

<b>Committee:</b> Markets Committee	<b>Date:</b> 29 November 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> Donald Perry 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-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 on 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 and one AMBER 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-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, it is anticipated that this risk will revert to back to its previous Amber status by 31<sup>st</sup> January 2018.

## **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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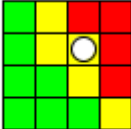
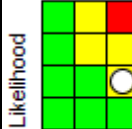



Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<p><b>MCP-SM 001</b>  <b>HGV Unloading Operations</b>  <b>Smithfield Market</b></p>	<p><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.</p>	<p>Likelihood</p>	<p>16</p>	<p>The tenant banks-man training is complete, and a jointly signed letter from the Superintendent and Chairman of the SMTA has been issued 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. This letter included a site plan, delivery process, and site rules. Detailed monitoring continues by the onsite Constabulary.</p> <p>Continuing risk management work streams are;</p> <p>Stakeholder actions/review meetings set with the SMTA until all recommendations of the FTA report are fully demonstrable, evidence based, and implemented.</p> <p>Ensure that all training records of individuals are retained and updated by the SMTA, on behalf of the tenants, for review with the Superintendent's office for ongoing controls.</p> <p>The City will implement immediate closure of vehicle lock-ons where</p>	<p>Likelihood</p>	<p>12</p>	<p>31-Jan-18</p>	<p>↔</p>

<p>24-Feb-2015 Mark Sherlock</p>			<p>unsafe &amp; unmanaged activities are identified and, after consultation with the SMTA, an effective date agreed.</p> <p>In the short to medium-term the Superintendent will evaluate the opportunity to remove certain human inputs/errors in the control process, and to replace them with software managed and sequenced inter-lock interfaces, before the lock-on process is safely complete. This has been progressed with site visits being made by industry experts.</p> <p>Good progress is being made through structured working with the SMTA. Improvements have been made with both training and additional safety measures introduced by the Market, such as Tensa barriers, additional signage, road markings and hatchings, traffic lights, speed controls, additional bollards, and road surface improvement including road markings and signage.</p> <p>It is anticipated that by continuing with this approach, the current Red risk will be able to be reduced to Amber by the end of January 2018.</p> <p><b>09 Nov 2017</b></p>				<p>No change</p>
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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.	<p>Tenant banks-man training is complete, and a jointly signed letter from the Superintendent and Chairman of the SMTA has been issued 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. This letter included a site plan, delivery process, and site rules. Detailed monitoring continues by the onsite Constabulary.</p> <p>Continuing risk management work streams are;</p> <p>Stakeholder actions/review meetings set with the SMTA until all recommendations of the FTA report are fully demonstrable, evidence based, and implemented.</p> <p>Ensure that all training records of individuals are retained and updated by the SMTA, on behalf of the tenants, for review with the Superintendent's office for ongoing controls.</p> <p>The City will implement immediate closure of vehicle lock-ons where unsafe &amp; unmanaged activities are identified and after consultation with the SMTA an effective date agreed.</p> <p>In the short to medium-term the Superintendent will evaluate the opportunity to remove certain human inputs/errors in the control process, and to replace them with software managed and sequenced inter-lock interfaces, before the lock-on process is safely complete. This has been progressed with site visits being made by industry experts.</p> <p>Good progress is being made through structured working with the SMTA. Improvements have been made with both training and additional safety measures introduced by the Market, such as Tensa barriers, additional signage, road markings and hatchings, traffic lights, speed controls, additional bollards, and road surface improvement including road markings and signage.</p> <p>It is anticipated that by continuing with this approach, the current Red risk will be able to be reduced to Amber.</p>	Mark Sherlock	13-Nov-2017	31-Jan-2018
MCP-SM 001h Monitor traffic routes.	Monitor market traffic routes.	A further audit is due to be conducted by the Constabulary during the first two weeks of November which will be reported on to the November Committee meeting.	Mark Sherlock	08-Nov-2017	30-Nov-2017
MCP-SM 001i Review unloading	Work with the Market Tenants' Association to review unloading practices.	The tenant banks-man training is complete, and a jointly signed letter from the Superintendent and Chairman of the SMTA has been issued to all freight transport companies which deliver to the Market, confirming the improved operational safety standards required and the	Mark Sherlock	15-Nov-2017	31-Jan-2018

practices		<p>consequential lock-off of the delivery bays if these standards are not met. This letter included a site plan, delivery process, and site rules. Detailed monitoring continues by the onsite Constabulary.</p> <p>Continuing risk management work streams are;</p> <p>Stakeholder actions/review meetings set with the SMTA until all recommendations of the FTA report are fully demonstrable, evidence based, and implemented.</p> <p>Ensure that all training records of individuals are retained and updated by the SMTA, on behalf of the tenants, for review with the Superintendent's office for ongoing controls.</p> <p>The City will implement immediate closure of vehicle lock-ons where unsafe &amp; unmanaged activities are identified and after consultation with the SMTA an effective date agreed.</p> <p>Good progress is being made through structured working with the SMTA. Improvements have been made with both training and additional safety measures introduced by the Market, such as Tensa barriers, additional signage, road markings and hatchings, traffic lights, speed controls, additional bollards, and road surface improvement including road markings and signage. The next progress review meeting with the SMTA has been proposed in December.</p> <p>Subsequent audits in July (100% guided movements) and September (100% guided movements) evidenced a dramatic improvement in this safety aspect. However there remains an element of second driver guided movements and the detail of these has been shared with the SMTA with a proposal to issue secondary jointly-signed correspondence to those freight transport companies reminding them of the site rules and application of rejected deliveries should this continue.</p> <p>It is anticipated that by continuing with this approach the current Red risk will be able to be reduced to Amber at the end of January 2018.</p>			
MCP-SM 001j Review forklift management.	Review and implement the local forklift truck management scheme.	The revised Policy has been circulated and a joint COL/SMTA meeting due to be held on 30th November to formalise an agreement before the end of 2017. Previous dates have been postponed due to the unavailability of SMTA members.	Mark Sherlock	15-Nov-2017	31-Dec-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 Workplace Traffic Management</b>  <b>New Spitalfields Market</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	12	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>13 Nov 2017</b>	 Likelihood	8	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	13-Nov-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	13-Nov-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	13-Nov-2017	01-Oct-2018