

The Range closes in on chunk of Homebase in pre-pack sale

The Range, the privately owned general merchandise retailer, is closing in on a deal to snap up a large chunk of Homebase which will save close to 1,500 jobs but raise doubts about at least 1,700 more.

Sky News has learnt that administrators are being lined up to handle a pre-pack sale of scores of Homebase stores amid hopes that a significant number of the company's remaining jobs can be salvaged.

The deal with The Range, which is expected to take place on Wednesday, will involve the purchase of up to 75 stores, including Homebase's Irish shops.

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The Range is also taking over Homebase's brand and ecommerce business, and will take on around 1,600 of the DIY chain's employees.

Teneo, which has been running a sale process in recent months, is expected to seek buyers for nearly 50 remaining Homebase stores once it is appointed as administrator.

Interest is already said to have been registered by discount food retailers, DIY rivals and other high street brands, according to insiders.

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The sale will bring an end to the six-year ownership of Homebase by Hilco, the retail investor which previously rescued brands including HMV, where it has led an unexpectedly successful revival of a business which looked set to disappear from Britain’s retail landscape.

It also comes at a time when retailers are facing intensifying cost pressures in the wake of the Budget, with the industry’s trade body warning in a letter to the chancellor on Wednesday that [job losses and price increases across the industry were](#)

inevitable.

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Homebase was previously owned by Australian group Wesfarmers during which time it lost hundreds of millions of pounds and threatened to collapse altogether.

In recent years attempts to reinvigorate Homebase's brand and operations have been hampered by the disruption of the COVID-19 pandemic and a decline in consumer spending on major home improvement projects during the cost-of-living crisis.

The DIY chain has had a nomadic existence, being owned at one point by J Sainsbury – which recently bought a dozen Homebase shops – and then coming under common ownership with Argos as part of Home Retail Group.



Image:

The Range's interests include the Wilko brand. Pic: Reuters

It was then sold to Wesfarmers, which in 2018 initiated a company voluntary arrangement, resulting in the closure of a substantial number of stores and renegotiated rent deals.

Homebase lost more than £40m in 2022, according to accounts

filed at Companies House, although last year's performance is understood to have shown an improvement.

As well as its operations in the UK, Homebase has a presence in Ireland.

Based in Devon, The Range is part of CDS Superstores, which is controlled by the businessman Chris Dawson.

Last year, it paid £7m to buy the brand and intellectual property assets of Wilko, which had collapsed into administration.

Since then, Mr Dawson has opened a string of new Wilko outlets.

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The Range trades from more than 200 outlets across Britain selling homewares, furniture and DIY products.

Mr Dawson opened its first store in Plymouth in 1989.

Nicknamed “the Del Boy billionaire” because of the distinctive number-plate on his Rolls-Royce Wraith, he has become one of Britain’s most successful retail entrepreneurs.

Hilco, Homebase and Teneo have been contacted for comment, while The Range could not be reached for comment.