waste from landfill at the Markets	90%	Billingsgate	100%
			Smithfield	100%
			Spitalfields	100%
MKP 4	Achieve 95% occupancy of all lettable space at Billingsgate, Smithfield and New Spitalfields Markets.	95%	Billingsgate	98.5%
			Smithfield	88%
			Spitalfields	98%
<p>Comments: The underperformance at Smithfield Market during Period 2 is due to vacant space in the Poultry Market Building remaining unlet while the City awaits tenants' fit out proposals.</p>				
MKP 5	Improve the standard of incident 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.		Billingsgate	100%
			Smithfield	100%
			Spitalfields	100%

1	<p><u>Customer and Stakeholder Focus.</u> <i>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.</i></p>	<p><u>August – November 2015/16</u></p>
	<p><u>Billingsgate Market</u> Refresh the Code of Practice at Billingsgate to include all areas that require compliance.</p> <ul style="list-style-type: none"> ●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. 	<ul style="list-style-type: none"> ●The Chief Inspector from the London Fishmonger Company has provided an update to the food hygiene legislation points for inclusion in the Code of Practice. Once the Code of Practice is complete it will be circulated to the Tenants Association for their comment. ●The £50 charge for encroachment that was implemented in August 2015, continues to be effective in tackling the problem of produce obstructing walkways in the Market Hall.
	<p><u>New Spitalfields Market</u> Draft a Working Manual for New Spitalfields Market in consultation with the tenants.</p> <ul style="list-style-type: none"> ●The Working Manual will clearly set out the responsibilities of the landlord, tenants and market workers in terms of day-to day market activities. 	<ul style="list-style-type: none"> ●The latest draft Working Manual has been cleared by the Comptroller & City Solicitor, and the draft is now ready to be issued to the SpMTA for consultation.

2	<p><u>Finance.</u> <i>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.</i></p>	<p>August – November 2015/16</p>
	<p><u>New Spitalfields Market</u> Manage the lease renewals in collaboration with City Surveyor's. ●Successful completion of the lease negotiation process.</p>	<ul style="list-style-type: none"> ●Initial negotiations led by the City Surveyor did not reach agreement on renewal lease terms or the market rent payable at renewal. ●Deloitte has now been engaged as the City's expert witness to act in future negotiations and any Court related proceedings. ●In accordance with Court Directions, in August the Comptroller & City Solicitor issued a draft lease to the Tenant's solicitor. The draft lease was returned with amendments, mostly relating to the service charge provisions, but at a meeting of solicitors good progress was made in narrowing down the contentious areas. A further meeting of solicitors and surveyors is being arranged for 21st or 22nd January. ●A further Directions hearing had been scheduled to take place on 5th January. However, both Parties have agreed that it would be beneficial to hold a further meeting to try and narrow the differences before serving formal schedules as required by the Directions, confirming which amendments are accepted/rejected. ●Therefore, both the City, as defendant, and Solicitors for the tenants, as Claimant, have sought an adjournment of this hearing, which will be held 22nd February 2016. At that hearing the court will determine further Directions for trial or arbitration. ●Negotiation regarding rent are ongoing but will not be finalised until lease terms are settled. ●It is currently anticipated that either through negotiation or a Court approved dispute resolution process, terms for new leases will be settled by Summer 2016.
	<p><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'.</p>	<ul style="list-style-type: none"> ●The work of the Joint Specification Committee (JSC) have agreed and implemented specifications for the following operational areas: <ul style="list-style-type: none"> ●Constabulary team ●Cleaning team ●Maintenance team ●The Superintendent through the Joint Review Group (JRG) is working cost apportionment for the cleaning specification, once resolved the JRG will focus on the cost proportions of the maintenance specification. ●The new lease 'terms' will be subject of a new monitoring process, with all tenants

		<p>being subject of monitoring in all areas including lease 'commitments' and Health&Safety issues. This process will be subject of regular review by the Superintendent who will record all deficiencies and actions taken to address them.</p>
	<p><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.</p>	<p>Billingsgate. ●Car parking is running at capacity, with a waiting list, and on target to produce an income in excess of £400k in 2015/16. The income required for the SBR (Service Based Review) target is £305,000. ●The commitment made under the SBR was to reduce the administration team from 4 persons to 3 persons by the start of 2016/17. This is being achieved ahead of schedule as a member of the administration team is taking up a full time position within the City Surveyor's department from January 2016.</p> <p>Smithfield. ●A report seeking approval for changes to current tariff arrangements will be submitted separately to this Committee in March. ●Vinci Park Services UK Ltd took over the City wide contract on the 1st April 2015. ●Replacement equipment is now in place at Smithfield; however, due to existing tariff variations unique to Smithfield, the 'payment on foot' machines are unable to deal with the price variables and so customers will continue to use the kiosk. This will be remedied for the new financial year when 'validation' machines will be in place, used by VINCI on site staff to validate tickets manually. ●Various campaigns to increase the use of the Rotunda car park are underway:- -Continued use of social media - car park features on 'Parkopedia'. -Leaflets being distributed within neighbourhood over Christmas and in the New Year.</p> <p>●The commitment made under the SBR was to increase the income from the car park by £31,000 by 2015/16. ●Income has increased between 2013/14 to 2014/15, from £660,453 to £674,020 – an increase of £13,567, however, the sizable increase in the cost of the VINCI contract (£47,000) will negatively impact on the income generated. This increase has resulted from additional grounds works required to the new contract installations, and the spreading of these across all City car parks to ensure equitable costs. The Superintendent is in discussion with the Chamberlain as it is understood that there may be an opportunity for this to be reduced on the grounds that there was a corporate cost reduction of circa £300k.</p>

