

<b>Committee:</b> Markets Committee	<b>Date:</b> 20 September 2017
<b>Subject:</b> Markets Committee Risk	<b>Public</b>
<b>Report of:</b> David Smith Director of Markets and Consumer Protection	<b>For Information</b>
<b>Report author:</b> John Smith Department of Markets and Consumer Protection	

### **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, New Spitalfields (Current Risk: AMBER)
- MCP-BG 001 – Workplace Transport, Billingsgate (Current Risk: Green)
- MCP-SM 001 – HGV Unloading Operations, Smithfield (Current Risk: RED)

#### **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 one RED risk, one AMBER risk and one GREEN risk.

### **MCP-NS 001 – Workplace Traffic Management New Spitalfields (Current Risk: AMBER no change)**

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-BG 001 – Workplace Transport Billingsgate (Current Risk: Green Risk decreased)**

Following receipt of the findings of a recent audit of forklift truck controls at Billingsgate Market, the recommendations have now been fully implemented. The risk was reviewed following the installation of these controls resulting in this previously Amber Workplace Transport risk being re-assessed as Green. This, now green, risk is being reported on this occasion to show that it is being satisfactorily managed.

A robust forklift truck management policy and database for all vehicles and drivers has been implemented along with a photo card permit to operate system.

All owners/operators have been written to making them aware of the legal requirements and the licences and training required.

Market Constables now undertake a regular programme of proactive inspection and checking to ensure that only trained and authorised persons operate a forklift at Billingsgate.

As of these activities are undertaken in an area under the direct control of the City, 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.

### **MCP-SM 001 – HGV Unloading Operations Smithfield (Current Risk: RED no change)**

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.

This risk is still rated as RED as, although some safety improvements have been made, the Market management team does not yet have complete confidence that the new arrangements will deliver a sustained reduction in risk as this depends upon the effectiveness of the tenants' staff, which has still to be proven beyond the short term. Assuming that the current improvements are maintained, this risk should revert to Amber.

### **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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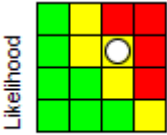
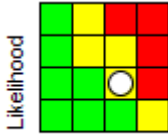



Rows are sorted by Risk Score

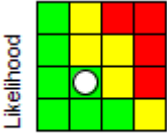
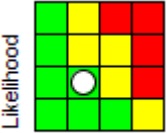

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>MCP-SM 001</b> <b>HGV Unloading Operations</b> <b>Smithfield</b> 24-Feb-2015 Mark Sherlock	<b>Cause:</b> 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. <b>Event:</b> Serious or life changing injury to members of the public, market staff and other service users caused by uncontrolled or unguided reversing vehicles. <b>Effect:</b> Realisation of this risk could result in a prosecution, fine and reputational damage for the City.	 Likelihood Impact	16	Work with the SMTA towards the completion of the allocated actions has been agreed and the SMTA commissioned training for its Banksmen using the Freight Transport Association as provider. Training was completed 29 June 2017. <b>29 Aug 2017</b>	 Likelihood Impact	12	29-Dec-2017	 No change

Action no, Title,	Description	Latest Note	Managed By	Latest Note Date	Due Date
MCP-SM 001f Review delivery practices	Work with the Market Tenants' Association to review sender delivery practices.	Aug September partnership work continues; Stakeholder actions review meetings agreed with the SMTA to take place until all recommendations of the FTA report are fully implemented, October 2017. Achieved evidenced improvements e.g. local audits of actions with the Superintendent's ongoing and continuous operational site audits. All banksmen training is completed, the SMTA now working with FTA to produce driver guidance.	Mark Sherlock	29-Aug-2017	28-Sep-2017

