

Commercial Projects Programme Summary of Proposals.



Introduction.

The 'Commercial Projects' programme commissioned by the Ports of Jersey Executive Team has identified an initial tranche of 9 projects deemed worthy of more detailed analysis and consideration, one of which has already been the subject of approval through the Ministerial Decision process.

These projects have been evaluated in order to assess the likely financial impact of each proposal as well as the relative ease of implementation.

This summary provides a résumé of each project in bullet point format, highlighting the principal financial statistics and providing an overview of the feasibility and practical implications pertaining to each project.

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Executive Lounge Project.

Description / Overview: The creation of Executive Lounge facilities within the Atrium area through the establishment of a partnership arrangement in conjunction with a specialist provider of such facilities.

Capital Expenditure / Initial Outlay: £20K.

Ongoing Net Annual Revenue: £57K.

Comments: The level of revenue generated by operating Executive Lounge facilities in partnership with a specialist provider is only modest. However, such an approach removes all risks and costs associated with establishing and running such a facility on an 'in-house' basis since these risks and costs are borne by the partner.

Corporate Aviation Facility.

Description / Overview: Creation and development of a new Cargo Centre for use by Hangar 8 plc on the existing Cargo Centre site, along with the re-housing of tenants from the existing Cargo Centre to a new facility.

Capital Expenditure / Initial Outlay: £600K.

Ongoing Net Annual Revenue: £380K.

Comments: Heads of Terms have been established with Hanger 8 and the project will be concluded with the lease agreement.



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Secure Self-Storage Project.

Description / Overview: Establishment of a secure self-storage facility, for use by businesses and individuals in an easily accessible out-of-town location.

N.B. In the first instance, it is proposed to run a pilot project utilising an unallocated unit within the new Cargo Centre as a 'test centre' in order to gauge demand for the service. If this proves successful, longer-term plans can be devised.

Capital Expenditure / Initial Outlay: £100K.

Ongoing Net Annual Revenue: £50K.

Comments: The anticipated level of return generated by piloting the initiative through a 'test centre' is modest, but such an approach has the benefit of requiring only limited levels of capital expenditure, and entails minimal levels of risk. If the 'test centre' proves successful, a larger scale proposition can be considered and fully evaluated at a future juncture.



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Guernsey Waste Project.

Description / Overview: The importation of waste material from Guernsey for processing at La Collette Waste Processing plant.

Capital Expenditure / Initial Outlay: Nil.

Ongoing Net Annual Revenue: £308K.

Comments: The project is dependant upon the successful conclusion of negotiations between Transport and Technical Services Department and the States of Guernsey in relation to the award of the contract for disposal of Guernsey's excess waste material. The option of receiving Guernsey waste is a key objective of Transport and Technical Services in the States of Jersey Medium Term Financial Plan.

Elizabeth Harbour Warehousing Phase 3 Project.

Description / Overview: Development of a new freight warehouse facility at Elizabeth Harbour, with subsequent re-allocation of existing sites at Elizabeth Harbour and New North Quay.

Capital Expenditure / Initial Outlay: £500K*.

*Note: This is the estimated portion associated to this Defined Event of the £1.1m enabling works being completed to improve general access. This cost is already included in the LTCP.

Ongoing Net Annual Revenue: £155K.

Comments: The project is reliant upon successfully concluding negotiations with Ferryspeed (CI) Limited in relation to the construction of the proposed warehouse, and the subsequent re-allocation of sites that are to be vacated.

La Folie Quay and Buildings Project.

Description / Overview: Revitalisation and regeneration of La Folie site, to return it to marine and leisure related usage, sympathetic to its heritage and reflective of the significant public interest and affection that the site commands.

Capital Expenditure / Initial Outlay: £2.9m.

Ongoing Net Annual Revenue: £600K.

Comments: The project is reliant upon securing public and government support. The proposals represent an excellent opportunity to demonstrate acknowledgment of the incorporated body's 'responsible custodianship' obligations, whilst simultaneously creating a sustainable level of new revenue.



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Marine Warehouse Project.

Description / Overview: Acquisition of a warehouse at the Harbour, thereby securing control of the facility and safeguarding its future use for appropriate maritime and freight related activities.

Capital Expenditure / Initial Outlay: £*

Ongoing Net Annual Revenue: £*

Comments: The project is reliant upon the successful negotiation of appropriate terms.

*These figures are confidential

General Aviation Aircraft and Hangars Project.

Description / Overview: The creation of general aviation parking and hangar facilities to meet the demand by general aviation aircraft owners. The proposal seeks to maximise the operational use of Airport land for parking of aircraft, general aviation hangars and front-line aviation maintenance facilities.

Capital Expenditure / Initial Outlay: £2.9m.

Ongoing Net Annual Revenue: £458K.

Comments: The project is dependent upon the optimal location for these General Aviation facilities being available for development.

Cargo Centre – Phase 1 Project.

Description / Overview: Relocation of the Cargo Centre, including the demolition of the existing Centre, to facilitate the construction of a new hangar for use by a Fixed Base Operator, and the re-siting of the Cargo Centre at an alternative location.

Capital Expenditure / Initial Outlay: £4.7m.

Ongoing Net Annual Revenue: £376K.

Comments: The proposal has already been the subject of approval by Ministerial Decision (Reference No. MD-TR-2013-0105.)

