

APPENDIX II

Asset Disposal Business Case

Name of Asset:	Tees AMP, Riverside Park Road, Middlesbrough TS2 1ED
Asset Register Number:	1002260
Current Use:	The property comprises a prime multi-let industrial investment located on a business park at Riverside Park Road, adjacent the River Tees. Situated approximately 0.5 miles from the Town Centre, 1 mile from Middlesbrough railway station and less than 1 mile from the A66, the property occupies a strategic regional position and offers some of the best commercial accommodation in the Tees Valley, with 181,000 sq. ft. of accommodation across 14 units. Built within the last five years, the available units vary in size from approximately 3,000 sq. ft. to 30,000 sq. ft and all have a BREEAM 'Very Good' rating, with an EPC rating of A.
Valuation at Current Use (Asset Register)	£14,450,000
Reason for Disposal:	Generate Capital Receipt.
Latest Valuation (Proposed Disposal)	£14,450,000

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.	Capital receipt generated
2.	Promote the further regeneration of the site
3.	Provision of recurring income [Business Rates & Council Tax] in perpetuity


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

The proposed disposal of this asset, via an open market informal tender exercise, will ensure the Council is in a position to secure payment of a significant capital receipt during the current financial year 2024/2025.

The property requires major investment in order to deliver Phase 2 of the Council's vision & disposal as proposed will deliver substantial capital investment in Middlesbrough, facilitating the further regeneration of a prominent site situated on a highly visible section of the riverbank. Disposal as proposed also represents a major step towards the further development of & revitalising of the scope of commercial business premises available & operated within the Borough, strengthening the Town's overall business offer and helping to achieve its transformation goals.

As well as the above regeneration benefits, given that the output sale price will be generated through the application of an open & transparent bidding process, it is considered appropriate for the Council to proceed with a disposal via an informal tender competition on this occasion.


Asset not needed by the Council – approved to proceed:

Head of Asset Management	Yes	No	Date
	✓		25/04/2024

Preferred method of marketing:

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

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		22 nd May 2024

Disposal Plan

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Site Plan



The total site area is 10.42 ha (25.75 acres), including the phase II development land.