

## Decision details

### Amendment of Loan Facility for Fletton Quays Hotel - OCT18/CMDN/47

**Decision Maker:** Cabinet Member for Resources

**Decision status:** **Item Called In**

**Is Key decision?:** Yes

**Is subject to call in?:** Yes

**Purpose:**

The Cabinet Member:

1. Noted the change of ownership of Fletton Quays Hotel Ltd from Norlin Hotel Holdings Ltd to Propiteer Hotels Ltd and
  - a) approved the amendment of the terms of the facility of £15m to provide funding for the construction of a Hotel on the Fletton Quays site from Norlin Hotels Holdings Limited and its subsidiary Fletton Quays Hotel Limited, to Propiteer Hotels Ltd and its subsidiary Fletton Quays Hotel Ltd; and
  - b) approved the amendment of the term of the facility from 24 months commencing the date of SEPT 17/CAB/41 to 24 months from the date of the first drawdown
2. Authorised the Interim Director of Law and Governance and Interim Corporate Director of Resources to exercise delegated authority to finalise and agree all necessary additional due diligence and any amendments to the business case to reflect the change of ownership and company structure noted in 1. above.
3. Authorised the Interim Director of Law and Governance and Interim Corporate Director of Resources to exercise delegated authority to finalise and agree all necessary legal agreements with Propiteer Hotels Ltd for the purposes of facilitating these arrangements.

**Reasons for the decision:**

The construction of the loan facility documentation is required to reflect the new owners of Fletton Quays Hotel Ltd, and will allow the Cabinet Decision SEPT/17/CAB/41 to be implemented.

**Alternative options considered:**

Do Nothing

The Council could choose not to accept the change in ownership of Fletton Quays Hotel Ltd to Propiteer Group. This would prevent the Council from providing the loan facility and delay the construction of the hotel while an alternative source of finance was sought.

**Interests and Nature of Interests Declared:**

None.

**Background Documents:**

Cabinet Report SEPT17/CAB/41

**Publication date:** 24/10/2018

**Date of decision:** 24/10/2018

**Issue status:** The decision is currently being reconsidered

**This decision has been called in by:**

- [Councillor Aasiyah Joseph](#) who writes Reasons for Call-In: 3. Decision does not follow principles of good decision-making set out in Part 2, Article 11 (Decision Making) of the Council's Constitution. a) Realistically consider all alternatives and, where reasonably possible, consider the views of the public. d) Act for a proper purpose and in the interests of the public. e) Keep to the rules relating to local government finance. Call in request

also signed by Councillor Nick Sandford, also a member of the Growth, Environment and Resources Scrutiny Committee."

**Accompanying Documents:**

- [Fletton Quays Hotel CMDN PUB](#)  PDF 80 KB