		<ul style="list-style-type: none"> ●Work continues with The City Surveyors and progress is being made with the letting of units in the Poultry Market, part of this is the progression and evaluation of the tenants' fitting out costs for the units. The Tenants' more detailed plans are still awaited. ●The letting of office units 207,211,213 and 213A in the Poultry Market, as well as the now vacant 202/203 offices, is also underway, 202/203 is with Kinney Green to progress.
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3	<p>Operations and Business Processes. <i>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.</i></p>	<p>August – November 2015/16</p>
	<p><u>Billingsgate Market</u> Renew the metal roof and adjacent balcony. <ul style="list-style-type: none"> ●Safer roof and compliance with the food hygiene regulations. </p> <p><u>Billingsgate Market</u> Additional Fish Handling facilities, modernisation works. <ul style="list-style-type: none"> ●Increased capacity for fish handling transit areas. Tenants will have adequate temperature controlled building space to safely handle each day's fish volumes. </p>	<ul style="list-style-type: none"> ●Additional Facilities Project - EPR Architects and City Staff have discussed drafts of the plans and revisions with individual tenants. In view of the desire to satisfy the varying requirements of 40 individual tenants the project continues to make slow progress but it is hoped the gateway 3/ 4 report will be ready in early 2016. ●The building works would hopefully start in Spring 2017 and as the Market would need to keep operating during the construction works the works programme will need to be phased in. ●The roof project has been temporarily shelved until the cost of the Additional Facilities project is known. As the Sinking Fund needs to fund both projects we need to know the financial demands of the Additional Facilities project first. Although the roof project is at present paused, the City Surveyor continues to look for cheaper roof solutions.
	<p><u>Billingsgate Market</u> Resolve internal market cleaning. <ul style="list-style-type: none"> ●An improvement in the overall standard of cleaning will be apparent, to all stakeholders. </p>	<ul style="list-style-type: none"> ●Improving cleaning standards continues. In order to effect this improvement, a new way of working was trialled where certain staff worked longer hours on Saturday instead of working Monday. ●The trial was not deemed a success, as there was no noticeable improved cleaning standard on the Saturday, and so has been brought to a close as there was a backlog of deep cleaning work caused by having a reduced complement on the Monday. ●The local Billingsgate management team continually look at how improvements to cleaning standards can be made and in recent months have contracted out waste bin washing duties, a task previously carried out by the cleaning team.

New Spitalfields Market

Improve safety in relation to workplace transport operations in and around the Market Hall with a focus on forklift truck manoeuvres.

● 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.

Since the current Traffic Management Plan was implemented in early 2015, the following actions have been taken

● **S1. Mark FLT crossing points on pedestrian walkway from stands to roadways.**

Crossing points have been painted on all road ways and are in use. 80 penalty notices for failing to use the points have been issued since July 2015. In general, very little resistance received from tenants and good compliance.

● **S2. Increase in targets for constabulary.**

Market Management have increased the Constabulary presence in the Market Hall during trading hours in order to monitor FLT activity and increase the number of interventions. To help effect this increase, tenants have been advised that until accident rates begin to reduce, priority will be given to this activity over other tasks such as tracing lost produce.

● **S3. To nominate/appoint one approved training body for all FLT training.**

With input from the Corporate Health and Safety team, this has been advertised and final date for submissions was 11th December. Following assessment of the submissions four companies have been invited to give a presentation to the SpMTA.

● **S4. FLT operators to have their permits to operate readily available at all times.**

Three campaigns have been carried out to highlight the requirement for permits to be displayed at all times or risk being issued with a 2 point penalty notice.

● **S5. All staff and customers to wear high vis vests.**

From the 1st May it became compulsory to wear high viz vests in and around the Market. Despite many campaigns to encourage compliance, the last was on 28th November, long term use is proving difficult to maintain without any means of penalty. Approx. 3500 vests have been sold to-date.

