

<b>Committee:</b>	<b>Date:</b>
Markets Committee	20 September 2017
<b>Subject:</b> Markets Business Plan Update Period 1 2017/18 (April – July)	<b>Public</b>
<b>Report of:</b> Director of Markets and Consumer Protection	<b>For Information</b>
<b>Report author:</b> Don Perry - Department of Markets and Consumer Protection	

### Summary

This report provides an update on progress for Period 1 (April-July) of 2017-18 against key performance indicators (KPIs) and objectives outlined in the Markets' Business Plan.

#### The report consists of:

- Performance against the key performance indicators (KPIs) and progress report on the business plan – Appendix A
- Matters of general interest to the Committee – Appendix B
- Financial information – Appendix C
- Debt Information – Appendix D
- Sickness statistics – Appendix E

#### Key points from the report are that:

##### General

- GVA (formerly GVA Grimley) were awarded the contract for the Strategic Review of Markets on 1 June 2017. Members will receive an Interim Report setting out the findings of stage one.
- All three Markets are now operating common systems to control forklift truck use.

##### Billingsgate

- A replacement waste compactor that compresses waste has been purchased with the aid of 75% EU Fishing grant.
- Due to a high turnover in car-park customers the annual income is approximately £20k below the 2017/18 full year budget of £450k.
- The LFMA is to hold a members meeting on 21 September to elect a new Council and Chairman.

##### Smithfield

- The working manual has been amended and the Superintendent is waiting for a response from the SMTA.

- A strategy for increasing the usage of the car park has been revised and an action plan is being implemented.
- Banksmen training for tenants' staff was completed in June and an audit in July indicated 100% guided movements of HGVs using the lock-ons; another audit will take place in September.

### **Spitalfields**

- The team at New Spitalfields Market were successful at the Alarm 2017 Risk Awards on 26 June. The team was highly commended in the Operational Award for their 'Controlling workplace transport risks' initiative. This is the first such National award that the City has achieved.
- The cleaning and waste contract goes live on 2 Oct. The new contract will encourage segregation at source and maximise recycling.
- AECOM are providing a RIBA 3 design for the entry barrier to assist the CoL in being granted planning permission from Waltham Forest. Once permission has been approved a tendering exercise will be carried out for the installation of the approved plans.

### **Finance**

At the end of July 2017, the Department of Markets & Consumer Protection was £56k (19%) over spent against the local risk net budget to date of (£296k), over all the services now managed by the Director of Markets & Consumer Protection covering the Markets Committee. Appendix C sets out the detailed position for the individual services covered by this department.

Overall the Director of Markets & Consumer Protection is currently forecasting a year end overspend position of £181k (13%) for his City Fund and City Cash services.

## **Main Report**

### **Background**

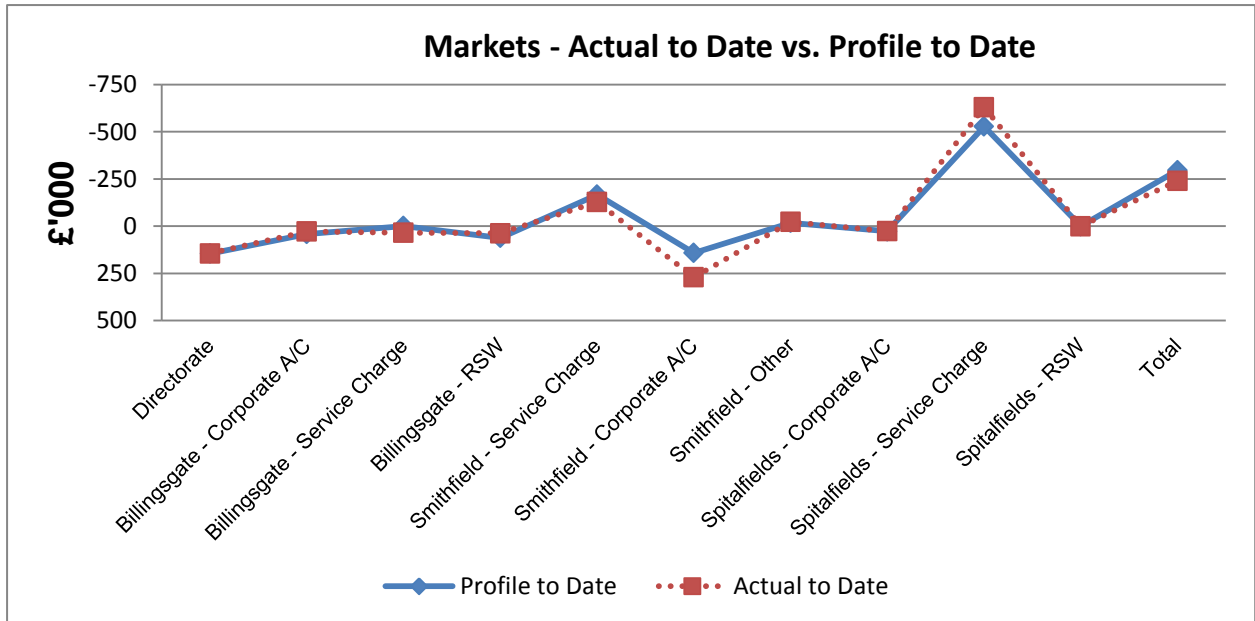
1. The 2017-18 Markets Business Plan sets out five Key Performance Indicators (KPIs) and 23 Key Improvement Objectives against which the Markets performance will be measured throughout the year.
2. The KPIs and objectives are updated in Appendix A.

