

Asset Disposal Business Case

Name of Asset:	House of Fraser, 37 Linthorpe Road, Middlesbrough
Asset Register Number:	1002/217
Current Use:	<p>The property comprises a prominent six storey department store measuring approx. 129,000 sq ft, situated in the heart of Middlesbrough's prime retail pitch.</p> <p>The building is of concrete frame construction with stone faced elevations beneath flat membrane covered roofs. The ground floor is predominantly made up of a triple glazed return shop frontage with powder coated aluminium frames and there are two large entrances – one from Linthorpe Road and one from Corporation Road.</p> <p>The property has remained fully vacant following the official closure of the former House of Fraser Store in June 2022.</p>
Valuation at Current Use (Asset Register)	<i>(Ref B HoF Valuation - Confidential Appendix I)</i>
Reason for Disposal:	Generate Capital Receipt.
Latest Valuation (Proposed Disposal)	<i>(Ref B HoF Valuation - Confidential Appendix I)</i>

Asset disposal stream (Please Select):

Generate Capital Receipt	1
Stimulate Economic Activity	2
Support Communities	3

(In the event of more than one stream being relevant, please rank in order of importance – 1, 2 & 3)

Officer requesting disposal (Responsible Service Manager):

Name:	Richard Horniman
Position:	Director of Regeneration

Could the asset be disposed of for an alternative use that may give a higher capital receipt to the Council:

Yes		No	✓
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(To be completed by the Valuation & Estates Team)

If yes, please outline the potential use:

N/A

Estimated Value at Alternative Use	N/A
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Is the Council proposing to dispose of the asset at an undervalue:

Yes		No	✓
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(To be completed by the Valuation & Estates Team)

If yes, please outline the reasons why, and how, the proposed disposal will secure, promote or improve economic & social well-being:

N/A

Key factors to be considered when assessing potential disposals:

1.	Generate capital receipt
2.	Promote regeneration within the town centre
3.	Generate Business rates

Any additional financial factors to be considered other than immediate capital receipt:

The proposed disposal of this asset, which has stood vacant since June 2022 incurring significant holding costs, will result in the Council being able to generate a significant capital receipt.

The property requires major investment for it be brought back into any type of meaningful future use, and beyond what Middlesbrough Council can alone provide. The mooted disposal to the Tees Valley Combined Authority will deliver substantial capital investment in Middlesbrough, facilitating the regeneration of an unutilised and prominent town centre building. This transition is a step in the right direction towards revitalising the town and achieving its transformation goals.

As well as the above regeneration benefits, given that the TVCA have met the independent market valuation for the property, it is considered appropriate for the Council to proceed with a disposal via private treaty on this occasion.

Asset not needed by the Council – approved to proceed:

Head of Asset Management	Yes	No	Date
<i>David Jamison</i>	✓		08/02/2024

Preferred method of marketing:

Formal/Informal Offers	
Private Treaty	✓
Auction	
Community Asset Transfer Process	

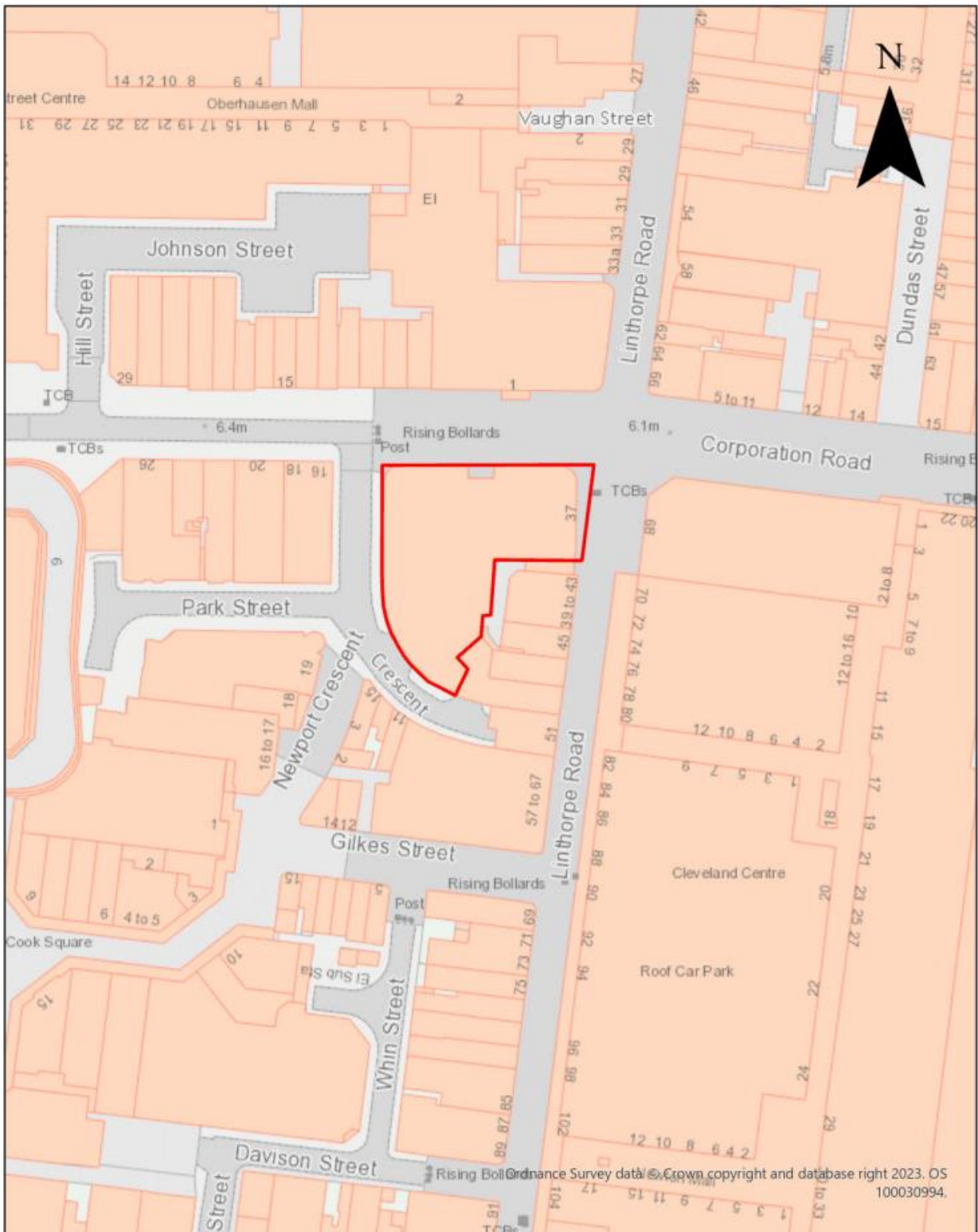
(To be completed by the Valuation & Estates Team prior to marketing)


Method for final approval:

Estimated Value	Approval Required	Authorised	Date
Up to £50,000	Valuation & Estates Manager		
Between £50,000 and £250,000	Director of Finance		
More than £250,000	Executive Committee	Report Item No.23/24 – Asset Review	21 st November 2023

(To be completed by the Valuation & Estates Team prior to marketing)

Disposal Plan





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 Ordnance Survey LA10023413

House of Fraiser
37 Linthorpe Road
Middlesbrough

Scale : 1:1,250
Date : 12.12.2023
Drawn : E.S
Drg No : VAL 6394