



SOUTH
KESTEVEN
DISTRICT
COUNCIL



Governance and Audit Committee


14 June 2023

Report of Councillor Ashley Baxter,
Deputy Leader of the Council

Market Service Operational Review

Report Author

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Purpose of Report

To provide an overview of the findings of a review of the operational aspects of the Council's markets service.

Recommendations

Governance and Audit Committee is asked to:

1. Consider the issues highlighted in the report
2. Approve the Action Plan
3. Agrees to receive an update on the actions undertaken
4. Recommends that the review of the market service be passed to the Overview and Scrutiny Committee for consideration

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Growth and our economy High performing Council
Which wards are impacted?	All

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The independent review has identified a number of governance and financial implications relating to the operation of the market service across the District. In response to the issues, a comprehensive action plan has been introduced to resolve the issues and put in place corrective measures. The Committee is asked consider the action plan and agree to receive progress updates at subsequent meetings.

Completed by: Richard Wyles, Chief Finance Officer

Legal and Governance

- 1.2 As set out in the finance and procurement comments above, a number of governance implications relating to the operation of the market service have been identified and are sought to be addressed via the action plan that has been developed and is before Committee for consideration.

Completed by: Graham Watts, Assistant Director of Governance and Monitoring Officer

Risk and Mitigation

- 1.3 The review highlighted a number of areas which could potentially expose the Council to risk. The action plan identifies tasks which will need to be taken address these risks and are explored further within the report.

Completed by: Tracey Elliott, Governance and Risk Officer.

Health and Safety

- 1.4 The Council has a duty to protect the health, safety and welfare of its employees and other people who might be affected by its work activities.
- 1.5 Any specific actions relating to health and safety are discussed within the report.

Completed by: Phil Swinton, Emergency Planning and Health and Safety Lead

Human Resources

- 1.6 The review has identified several areas where the method of working does not reflect the Council's pay policy.
- 1.7 Where employees regularly work the same hours/days each week there is an option to issue a permanent part time contract. This would reduce the operational risk to the Council because having casual employees secures no contractual commitment from employees.
- 1.8 Prior to implementing any changes, consultation will need to be undertaken with impacted employees.

Completed by: Fran Beckitt, HR Manager

2. Background to the Report

- 2.1 Weekly markets are held in the market towns of Grantham (Saturday), Stamford (Friday and Saturday), and Bourne (Thursday and Saturday). The markets are operated by the Council utilising directly employed staff.
- 2.2 Following a change in the operational management arrangements for the markets service, an external review of processes and procedures has been undertaken. A significant number of issues were identified which emanated from a history of poor management of the service over a significant period of time. An action plan has been developed supported by a number of corrective measures. The key concerns highlighted by the review are summarised below.

Employment Arrangements

- 2.3 With the exception of the Market Supervisor post, which is currently vacant, the market operatives responsible for erection and dismantling of stalls and other duties associated with the operation of the market are casual staff and this has become 'custom and practice'. A number of the operatives are existing employees with full time substantive posts in other teams which may require them to work weekends on occasions, making them unavailable at these times. This is a risk to the Council as the service lacks resilience and the operatives are not contractually obliged to attend work.
- 2.4 Resilience within the operational staffing is self-managed by the chargehands and often relies on the goodwill of a number of dedicated individuals. The nature of the work requires attendance during the early hours of the morning to erect the stalls and return in the afternoon for dismantling. At Grantham (Saturday) and Stamford (Friday) operatives are also employed to operate road closures and all markets, except for Stamford Saturday market, employ operatives to collect the waste generated by traders. Unsociable hours, split shifts and weekend working are not always attractive and it can be difficult to recruit staff.
- 2.5 The market operatives receive payments for carrying out a range of different duties at each market based on a set number of hours. Job descriptions are not up to date and payments are based on tasks rather than job roles and do not necessarily reflect the actual hours spent on each task. In particular, the hours worked by operatives on the road closure barrier do not align to the payment rate. Where an operative does not attend, the payment is split between other operatives. Operatives can also carry out several duties, at different pay rates, concurrently over the course of a day. This method of working does not reflect the Council's pay policy.

Waste Collection and Disposal

- 2.6 Market operatives carry out street cleansing and waste disposal functions for the Grantham, Bourne (Thursday) and Stamford (Friday) markets. Traders at the Saturday markets at Stamford and Bourne (one trader only) are required to remove their own waste. A supplementary fee for waste disposal for excess waste is detailed in the fees and charges but is only charged to fruit and vegetable stalls. As such, the costs associated with the collection and disposal of waste from traders are effectively being subsidised.
- 2.7 Waste generated by traders is being disposed of outside of the Council's trade waste disposal arrangements, this attracts higher gate disposal fees and is not cost effective.

Income Collection

- 2.8 The fees applicable to market traders who stand at each market are set out in the Council's approved and published fees and charges. A number of anomalies and inconsistencies have been identified in the implementation of the charging regime.
- 2.9 Fees for traders occupying a pitch only (a space with no stall) are based on a standard size pitch. Where traders' units are larger than the standard size pitch a pro-rata calculation has been applied. This has not been monitored and over time some traders appear to have increased their pitch size without increasing their fee.
- 2.10 The calculation method behind the fees for some traders is unclear and discounts have been applied in some instances which are not reflected in the fees and charges.
- 2.11 All market trader fees are collected in cash on the day of trading. This exposes the Council to avoidable risks.
- 2.12 Records relating to market traders had not been suitably maintained.

Operational

- 2.13 Systems of work and the stalls and equipment used have remained similar over many years, the only fundamental change has been the size of the different markets. The Stamford market store area is a small open-air yard with no buildings, toilets or utilities. Staff utilise nearby public toilets while erecting stalls during the early hours. The Grantham market utilises a store building with facilities, this is much larger than is required for the current size of the market. There are no facilities in Bourne, with popup style stalls being stored in a shipping container.
- 2.14 Road closure signage is not to current standards. Vehicles belonging to members of the public are often parked within the Stamford Friday market road closure area prior to the closure taking effect, blocking spaces for stall erection.
- 2.15 The metal pole scaffold style stalls used in Grantham and Stamford are believed to be over 50 years old. Broken/redundant stall parts are held at each store and there are few spares in good order for use. The pop-up style stalls used at Bourne were purchased in 2009 and some are in disrepair.

Health and Safety

- 2.16 Although the general operations have not changed, risk assessments and method statements have not been reviewed, staff training history is unclear and not adequately documented.

- 2.17 There is an example of a sole trader that has direct access to the Council's store to collect and erect his own stall. The trader is a former market stall erector, however, there are no controls or supervision in relation to this activity.
- 2.18 Arrangements have already been put in place to address a number of the issues raised. Longer term actions will be required in some areas but may be influenced by the future strategy for the markets in each town. A draft action plan is at Appendix 1.

3. Key Considerations

- 3.1 The change in management arrangements identified a number of poor practices and unsatisfactory arrangements which were not in line with the Council's policies.
- 3.2 The current contractual arrangements reduce the resilience of the service and present a risk to delivery of the markets should staff be unavailable.
- 3.3 The action plan has been developed to address the concerns, some longer-term actions will be influenced by the future strategy for the markets across the district.

4. Other Options Considered

- 4.1 The provision of markets is a non-statutory function, however, they must operate in a compliant manner.

5. Reasons for the Recommendations

- 5.1 To ensure that markets operations are in accordance with all relevant Council policies and procedures.

6. Appendices

- 6.1 Appendix 1 – Markets Service Operational Action Plan