

<b>Committee(s)</b>	<b>Date:</b>
Markets Committee	21 September 2016
<b>Subject:</b> Markets Committee Risk	<b>Public</b>
<b>Report of:</b> Director of Markets and Consumer Protection	<b>For Information</b>
<b>Report Author:</b> Donald Perry	

### Summary

This report has been produced to provide the Markets Committee with assurance that risk management procedures in place within the Department of Markets and Consumer Protection are satisfactory and that they meet the requirements of the corporate Risk Management Framework.

Risk is reviewed regularly by the departmental Senior Management Team as part of the on-going management of operations within the Department of Markets and Consumer Protection. In addition to the flexibility for emerging risks to be raised as they are identified, a process exists for in-depth periodic review of the risk register.

The Department of Markets and Consumer Protection have identified a number of departmental risks. Of these, the most significant risks for this Committee to consider are:

- MCP-NS 001 – Workplace Traffic Management (Current Risk: AMBER)
- MCP-SM 001 – HGV Unloading Operations (Current Risk: AMBER)
- MCP-SM 002 – Cooling Towers (Current Risk: AMBER)

### Recommendation(s)

Members are asked to:

- Note the report and the actions taken in the Department of Markets and Consumer Protection to monitor and manage effectively risks arising from our operations.

### Main Report

#### Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department.

#### Current Position

2. This report provides an update of the key risks that exist in relation to the operations of the wholesale markets within the Department of Markets and Consumer Protection. The report also outlines the processes adopted for the on-going review of risk and mitigating actions.

## **Risk Management Process**

3. The Department of Markets and Consumer Protection risk management is a standing agenda item at the regular Departmental Senior Management Group (SMG) meeting, over and above the suggested quarterly review. SMG receives the risk register for review, together with a briefing note highlighting any changes since the previous review. Consideration is also given as to whether any emerging risks exist for inclusion in the risk register as part of Divisional updates on key issues from each of the Superintendents and Assistant Directors, ensuring that adequate consideration is given to operational risk.
4. Between each SMG meeting, risk and control owners are consulted regarding the risks for which they are responsible, with updates captured accordingly.
5. Regular risk management update reports are provided to this Committee in accordance with the City's Risk Management Framework.

## **Identification of New Risks**

6. New and emerging risks are identified through a number of channels, the main being:
  - Directly by SMG as part of the regular review process.
  - In response to regular review of delivery of the departmental Business Plan; slippage against key deliverables, for example.
  - Annual, fundamental, risk register review, undertaken by the tier of management below SMG.

The risk register may be refreshed over and above the stated process for review and oversight, in response to emerging issues or changing circumstances.

## **Summary of Key Risks**

7. The Department of Markets and Consumer Protection's Risk Register for Markets, attached as Appendix 1 to this report, has no red risks but includes three AMBER risks:

### **MCP-NS 001 – Workplace Traffic Management (Current Risk: AMBER)**

Over 200 forklift trucks are in operation on the New Spitalfields Market site.

An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City and have an adverse impact on the operation and sustainability of the service.

### **MCP-SM 001 – HGV Unloading Operations (Current Risk: AMBER)**

A lack of suitable and sufficient training and adequate management controls in relation to Heavy Goods Vehicle banksman activities, undertaken by staff employed by Smithfield Market tenants, on an area under the overall control of the City, could result in a serious or life changing injury to pedestrians, caused by uncontrolled or unguided reversing vehicles.

An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City and have an adverse impact on the operation and sustainability of the service.

### **MCP-SM 002 – Cooling Towers (Current Risk: AMBER)**

Failure adequately to manage or maintain the cooling towers at Smithfield Market could result in an outbreak of Legionellosis. St Bartholomew's Hospital is within the drift area of these towers which exacerbates the impact of this risk due to the close proximity of susceptible persons.

If this risk were to be realised it could result in prosecution, a fine and reputational damage for the City.

