

<b>Committee:</b> Markets Committee	<b>Date:</b> 7 March 2018
<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: AMBER)

Members will note that the Smithfield risk has been reduced from Red to 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 two AMBER risks.

### **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.

As 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 and have an adverse impact on the operation and sustainability of the service.

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

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.

Since your last meeting several additional mitigating controls have been implemented. These further controls have resulted in this previously RED risk being re-rated as AMBER upon review.

### **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

#### **Contacts:**

Donald Perry (*Report author*)  
Head of Business Performance  
T: 020 7332 3221  
E: [donald.perry@cityoflondon.gov.uk](mailto:donald.perry@cityoflondon.gov.uk)

Smithfield Market:  
Superintendent – Mark Sherlock  
T: 020 7332 3747  
E: [mark.sherlock@cityoflondon.gov.uk](mailto:mark.sherlock@cityoflondon.gov.uk)

New Spitalfields Market:  
Superintendent – Ben Milligan  
T: 020 8518 7670  
E: [ben.milligan@cityoflondon.gov.uk](mailto:ben.milligan@cityoflondon.gov.uk)

Billingsgate Market:  
Superintendent – Malcolm Macleod  
T: 020 7332 3067  
E: [malcolm.macleod@cityoflondon.gov.uk](mailto:malcolm.macleod@cityoflondon.gov.uk)

# MCP Markets Committee Risk Report Appendix A

Report Author: Donald Perry




Generated on: 21 February 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
<p>MCP-SM 001 HGV Unloading Operations  Smithfield Market</p> <p>24-Feb-2015 Mark Sherlock</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.</p> <p><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.</p> <p><b>Effect:</b> Realisation of this risk could result in a prosecution, fine and reputational damage for the City.</p>	<p>Likelihood</p> <p>Impact</p>	12	<p>A number of additional mitigating controls have been implemented since Jan 2017. Namely:</p> <ul style="list-style-type: none"> <li>Audits</li> <li>Sharing of audit information with SMTA</li> <li>Banksmen training completed July 2017</li> <li>Joint letters to Traders and Freight Transport Companies - July 17</li> <li>Issue of site map and site rules to FTCs - July 17</li> <li>Implementation of all FTA recommendations</li> <li>Programmed FTA report &amp; actions meeting with SMTA - now encompassed in quarterly H&amp;S forums</li> <li>Letter to FTCs for further improvements</li> <li>Dear Neighbour letter to all local CoL &amp; Islington licenced premises before Xmas trade 2017</li> </ul> <p>20 Feb 2018</p>	<p>Likelihood</p> <p>Impact</p>	12	30-Apr-2018	<p>↕</p> <p>Risk reduced</p>

Action no, Title,	Description	Latest Note	Managed By	Latest Note	Due Date
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				Date	
MCP-SM 001f	Work with the Market Tenants' Association to review sender delivery practices.	4-night audit of HGV operation completed 14th Feb. Only 2% of movements unguided. Detail shared with SMTA.	Mark Sherlock	20-Feb-2018	30-Apr-2018
MCP-SM 001h	Monitor market traffic routes.	Traffic routes are routinely monitored. Letters to tenants copied to the SMTA have been sent to 4 traders on the east market with the threat of a Section 146 for lease contravention. Constabulary will actively manage and report to the Superintendent any contraventions within 48 hours, so the appropriate action can be taken.	Mark Sherlock	30-Jan-2018	31-Mar-2018
MCP-SM 001i	Work with the Market Tenants' Association to review unloading practices.	4-night HGV delivery audit completed 14th February. 136 deliveries witnessed with a 98% success rate for banksman supervised lock-ons. 3 transport companies identified for further joint letter correspondence. Results shared with SMTA on 16th February with further analysis on the use of PPE/High Vis to follow. FTA have provided detailed training guide to the SMTA for onward dissemination and implementation by their relevant members.	Mark Sherlock	16-Feb-2018	30-Apr-2018
MCP-SM 001j	Review and implement the local forklift truck management scheme.	A H&S forum meeting was held on 30th Jan with the SMTA, Unions and corporate H&S. The policy was discussed at some length but the SMTA require additional consultation before their agreement. This will be arranged.	Mark Sherlock	30-Jan-2018	30-Apr-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-NS 001</b> <b>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 Impact	12	With the increased levels of compliance by tenants' fork lift truck operators through the enforcement of the fork lift truck policy and the success of the single fork lift training provider the number of fork lift truck incidents has reduced significantly.  <b>08 Feb 2018</b>	 Likelihood Impact	8	01-Oct-2018	  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	08-Feb-2017	30-Mar-2018
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	08-Feb-2017	30-Mar-2018
MCP-NS 001k Install Barrier System	Controlled barriers entry system for pedestrians and vehicles.	This action is in progress	Ben Milligan	08-Feb-2017	01-Oct-2018