

Appendix 2 Stores Charging considerations

1. The current charges per square foot varied according to the size of the store.
2. City Surveyor's advice that smaller stores command a higher charge per square foot than larger ones.
3. The charges for stores within the buildings will continue to be credited to the stores account and only stores constructed within the car parks will be treated as car park income.
4. The Farebrother and Gerald Eve reports showed the charges quoted by storage operators were "headline" charges and that charges actually received were lower due to concessions in the initial rental periods and individually negotiated concessions.
5. Space let by storage operators were generally short term lets (for example, Attic 60% are for 3 to 6 month lets; Access estimate only 20% of lets are for 6 months or more, that is 80% are for less than 6 months; the Gerald Eve report omits this information) and short term-lets bring greater costs in obtaining users, producing agreements and void periods.
6. Both the Farebrother and Gerald Eve reports took specialist storage providers' charges as their comparables.
7. Storage charges in office building basements are lower, at £10 to £15 per square foot, but landlords of office buildings would usually only let such space to commercial users for business storage, and not to individuals for domestic storage. Whilst landlords often preferred only to let to occupiers of office space within the building, there were tenants who wanted storage in a different building in case their offices were destroyed.
8. The advantages/disadvantages of solid block stores versus galvanised metal stores (with inbuilt floors) roughly balanced each other out.
9. "Grade B" offices within the City can be rented at a rate, including service charge and insurance rent, of less than £40 per square foot. However, Grade B offices are typically let for more than £40 per square foot inclusive, for example, offices within close proximity of the Barbican, are currently being let at £40 per square foot exclusive of rates and service charge.
10. The input from officers following the 4 June Barbican Residential Committee meeting.

11. The input from Members and representations made to Members, specifically the reasoned submission from Lauderdale Tower House Group Committee.
12. The Lauderdale Tower House Group Committee had calculated the average rent for storage space was £21.19 per square foot.
13. Officers estimate of the rent per square foot that would need to be charged to make constructing the new stores viable.