### **Conclusion**

8. Members are asked to note that risk management processes within the Department of Markets and Consumer Protection adhere to the requirements of the City Corporation's Risk Management Framework. Risks identified within the operational and strategic responsibilities of the Department of Markets and Consumer Protection are proactively managed.

### **Appendices**

- Appendix A – Markets Risk Register Summary

### **Background Papers**

Department Business Plan  
Department Risk Review  
Department Business Plan Progress Report  
Risk Management Strategy

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# MCP Markets Committee Risk Report Appendix A

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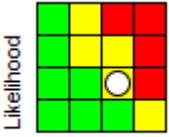
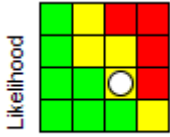


Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
MCP-NS 001 <b>Workplace Traffic Management (New Spitalfields)</b> 24-Feb-2015 Ben Milligan	<b>Cause:</b> Over 200 forklift trucks operate on the New Spitalfields Market site. <b>Event:</b> There is a serious risk of life changing injury to a pedestrian if vehicle movements in this constrained space are not appropriately managed and controlled. <b>Effect:</b> An accident involving a pedestrian and a vehicle which resulted in a serious or life changing injury could result in prosecution, a fine, reputational damage for the City and have an adverse impact on the operation and sustainability of the service.	 Likelihood Impact	12	Mitigation works are continuing and a programme of line marking has commenced to identify no parking areas etc. HGV and van parking areas are being considered to improve safe parking and loading.  06 Sep 2016	 Likelihood Impact	8	02-Jan-2017	  Decreased Risk Score

Action no, Title,	Description	Latest Note	Managed By	Latest Note Date	Due Date
MCP-NS 001i Train Managers In Forklift Safety	A member of staff from all tenants to be nominated and trained in FLT safety procedures.	Matter has been raised with the SpMTA on the 8th August. They said that they are in favour of it and will provide the training for managers via MTS. They have spoken to MTS previously about it to organise a syllabus - a skeleton one is in place already. They will get about 20 trained at a time. Chief Exec of the SpMTA will liaise with tenants over potential dates over the next month.	Ben Milligan	12-Aug-2016	28-Sep-2016
MCP-NS 001j Create Time Segregation	Artic Time Segregation and No Tolerance in market hall.	The control of HGV movements and access is largely dependent on there being an entry barrier for the market. The intention is to have authorisation for the entry barrier at the Sept Market Committee. A HGV policy will then be drafted to outline conditions of entry. This will be implemented before the barrier is constructed.	Ben Milligan	06-Jul-2016	30-Sep-2016
MCP-NS 001k Install Barrier System	Controlled barriers entry system for pedestrians and vehicles.	Project, Project Sub, and Markets Committees all passed with no issues. Procurement are now inviting potential installation companies in to show the level of technical solution they believe should be installed. Once this has occurred, a detailed gateway 5 report will be created for final sign off at the Markets Committee.	Ben Milligan	09-Jun-2016	01-Oct-2018
MCP-NS 001l Segregate Walkways	Create segregated walkways in crossroads.	The specification is currently with City procurement and an order should be raised by the end of September 2016.	Ben Milligan	29-Jul-2016	30-Oct-2016



MCP-SM 001c Action Plan	Develop and implement an action plan.	An action plan has been developed and was agreed with the SMTA in February 2016.	Matthew Hill	01-Jul-2016	30-Dec-2016
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Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>MCP-SM 002 Cooling Towers (Smithfield)</b> 24-Feb-2015 Matthew Hill	<b>Cause:</b> Inadequate management and maintenance of the cooling towers at Smithfield Market. <b>Event:</b> An outbreak of Legionellosis associated with these towers. St Bartholomew's Hospital is within the drift area of these towers which exacerbates the impact of this risk due to the close proximity of susceptible persons. <b>Effect:</b> If this risk were to be realised it would result in prosecution, a fine and reputational damage for the City.		<b>8</b>	This risk is at its target and the current controls remain effective  <b>07 Sept 2016</b>		<b>8</b>	31-Jul-2016	↔  No change

Action no, Title,	Description	Latest Note			Managed By	Latest Note Date	Due Date