# STATES OF JERSEY

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# BELLOZANNE SCRAP METAL YARD, BELLOZANNE VALLEY, ST. HELIER: LEASE TO PICOT AND ROUILLE LIMITED

Lodged au Greffe on 12th October 2004 by the Environment and Public Services Committee

**STATES GREFFE** 

## **PROPOSITION**

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

- to approve the lease by the public to Picot and Rouille Limited of the property known as Bellozanne Scrap Metal yard to facilitate the collection, processing and disposal of scrap metal in the Island, for a period of 9 years deemed to have commenced on 25th December 2003 at a commencing rental of £58,000 per annum payable quarterly in advance, with the rent to be reviewed every 3 years in line with market value, with the agreement include a condition that Picot and Rouille Limited will sign a concurrent Operator Service Level Agreement with the Committee detailing the operational procedures of this facility;
- (b) to authorise the Attorney General and the Greffier of the States to sign the lease; and
- (c) to authorise the Treasurer of the States to receive any payment to the Public as it becomes due.

#### ENVIRONMENT AND PUBLIC SERVICES COMMITTEE

Note: The Finance and Economics Committee supports the proposition.

#### REPORT

The site in question has been let to Picot and Rouille Limited since 1982 for the provision of the collection, recycling and disposal of scrap metal within the Island.

The Public have completed long negotiations with Picot and Rouille Limited in relation to not only the lease agreement but a new Operator Service Level Agreement which will be signed in conjunction with the lease to secure this facility and service for a further 9-year period. As such the following terms and conditions have been agreed and are being recommended to the States for approval.

**Lessor:** The Environment and Public Services Committee for and on

behalf of the Public.

**Lessee:** Picot and Rouille Limited.

**Demised premise:** The site known as Bellozanne Scrap Metal Yard consisting of

a warehouse and yard area measuring approximately

37,000 square feet.

**Lease term:** 9 years.

**Commencement date:** 25th December 2003.

**Termination date:** 24th December 2012.

**Rental:** Commencing rental shall be £58,000 per annum, payable

quarterly in advance.

**Rent review:** Rental shall be reviewed every 3 years to Market Value.

**Use:** The demised premises shall be used solely for the purpose of

receiving, recycling, processing and the recovery of materials, and for the disposal thereof in accordance with and as specified

in the Operator Service Level Agreement.

**Assignment:** The lease is not to be assigned or sub-let.

Alteration: Not to make any structural alterations whatsoever to the

demised premises without first having obtained written consent from the Lessor, which consent shall not be unreasonably

withheld.

**Insurance:** The Lessor will be responsible for keeping the demised

premise insured, and will recharge the premium to the Lessee

on an annual basis.

**Rates:** The Lessee is to pay occupier's rates in respect of the property.

Charges: To pay promptly all charges relating to the supply of all

services and utilities supplied to and utilised at, in or on the

demised premises.

**Repair and**The Lessee shall repair and maintain the building in a wind and watertight condition; keep in good and substantial repair and

decoration and also at all times to maintain the site boundaries, gates and fences surrounding the demised premises in an orderly and tidy condition to the reasonable satisfaction of the

Lessor.

This shall include repairing and maintaining the concrete apron within the demised premises when damage occurs and to ensure that it is in a safe and serviceable condition at all times.

**Specific condition:** 

The lease agreement shall be tied directly to the Operator Service Level Agreement OSLA (or other such named document) and that any breach of the said OSLA that results in a termination of that agreement shall lead to automatic termination of this lease agreement.

