



Report of the Chief Recreation Officer

Scrutiny Board (Culture and Leisure)

Date: 10th March 2008

Subject: Roundhay Mansion – Progress Update

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

This report updates Scrutiny Board on the progress made in the marketing of the Roundhay Mansion. This includes the appointment of Christie & Co, as agents, the formal marketing of the property and the generation of initial interest. Officers will seek to turn this interest into the submission of formal offers in Spring 2008.

1.0 Purpose of the Report

- 1.1 To update Scrutiny Board on the current progress with the letting of the Roundhay Mansion as a Restaurant/Function facility.

2.0 Background

- 2.1 The Roundhay Mansion is a Grade II Listed building located on the edge of Roundhay Park. For many years the building was used by Craven and Gilpin as a café/bar/function venue, however, they surrendered their lease in 2003.
- 2.2 Since that time, significant investment has been made in the external fabric of the Mansion and a new the Visitor Centre and Education Centre has also opened. In December 2005, the Council's Executive Board approved an injection of funds into the Capital Programme including £407,250 of Heritage Lottery Funding for the refurbishment of the Roundhay Mansion and the development of the Visitor and Education Centres, at a total cost of £1.9m.

2.3 Following an unsuccessful marketing exercise undertaken in 2006, Executive Board on 17 October 2007 agreed to the remarketing of the opportunity on the basis that the Council will make a contribution towards the cost of the initial capital fit out works. Further to Executive Board's resolution, officers have considered the most appropriate way to remarket the Roundhay Mansion and have concluded that the services of a specialist agent is required who is experienced in leasehold disposals in the restaurant/function market. In particular, it was considered important to appoint an external Agent who specialises in leisure/café/restaurant premises and would be able to target the opportunity at suitable likely operators.

3.0 Main Points

3.1 Further to Executive Board's resolution in October 2007, Officers have commenced a procurement exercise to appoint specialist agents. Through this exercise, Christie and Co have been appointed on the basis that they demonstrated a clear understanding of the issues facing the Council in marketing and securing an acceptable tenant for the Mansion and experience and knowledge of the restaurant/function market.

3.2 In terms of the more formal marketing of the property, since their appointment, several meetings and discussions with Christie and Co have taken place with officers from the Council in order to agree an appropriate procedure and timescales for the remarketing of the Mansion.

3.3 Christie and Co immediately commenced informal marketing of the property by verbally approaching known contacts in this field and appear to have been having some success already. Christie and Co have also sent out an e-mail or 'eclipse' to all relevant companies and individuals either on their mailing list or who have left their details on their website.

3.4 This 'eclipse' comprises of a short description of the property, proposed uses and a summary of the main terms upon which it is being offered. It is designed to generate initial expressions of interest

3.5 This activity has been followed up by a full and detailed brochure supplied to those parties that have shown a serious intention in take their interest further. The marketing brochure has been completed and the property released on Christie and Co's website. The details have been e-mailed to approximately 500 corporate clients and other agents.

3.6 The Mansion has featured in a half page advertisement in the Estates Gazette on 23rd February and was listed on caterersearch.com on 18 February. An article, approved by the Council's Press Office, has also appeared in the Yorkshire Post as well as one in the Yorkshire Evening Post.

3.7 As a result of the above, further serious interest has been expressed including interest from some high profile names and businesses. Christies are continuing to monitor the interest and report accordingly.

3.8 It is expected that within 10 weeks of commencement of marketing, it should be clear as to who the seriously interested parties are and it will then be possible to request initial written offers for the property for consideration.

3.9 The offers will then be closely scrutinised and a short-list compiled from which a select number will be invited to submit more detailed proposals for approval. At this point the interested parties will be expected to carry out more detailed enquiries and undertake a due diligence exercise.

3.10 In view of the fact that the Council has indicated a willingness to consider making a capital investment itself, it is important that any final bids made are based on an appropriate degree of due diligence to ensure that they are capable of being delivered as submitted and that a preferred bidder does not try to amend their bids once the competition has closed.

4.0 Recommendation

4.1 Members of the Scrutiny Board are requested to note the current progress with the marketing of the Roundhay Mansion.