

Asset Disposal Business Case

Name of Asset:	International Centre, 7 Abingdon Road, Middlesbrough TS1 2DP
Asset Register Number:	1000420 & 1000421
Current Use:	Community Day Centre
Valuation at Current Use (Asset Register)	£11,750
Reason for Disposal:	Proposed CAT transfer of a community centre building providing @ 4,422 Sqft of accommodation on a site measuring @ 0.152 Acres [0.061 Hectares]. Disposal would enable the new CAT recipient to secure long term third party funding that will be used to bring the property up to modern standards and ensure it can be used for far more beneficial community purposes going forward.
Latest Valuation (Proposed Disposal)	£1

Asset disposal stream (Please Select):

Generate Capital Receipt	
Stimulate Economic Activity	
Support Communities	✓

(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:	Louise Grabham
Position:	Head of Strategic Commissioning, Procurement and Commissioning

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.	The asset will continue to be used for the purposes of delivering community services going forward
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2.	Disposal as proposed will transfer away a significant repairing and maintenance liability
3.	Restriction against use of the property for non-community purposes will provide the Council with a level of control
4.	A right to reacquire the building will be incorporated in order to guard against non-delivery/performance

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

The proposal to dispose of the subject freehold via a CAT will transfer away a significant repairing and maintenance liability, whilst also ensuring that the subject property is to be utilised for the purposes of delivering beneficial community services going forward.

In order to protect against the subsequent disposal of the property for uses not linked to the provision of community activities & services, the Council will incorporate a user clause within the transfer terms that restricts the future use of the property to that of community purposes only.

Following on from the previous CAT recipient's inability to manage the day to day operation of the property as a viable proposition, the Council will also incorporate a clause granting it the right to re-acquire the property should the newly proposed CAT recipient be unable to operate the property on a feasible basis going forward.

Asset Not Needed by the Council - Approved to proceed:

Head of Asset Management:	(Yes) Tick	No (Tick)	Date:
<i>David Jamison</i>	✓		03/11/2021

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 £150,000	Director of Finance		
More than £150,000	Executive Committee	<i>David Valeri</i>	03/11/2021

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