

<b>CABINET</b>	<b>AGENDA ITEM No. 6</b>
<b>22 MARCH 2024</b>	<b>PUBLIC REPORT</b>

Report of:	Cecilie Booth, Executive Director of Corporate Services and S151 Officer
Cabinet Member(s) responsible:	Councillor John Howard, Deputy Leader and Cabinet Member for Corporate Governance and Finance
Contact Officer(s):	Cecilie Booth, Executive Director of Corporate Services and S151 Officer

<b>FLETTON QUAYS HILTON HOTEL UPDATE</b>
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<b>RECOMMENDATIONS</b>	
<b>FROM:</b> Cecilie Booth, Executive Director of Corporate Services and S151 Officer	<b>Deadline date:</b> N/A
<p>It is recommended that:</p> <ol style="list-style-type: none"> <li>1. Cabinet carefully considers the information included within the exempt appendix to this report;</li> <li>2. Cabinet authorises the Executive Director of Corporate Services and Section 151 Officer to continue further due diligence work in respect of the options available for the hotel; and</li> <li>3. Cabinet requests the Executive Director of Corporate Services and Section 151 Officer to submit a further report to Cabinet setting out the options available in respect of the hotel including the financial and non-financial implications of each option, the routes to be followed to achieve each option, the risks and such other information as may be required for the Cabinet to reach an informed decision on next steps for the hotel following completion of further due diligence.</li> </ol>	

**1. ORIGIN OF REPORT**

- 1.1 This report is submitted to Cabinet following a deferral from the Cabinet meeting held on 11 March 2024.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to update Cabinet and to seek approval on next steps in respect of the hotel.

- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.5

To make decisions on actions relating to the awarding, assigning and termination of contracts over £500k, and waiving or granting exemptions to Contract Regulations where contracts are over £500k, with the exception any time-critical, operational, or routine decision, which may be determined by the relevant portfolio holder.

- 2.3 There is an exempt annex attached to this report that is NOT FOR PUBLICATION by reason of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 because it contains confidential commercial sensitive information which has been made with the expectation of confidentiality.

The public interest test has been applied to the information contained within this exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it.

### 3. **TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	<b>N/A</b>
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### 4. **BACKGROUND AND KEY ISSUES**

- 4.1 The hotel, in administration, was marketed to a limited audience on 13 February 2024. The market audience consists of the Council, Propiteer Ltd (the parent owner) and a multi-national company who provide finance and who have been working with Propiteer.
- 4.2 The marketing exercise closed on 4 March and one bid was received. The report is seeking approval for the next steps to enable a decision to be made in respect of the hotel. Therefore, a final recommendation on the recommendation will not be made until after the due diligence work has been completed,

### 5. **CORPORATE PRIORITIES**

5.1 *Consider how the recommendation links to the Council's Corporate Priorities:*

1. *The Economy & Inclusive Growth*
  - *Jobs and Money*
2. *Our Places & Communities*
  - *Places and Safety (including any rural implications)*
  - *Lives and Work*
3. *Sustainable Future City Council*
  - *How we Enable*

*Further information on the Council's Priorities can be found here - [Link to Corporate Strategy and Priorities Webpage](#)*

### 6. **CONSULTATION**

- 6.1 No consultation has been taken in respect of what is proposed in the report which is seeking approval from Cabinet on the next steps to be followed.
- 6.3 The report will be considered at Group Leaders on Monday 18 March 2024, ahead of the Cabinet meeting.

### 7. **ANTICIPATED OUTCOMES OR IMPACT**

- 7.1 The outcome of the report if the recommendations are agreed is that clarity will be followed on the next steps to be followed in respect of the hotel. A further report will be submitted to Cabinet at a later date.

### 8. **REASON FOR THE RECOMMENDATION**

- 8.1 Clarity is required regarding the next steps to be followed in respect of the options for the hotel

### 9. **ALTERNATIVE OPTIONS CONSIDERED**

- 9.1 The alternative option is to do nothing in which case no clear decision can be made in respect of the hotel. This is not the recommended option.

### 10. **IMPLICATIONS**

## **Financial Implications**

- 10.1 The Financial implications are addressed in the exempt annex.

## **Legal Implications**

- 10.2 There are no legal implications in respect of the proposals in the report which is seeking approval on next steps to be followed. As each option is considered, the legal implications will need to be completed at each stage.

## **Equalities Implications**

- 10.3 There are no equalities implications at this stage in the process however this will be kept under review as matters progress.

## **11. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 11.1 The item was originally discussed at Cabinet on 11 March 2024, though the decision was deferred. [Item 10. Cabinet report - Hilton 11th March 2024.pdf \(peterborough.gov.uk\)](#)  
The original decision to provide the loan was made in November 2017 and the link is here- [7. Lending Facility for Fletton Quays Hotel.pdf \(peterborough.gov.uk\)](#)

## **12. APPENDICES**

- 12.1 Appendix 1 - Exempt

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