Brief Outline of Arguments/Proposals

Concerns of the Fishmongers of Ridley Road to the Bill and broader concerns

1. The 3 fishmongers are concerned for the viability of their businesses if Billingsgate closes and no alternative is available, as they source their fish from Billingsgate 3+ times a week, as do many others and if they lose this source of fish, they fear that it will damage their livelihoods and eventually cause them to close. They provide fish to several communities that shop in Ridley Road Market, each of which requires specific types of fish. Thus the quantity of any one type of fish is small, but the range is large, and it is impractical to obtain small quantities of such a broad range of fish from anywhere else other than Billingsgate Market. Wholesalers would not provide this.

2. The Bill provides the Corporation with the authority to close Smithfield and Billingsgate Markets and to repeal historic legislation associated with these markets, as well as a Letters Patent from King Charles I dated 18 October 1638. The corporation is required to give 90 days' notice of the closure of these markets, and they have complete discretion on when this notice is given. Thus there is no restriction (apart from the need to give notice) on when they close the markets. This gives rise to two concerns:
    a. The Ridley Road fishmongers fear that history will repeat itself and a replacement market will not be set up at all, as was the case with the cancellation of the Dagenham site by the Corporation of London. If that is the case, the corporation still has the right to close Billingsgate and Smithfield Markets, leaving nowhere for them to source their fish.
    b. Even if an alternative fish and meat market is planned, the Corporation can close the Billingsgate and Smithfield Markets at any time, even before a replacement market is up and running. They would have a financial incentive to do so to save the expense of running the markets and to press ahead with the plans they have to use the vacated sites of these markets. If there is such an interruption between the closing of the existing markets and the full operation of a replacement market, the Ridley Road fishmongers would not be able to get a supply of fish, and they fear that they would go out of business.

3. Although the details of the scheme to compensate existing traders in Billingsgate and Smithfields Markets are not public, there is a concern that it will be paid to the existing market traders, whether they move across to any new market or not. It is seen as tempting for individual traders to retire using the compensation money rather than move to another market, which would result in a reduction in the number of traders and also a loss of expertise in any new market, which could then become a shadow of the existing markets.

There are a number of more general objections to the premature closing of Billingsgate and Smithfield markets:

1. The loss to London of its wholesale meat and fish markets with no replacement will have a significant impact on food security in London and the Southeast. It is well known that wholesale markets contribute to food security and also keep the price of food low. This would leave London the only capital city in Europe without wholesale food markets.

2. The closure of the two markets will also have an impact on the population health of the whole of the South East, as increasing the price of healthy foods will undoubtedly lead to poorer diets and increase pressure on the NHS and other social services
3. It will have a greater impact on certain marginalised communities for whom fish is an important part of their diets. For example, the customers of the 3 fishmongers are around 90% Afro-Caribbean, who eat around 3x the UK average of fish in their diet; and most of the individual customers of Billingsgate itself are ethnic minorities including Bangladeshi and Pakistani. These groups are already subject to significant health inequalities, without raising the cost of their healthiest foods.
4. The closure of Billingsgate and Smithfield markets will impact smaller and start-up businesses, e.g. caterers and restaurants, as the lack of a market means that a central showroom where new entrants can meet and develop relationships with suppliers will be gone. Despite most of Billingsgate's business being off the floor, these relationships started on the floor.

It should be noted that we are not seeking to get the Bill refused.

Proposed Amendment to the Bill

We are seeking to make two amendments to the Bill to address Concerns 1 to 3 above

1. In order to address Concerns 1 and 2 above, we are seeking to make amendments to the Bill that only allow the Corporation of London to close down Billingsgate and Smithfield Markets once a reasonably sized and viable alternative market has started operating. This would be achieved by adding a subclause (3) to Clause 3 to state that the Corporation shall not give notice fixing the appointed day until after opening and proper operation of viable alternative markets.

2. To address Concern 3 above, it would seem sensible to ensure that there is an incentive for existing traders to move to any new market, and we have proposed that compensation is paid to any existing trader who moves to any replacement market and also to traders who continue to operate in the replacement market for a number of years. Because of the secrecy underlying the compensation scheme, it is difficult to quantify this “incentive” compensation. As an initial proposal, I have pitched this incentive compensation at half the compensation reportedly promised to existing traders, i.e. £150 million spread over 4 years. It cannot be known whether there is a fixed binding arrangement underlying the present compensation scheme, but it might well be possible for the Corporation to pay this “incentive” compensation out of the funds they have already allocated to compensate the traders.

[AS DEPOSITED]

A BILL

TO

Make provision for the repeal of legislation relating to Billingsgate Market and the London Central Markets; and for connected purposes.

WHEREAS—

(1) The City of London Corporation owns and operates Billingsgate Market and the London Central Markets:

(2) The buildings and facilities at the existing sites of Billingsgate Market and the London Central Markets do not provide modern working environments that cater for contemporary market needs and practices:

(3) The cost and difficulty of undertaking works on the existing sites of those markets, taken together with the location of the existing sites, and the other significant public benefit uses for which the existing sites can be used, makes it expedient that provision be made for the City of London Corporation to cease providing those markets at those sites:

(4) Market tenants at the existing sites are to be compensated by the City of London Corporation in respect of that cessation:

(5) The City of London Corporation intends to support all market tenants wishing to continue their businesses from alternative premises in their plans to do so, **including making the payments to such market tenants:**

(6) It is expedient that the other provisions of this Act be enacted:

(7) The objects of this Act cannot be obtained without the authority of Parliament:

May it therefore please your Majesty that it may be enacted, and be it enacted, by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows: —

1 Citation

This Act may be cited as the City of London (Markets) Act.