		<p>Implemented immediate lock-offs by the Head of Constabulary where unsafe &amp; unmanaged activities are identified.</p> <p>The Superintendent is evaluating the opportunity to remove certain potential human errors in the process and to replace with software controlled and inter-lock interfaces before the lock-on process is safely complete.</p> <p>The FTA has acknowledged improvements made to date i.e. It is clear from this review that a number of physical safety improvements have been made at Smithfield Market and that these improvements will reduce the risks identified...measures such as increased warning signage, loading bay traffic lights and retractable barrier</p> <p>Working with partners: M&amp;CP will achieve a safe loading operation, and by doing so will reduce the risk, with SMTA co-operation, from its current red status to amber. To be discussed at the next partnership meeting in October 2017</p>			
MCP-SM 001g Produce guidance for drivers	Produce a pamphlet containing site rules and a map showing delivery points for each stand.	The SMTA confirm that it is currently working with the FTA to provide a 'guidance for drivers' information document. This is to be completed during September prior to the next meeting of the group in October 2017.	Mark Sherlock	29-Aug-2017	28-Sep-2017
MCP-SM 001h Monitor traffic routes.	Monitor market traffic routes.	August 2017 has seen continued checks of loading bays by the constabulary and improvements have been recorded. However, frequent offenders are now being looked at; the 31 August will see both Superintendent and Operations Manager for the Market work overnight to assess progress to date. The Market Superintendent will continue to write to offenders to drive further improvement. This will be covered at the FTA action meeting of October 2017	Mark Sherlock	29-Aug-2017	28-Sep-2017
MCP-SM 001i Review unloading practices	Work with the Market Tenants' Association to review unloading practices.	<p>Work with the SMTA towards the completion of the allocated actions continues and progress has been made acknowledged by the FTA. The single most important outstanding action was the SMTA commissioning training on behalf of the tenants for their banksmen using the FTA as provider. This has now been completed.</p> <p>Now that the banksmen training is complete, a jointly signed letter from the Superintendent and Chairman of the SMTA was issued on 20 July 2017 to all freight transport companies which deliver to the Market, confirming the improved operational safety standards required and the consequential lock-off of the delivery bays if these standards are not met. Along with this letter is a site plan outlining the delivery process, and site rules.</p>	Mark Sherlock	29-Aug-2017	28-Sep-2017
MCP-SM 001j Review forklift management.	Review and implement the local forklift truck management scheme.	The Policy was to be discussed at a joint COL/SMTA meeting due to be held on the 22nd August 2017. However the meeting has been postponed due to the unavailability of SMTA members and rescheduled for a provisional date of the 28th September.	Mark Sherlock	29-Aug-2017	28-Sep-2017

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-NS 001</b> <b>Workplace Traffic Management</b>  <b>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	<b>12</b>  Impact	Outstanding issues are being pursued with tenants and further behavioural changes for timed segregation will be applied following the installation of Entrance barriers. This is subject to planning approval which is being sought at this time.  <b>29 Aug 2017</b>	 Likelihood	<b>8</b>  Impact	29-Dec-2017	  No change

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.	This action is in progress.	Ben Milligan	29-Aug-2017	29-Dec-2017
MCP-NS 001j Create Time Segregation	Artic Time Segregation and No Tolerance in market hall.	A parking policy has now been implemented that encompasses HGV parking. Penalty charge notices have been implemented to ensure that vehicles park in their respective areas. Curtain side trucks now have special provision for their parking and unloading. An offence has been created for forklift drivers unloading HGVs outside loading times allowable around the market. HGVs onsite must not unload around the market beyond 3am up until 8am. Once the car park at the far end of the market has been reviewed and the parking changed, as required, these HGVs will not be allowed to unload around the market between 12 midnight and 8am. This is the next step in the process.	Ben Milligan	29-Aug-2017	29-Dec-2017
MCP-NS 001k Install Barrier System	Controlled barriers entry system for pedestrians and vehicles.	This action is in progress	Ben Milligan	29-Aug-2017	01-Oct-2018

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-BG 001</b> <b>Workplace Transport</b> Billingsgate 26-Apr-2017 Malcolm Macleod	<b>Cause:</b> A lack of suitable and sufficient training and adequate management controls in relation vehicle movements at Billingsgate Market. <b>Event:</b> There is a risk of a life changing injury to a pedestrian if vehicle movements including forklift trucks 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.	 Likelihood Impact	4	The action plan has now been fully implemented and the risk is now at target.  <b>29 Aug 2017</b>	 Likelihood Impact	4	29-Dec-2017	  Decreased Risk Score

Action no, Title,	Description	Latest Note	Managed By	Latest Note Date	Due Date
MCP-BG-001b Monitor risk	Continue to monitor existing controls	This action is in progress.	Malcolm Macleod	29-Aug-2017	30-Mar-2018