

## Appendix A Original decision

### Decision details

#### Financing approval for Fletton Quays Hotel - SEPT17/CAB/41

- [Link to Original Paper](#)

**Decision Maker:** Cabinet Member for Resources

**Decision status:** Recommendations Approved

**Is Key decision?:** Yes

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

#### **Purpose:**

Cabinet considered the report and **RESOLVED** to:

1. Approve a facility of £15m for 24 months to provide funding for the construction of a Hotel on the Fletton Quays site by Norlin Hotels Holdings Limited and its subsidiary Fletton Quays Hotel Limited subject to recommendations 2. and 3. below.
2. Authorise the Interim Director of Law and Governance and Interim Corporate Director of Resources to exercise delegated authority to finalise and agree all necessary due diligence, ground condition survey report and to approve the business case for the project.
3. Authorise 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 Norlin Hotels Holdings Limited and associated hotel franchises or otherwise connected to this project for the purposes of facilitating these arrangements.
4. Recommend to Council amendments to the Treasury Management Strategy to include organisations such as Norlin Hotels Holdings Limited and its subsidiary Fletton Quays Hotel Limited as organisations to which the Council is authorised to make secured loans.

#### **Reasons for the decision:**

The funding of this project would help the Council to contribute to the Fletton Quays Project Plan and to the growth, regeneration and development agenda. The Council was approached to fund development of the hotel in order to preserve the synergy of development on the site.

#### **Alternative options considered:**

Do Nothing

The Council could have chosen not to finance this project. This was rejected because this one off financing project related to the last lot to be sold on the Fletton Quays site and would facilitate its completion by the Council's joint venture the PiP. If the Council did not fund the project for the hotel development this final part of the development would be delayed whilst alternative funding was sourced by the developer. The impact of this could mean that the adjoining residential site sales were impeded by the neighbouring hotel construction site. The Council would also lose the investment return on the loan.

**Interests and Nature of Interests Declared:**

None.

**Background Documents:**

None.

**Publication date:** 25/09/2017

**Date of decision:** 25/09/2017

**Effective from:** 29/09/2017