UNIT 6, LA RUE GRELLIER, LA RUE DES PRES TRADING ESTATE: SUB-LEASE OF WAREHOUSE

Lodged au Greffe on 30th October 2001 by the Telecommunications Board



STATES OF JERSEY

STATES GREFFE

180 2001 P.164

Price code: A

PROPOSITION

THE STATES are asked to decide whether they are of opinion -

- (a) to approve the sub-leasing by the public from Abbey Plant Limited of warehousing/workshop accommodation at Unit 6, La Rue Grellier, Rue des Prés Trading Estate, St. Saviour, for a period of seve years and nine months from 1st December 2001 at an annual rent of £28,000 (representing a rate of £6.45 per square foot for the ground floor warehouse and £3.00 per square foot for the mezzanine floor offices) with the rent being reviewed on 25th March 2004 and 25th March 2007, in accordance with the increase in the Jersey Retail Price Index;
- (b) to authorise the Greffier of the States to sign the necessary agreement; and
- (c) to authorise the Treasurer of the States to pay the rent as it becomes due.

TELECOMMUNICATIONS BOARD

Note: The Finance and Economics Committee supports this proposition.

Report

The Telecommunications Board's accommodation strategy aims to centralise accommodation and to release space in operational buildings for new equipment. One requirement identified in the strategy is to acquire suitable premises to provide engineering construction stores and workshop facilities.

Premises became available in June 2001 at the former Reclaimit Unit, La Rue Grellier, Rue des Prés Trading Estate, which matched the need. The premises comprise a total of 4,989 square feet internal area, which principally includes warehouse and storeroom facilities plus ancillary offices at first floor level, w.c. facilities, adjoining garage and up to four car parking spaces to the front of the unit.

These facilities would be utilised to -

- provide storage for bulky equipment prior to installation into the network (delivery holding point);
- allow pre-assembly of telecommunications equipment;
- bench-testing of equipment;
- storage of installation materials (ironwork, cable, tools etc.).

The proposed sub-lease is on an internal repairing basis, with the immediate head lessor being responsible for the building insurance, foncier rates and maintaining the property in a wind and water-tight condition. The Board shall be responsible for internal repairs and maintenance (to a standard equivalent to that at the commencement of the sub-lease, subject to a photographic schedule of condition), occupier's rates, and normal service costs associated with occupation. There is a break point option in the sub-lease at the end of the sixth year, subject to giving six months' notice in writing.

The rent will be reviewed on the 25th March 2004 and 25th March 2007 in accordance with the increase in the Jersey RPI index.

The financial implications are set out in the proposition and there are no additional manpower implications.