2. Interpretation

In this Act—

"appointed day" has the meaning given in section 3;

"the Corporation" means the Mayor and Commonalty and Citizens of the City of London, acting by the Common Council;

"existing site" means the site of a market existing immediately before the passing of this Act;

"existing trader" means a trader trading in either of the markets immediately before the passing of this Act;

"lease" means a periodic tenancy, a fixed term tenancy, a tenancy at will or a tenancy continuing by virtue of Part 2 of the Landlord and Tenant Act 1954;

"the London Central Markets" has the meaning given by section 21 of the London Central Markets Act 1875; and for the purposes of this Act the markets designated collectively as the London Central Markets by virtue of that section are to be treated as one market;

"market tenant" means a person who—

(a) occupies relevant premises under a lease; and

(b) carries on a business from those premises—

(i) as a market trader, or

(ii) otherwise related to the trade of that market;

"the markets" means Billingsgate Market and the London Central Markets; and "a market" means any one of the markets;

"relevant premises" means premises that form part of the existing site of a market;

"the Town Clerk" means the Town Clerk of the City of London;

"viable alternative markets" means a viable market for meat and a viable market for fish or a viable market for both meat and fish located within an area bounded by the M25 motorway and that (a) include all necessary and desirable infrastructure and facilities to support such a market or markets including support services for such fishmongers and meat traders and (b) have space to provide at least [ ] stalls for fishmongers and at least [ ] stalls for meat traders and "a viable alternative market" means any one of the viable alternative markets.

3 Appointed day

(1) In this Act, "appointed day" in respect of a market means such day as may be fixed by resolution of the Corporation as the day on which the operation of a market is to cease.

(2) Where the Corporation has entered into a written agreement with a market tenant that contains a provision as to the cessation of the operation of a market at an existing site not taking place—

(a) before a specified date, or

(b) until a specified period of time has elapsed following the passing of this Act,

the Corporation must fix an appointed day for that market under subsection (1) that is consistent with any such provision in any such agreement.

(3) The Corporation shall not fix the appointed day until after Viable Alternative Markets have started proper operation.

4 Notification of appointed day

(1) At least 90 days before an appointed day, the Corporation must publish notice of the passing of the resolution fixing that appointed day, and of the appointed day so fixed—

(a) on its website,

(b) in a newspaper circulating in the City of London, and

(c) in a newspaper circulating in the London Borough of Tower Hamlets, if the appointed day relates to Billingsgate Market.

(2) A photocopy or other reproduction certified by the Town Clerk to be a true copy of the page or part of a page of any newspaper bearing the date of its publication, and containing a notice

mentioned in subsection (1), is to be taken as evidence of the publication of the notice and the date of publication.

(3) A reproduction certified by the Town Clerk to be a true copy of part of the website of the Corporation on a particular date, and containing a notice mentioned in subsection (1) is to be taken as evidence of the publication of the notice on the website on that date.

5 Removal of market restrictions

(1) From the appointed day in respect of a market—
- (a) the land comprising the existing site of that market is released from any restriction, right or obligation, other than a restriction imposed by a lease, that attaches or relates to it, whether by virtue of any enactment or otherwise, by reason of its status or use as a market, and
- (b) any privilege or obligation of the Corporation to hold that market ceases to exist.

(2) From the appointed day that relates to the London Central Markets—
- (a) any restriction, right or obligation that attaches or relates to the land referred to in section 8 of the Metropolitan Meat and Poultry Market Act 1860 and section 12 of the Metropolitan Meat and Poultry Market (Western Approach) Act 1862 by virtue of those sections ceases to have effect,
- (b) any provision of the Letters Patent granted by King Charles I on 18 October 1638 that restricts the status or use of that land ceases to have effect, and
- (c) any customary or public rights (except highway rights) that attach or relate to that land, whether existing, accruing or otherwise arising, are extinguished.

6 Market tenants and leases

(1) This section applies to a market tenant who—
- (a) immediately before an appointed day, continues to occupy relevant premises to which the appointed day relates, and
- (b) has entered into a written agreement with the Corporation before that appointed day which provides for—
  - (i) the termination of the lease in respect of those relevant premises on or before that appointed day, and
  - (ii) the provision of compensation to that market tenant in respect of that termination.

(2) On the appointed day—
- (a) any lease in respect of those relevant premises, that is held by a market tenant to whom this section applies, terminates, and
- (b) any subsisting or future right of such a market tenant to occupy such premises, whether under Part 2 of the Landlord and Tenant Act 1954 or otherwise, terminates.

6A Payment to Existing Traders

<u>(1) On or as soon as practical after the appointed day the Corporation shall pay existing traders who have transferred their trade to viable alternative markets the sum of £30 million to be divided among such existing traders in accordance with the number of stalls set up in the viable alternative markets by the existing traders.</u>

<u>(2) On or as soon as practical after the relevant anniversary of the appointed day, the Corporation shall make 4 annual payments of £30 million each to traders in viable alternative markets who have traded for at least [90]% of the trading hours of a viable alternative market in the preceding</u>

<u>12 months, such payments to be divided in accordance to the number of stalls trading in the viable alternative market for said 90% of its trading hours.</u>

7 Repeals

(1) The enactments listed in the Schedule are repealed to the extent specified in that Schedule.

(2) The repeals listed in Part 1 of the Schedule have effect on the appointed day in respect of Billingsgate Market.

(3) The repeals listed in Part 2 of the Schedule have effect on the appointed day in respect of the London Central Markets.