



## Audit Committee Report

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**Report of:** Simon Green Executive Director, Place

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**Date:** 24<sup>th</sup> September 2015

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**Subject:** Markets High Opinion Audit Report Follow Up

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**Author of Report:** Andy Ward 0114 2735280

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**Summary:**

**To update members of the committee on progress with the 6 outstanding items from the January 2015 internal audit report on the Market Service**

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**Recommendations: To note progress**

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**Background Papers: Report to Audit Committee – 21.7.2015**

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**Category of Report:** OPEN

**If Closed add – ‘Not for publication because it contains exempt information under Paragraph... of Schedule 12A of the Local Government Act 1972 (as amended).’**

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\* Delete as appropriate

## Statutory and Council Policy Checklist

<b>Financial Implications</b>
YES    Cleared by: Paul Schofield
<b>Legal Implications</b>
NO    Cleared by: David Sellars
<b>Equality of Opportunity Implications</b>
NO    Cleared by: Ian Oldershaw
<b>Tackling Health Inequalities Implications</b>
NO
<b>Human rights Implications</b>
NO
<b>Environmental and Sustainability implications</b>
NO
<b>Economic impact</b>
NO
<b>Community safety implications</b>
NO
<b>Human resources implications</b>
NO
<b>Property implications</b>
NO
<b>Area(s) affected</b>
All
<b>Relevant Cabinet Portfolio Lead</b>
Leigh Bramall
<b>Relevant Scrutiny Committee if decision called in</b>
Not applicable
<b>Is the item a matter which is reserved for approval by the City Council?</b>
NO
<b>Press release</b>
NO

## **REPORT TITLE**

### **1.0 INTRODUCTION**

1.1 The January 2015 Internal Audit report on the Market Service made 36 recommendations, 30 of which were dealt with either straight away or by the agreed deadline.

1.2 However for various reasons 6 items remained outstanding and this report aims to bring Committee members up to date on progress with those 6 items.

### **2.0 SUMMARY**

2.1 In the main the 6 items have now been addressed and progress is detailed in the main body of the report.

### **3.0 MAIN BODY OF THE REPORT**

Including Legal, Financial and all other relevant implications (if any)

3.1 The 6 outstanding items were as follows;

4.2 Staff should have access to copies of the markets business continuity plan. Copies should be held in the main markets office as well as at Crystal Peaks and the Parkway Wholesale Market. Staff should be made aware of where these are located, their contents and intended use. In addition, nominated officers should also retain copies personally to ensure access to the plans at all times (in the event of the offices not being accessible).

4.8 Over and above the need to initiate immediate action for the recovery of the traders' debts (as set out elsewhere in this report), the Director of Capital & Major Projects should require the head of markets to explain why the stated policy preventing traders holding outstanding arrears from transferring to the Moor Market was disregarded, particularly as this has resulted in significant arrears being built up by those traders in the new market.

4.9 There has been no review of long term arrears or of debts suitable for write-off.

4.11 Management's attention is drawn to the recommendations raised within this report for the re-establishment of debt recovery meetings, the formal monitoring of sundry debtors and initiation of prompt recovery action in line with corporate policy.

In addition, consideration should be given to the re-evaluation of the stated risk pending introduction of any agreed action and consideration of escalation of the risk to Place PLT.

4.14 In order to adequately protect the public from the risk of injury or loss as a result of illegal trading, systematic inspection of trader's stalls should be carried out. Inspections should be arranged without the knowledge of the traders so as to maximise the benefit.

4.17 Management should reconcile payments made by the trader in question to determine an accurate arrears position.

- 3.2 The implementation of Recommendation 4.2 was delayed initially by the TUPE transfer of the Markets patrol staff to Kier and then partly due to the delayed transfer of the Markets Maintenance staff to LGS grades and the need to formalise the stand by and call out arrangements in case of an emergency. This transfer was completed on the 1<sup>st</sup> September and business continuity plans for both The Moor Market and Crystal Peaks Market are held at both sites and by the Markets Manager (Districts), The Assistant Markets Manager (City) and the Markets Maintenance Manager.

An investigation has been carried out by The City Centre and Major Events Manager into the Recommendation of Item 4.8; however the author of this report has not formally been made aware of the findings or recommendations of that investigation.

Recommendation 4.9 has been carried out in so much as all the old debt has been reviewed with a view to write-off where it has been determined to be uncollectable. This is now in progress with a view to completion by 31.10.2015.

Recommendation 4.11 has been escalated in the Place risk register to PLT level and all accounts if they remain unpaid at the 37 day point are referred to the ICAM Team for further recovery action. The recent introduction of the requirement to reach an agreement with the ICAM Team on arrears repayment as a criterion to qualify for the 50% discount should now be showing a major improvement in The Moor Market's debt position.

Recommendation 4.14 asks that the Markets Patrol Staff take a more active role in identifying counterfeit, fake, illegal or dangerous goods being sold on trader's stalls in line with the Real Deal Campaign, Sheffield Markets have signed up to. Now those staff are employees of Kier their line manager is going to give them a toolbox talk on what to look out for and ask them to sign to say they have received it. Trading Standards are also going to provide a couple of workshops down at the Moor Market explaining to Market's staff the most obvious thing to look out for in terms of counterfeit, fake, illegal or dangerous goods.

## **FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from the report although any reduction in the level of Market debt will improve the financial

position of the Place portfolio.

**EQUAL OPPORTUNITIES IMPLICATIONS**

There are no equal opportunities implications arising from the report.

**LEGAL IMPLICATIONS**

There are no legal implications arising from this report.

**4.0 RECOMMENDATIONS**

- 4.1 Committee is asked to note the contents of the report and the progress made to date.

**Simon Green**  
**Executive Director, Place**

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