### **Current Position**

3. To ensure that your Committee is kept informed of progress against the current business plan, progress against KPIs (Appendix A) and matters of general interest (Appendix B), financial summary (Appendix C) are reported on a periodic (four-monthly) basis, along with sickness statistics (Appendix E). New for this period is Debt Information (Appendix D) that shows debts graphs of aged debts over 90 days.
4. This approach allows Members to ask questions and have a timely input on areas of particular importance to them. Members are also encouraged to ask the Director for information throughout the year.
5. Periodic progress is also discussed by Senior Management Groups (SMG) to ensure any issues are resolved at an early stage.

### Financial and Risk Implications

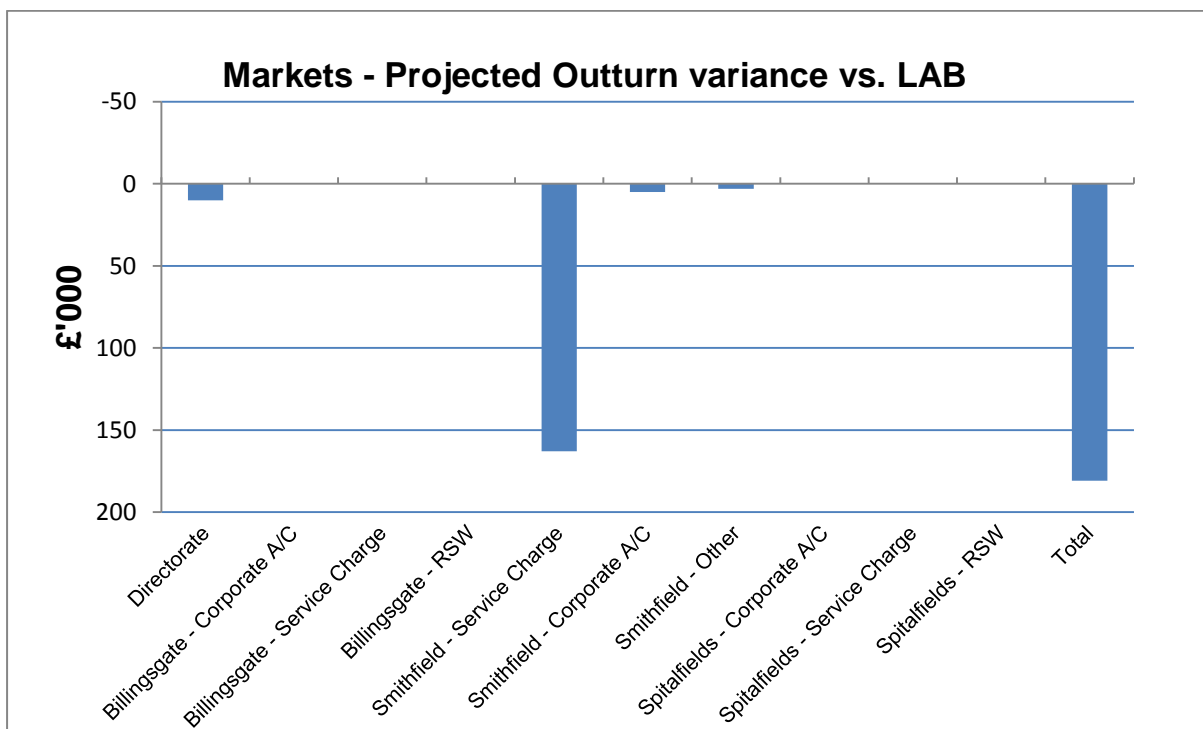
6. The end of July 2017 monitoring position for Department of Markets & Consumer Protection services covered by Markets Committee is provided at Appendix C. This reveals a net overspend to date for the Department of £56k (19%) against the overall local risk budget to date of (£296k) for 2017/18.



**Notes:**

1. Graph shows the actual local risk net position against the profiled budget to date for each Division of Service.
2. The Markets total actual to date spend of (£240k) is currently £56k above the profiled budget to date of (£296k).

7. Overall the Director of Markets & Consumer Protection is currently forecasting a year end overspend position of £181k (13%) for the City Fund and City Cash services under his control.



**Notes:**

1. Zero is the baseline latest approved budget for each Division of Service.
  2. Graph shows projected outturn position against the latest approved budget.
  3. A variance above the baseline is favourable i.e. either additional income or reduced expenditure.
  4. A variance below the baseline is unfavourable i.e. additional expenditure or reduced income.
  7. Overall the Department is forecasting an overspend of £181k at year end.
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8. The reasons for the significant budget variations are detailed in Appendix C, which sets out a detailed financial analysis of each individual division of service relating to this Committee, for the services the Director of Markets & Consumer Protection supports.
  9. The worse than budget position at the end of July 2017 relates mainly to Smithfield Market rate increases paid in advance, for which a rates appeal will be made by the CoL. These payments in advance will be reimbursed by tenants by year end. This unfavourable variance to date is partly offset by underspends on Spitalfields Service Charge account due to current salary vacancies and some ad-hoc additional income received, any over/under recovery will be netted off against tenants service charge bills at year end.
  10. The Director of Markets & Consumer Protection anticipates this current worse than budget position will continue to year end, mainly as a result of reduced service charge income at Smithfield Market due to delays in completing the additional premise lets.

**Recommendation:**

11. It is recommended that your Committee notes the content of this Report and its appendices

**Appendices**

Appendix A - Performance against the key performance indicators (KPIs) and progress reports on the business plan

Appendix B - Matters of general interest to the Committee.

Appendix C – Financial Information

Appendix D – Debt Information

Appendix E – Sickness Graph

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