● **S6 To enforce speed restrictions to what is deemed appropriate for the operating conditions.** From 1st April a new FLT breach for speeding was introduced. To date, three breaches have been identified.

● **S7 Impose financial penalty on tenants when FLT operators are suspended/ allocated points.** This is to be an item in the working manual.

● **S8 A member of staff from all tenants to be nominated and trained in FLT safety procedures.** Tenants to be consulted and suitable tenant's managers identified.

● Concurrently with the above plan, Labyrinth Logistics Consulting Limited was commissioned to review FLT movements and usage at the Market with a view to producing a set of practical recommendation for improving the overall safety of this activity. Tenants were consulted for their input as part of this work. Labyrinth presented their findings to a series of open meetings with the tenants in December 2015, and have produced an action plan for the implementation of these recommendations.

<p><u>Smithfield Market</u> Put measures in place to control the risks associated with HGV Banksmen duties.</p> <ul style="list-style-type: none"> ●The, currently 'red', health and safety risk associated with Banksmen duties will be controlled and the target risk of 'amber' achieved. 	<ul style="list-style-type: none"> ●Unloading operations, which are a Red risk on the Department's Risk Register, are being addressed and the following measures have been implemented:- <ul style="list-style-type: none"> ●There was a very successful meeting with the SMTA on 26th November where the FTA (Freight Transport Association) gave a presentation on its findings and recommended actions. The SMTA acknowledged that tenants have a duty to manage actions of their staff regarding safety on site. ●It has been agreed that a meeting with a wider SMTA audience will be held in early January and that an action plan will be agreed by the end of January. The Superintendent met with the sole non-SMTA member on 8th December and discussed and agreed the principles in line with the SMTA discussion. ●The Working Manual continues to be progressed with the FSA/SMTA. This will include Banksmen duties and FLT procedures. ●Local measures resulting from H&S Audit by COL H&S are now in place and will be implemented in line with allocated actions from the above. ●The maintenance team have installed the recommended equipment and carried out all the recommendations made by internal City of London Health and Safety experts.
<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> <ul style="list-style-type: none"> ●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). 	<ul style="list-style-type: none"> ●Billingsgate. All Mission Critical assets have been identified and are being maintained by a combination of the centrally managed Mitie or Apex (lift maintenance) contracts, and by a number of locally managed contracts. There are local contracts in place for items such as all cleaning equipment and all refrigeration systems. Each mission critical asset has a preventative maintenance programme in place. ●There are continuing concerns over the time taken by Mitie to respond to requests for rectification work. ●Smithfield. The asset register was reviewed by the City Surveyor's team and is more accurate, although there is still work to be done. ●The Head of Maintenance is working with the City Surveyors Facilities Management team to ascertain what should be in and out of the contract and has furnished them with information about the Market's own maintenance schedule to ensure that everything is covered. Anything missing is being added as an ad hoc job and then being varied into the contract; some examples of equipment that is being treated in this manner are smoke vents, shutters and generator maintenance. ●Due to the sheer volume of equipment on site this will be an ongoing project and will take a while to consolidate and get accurate usable records.

		<p>Spitalfields.</p> <ul style="list-style-type: none"> ●The asset register has been received and the Head of Maintenance is satisfied with its content. ●High Voltage maintenance has not been carried out this year and there are no maintenance contracts in place for the generators. These are to be included into the Building Repair Maintenance contract, which is being dealt with by City Surveyors team.
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4	<p>People and Innovation. <i>Enhance the quality of our leadership and people-management in line with the corporate values of “Lead, Empower, and Trust”. Instil a greater sense of responsibility in our middle management cadre.</i></p>	August – November 2015/16
	<p><u>Smithfield Market</u> Complete the restructure of the security team. ●Security service meets the agreed specification and produces the required cost reductions as identified in the SBR measures.</p>	<ul style="list-style-type: none"> ●The work of the Joint Specification Committee (JSC) continues with reviews progressing in all areas. The new Constabulary team structure will be in place from the 1st January 2016.
	<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. ●A Departmental Workforce Plan will be published and the actions within it will have begun to be carried out.</p>	<ul style="list-style-type: none"> ●The second Workforce Planning Group meeting was held on 8th December and from that meeting the group will be involved in developing a comprehensive skills matrix for the department.
	<p>M&CP senior managers review and implement all relevant actions from the Business improvement plan to address any gaps identified through the liP (Investment in People) assessment. ●Contributing to achieving the stretch target of Silver in September 2015.</p>	<ul style="list-style-type: none"> ●The City of London Corporation has achieved the ‘Silver’ liP level award with many improvements noted by the assessors. ●The Workforce Planning Group will be responsible for leading the work on the liP Business Improvement Plan.