

You are here: > [Home](#) > [News](#) > [Council](#) > Council set to support hotel construction on Fletton Quays

Councillors will consider a report which proposes to support the construction of a hotel on the Fletton Quays site at Cabinet on Monday 25 September 2017.

Recommendations include agreeing a lending facility of up to £15million to the developer for a period of two years during the construction of the 160-bed hotel.

This would accelerate the construction of the hotel and completion of this vital regeneration site bringing maximum benefit to the city.

The council would make a return on the loan which would help to support the council's budget and protect services. The loan would be repaid to the council, with interest, at the end of the two-year period.

The loan would be secured against the land and the building and the amount loaned would never exceed the value of the site.

Councillor David Seaton, cabinet member for resources at the city council, said: "The council is fully behind the extensive regeneration of the Fletton Quays site and ensuring that it is delivered as soon as possible.

"Local authorities can borrow at a very competitive rate and therefore the council would make a return on the loan which will be lent to the developer at a higher rate of interest. All councils need to generate additional income to support services as our government funding continues to fall and demand for services rises.

"The council would be protected by securing the loan against the land and the hotel. A valuation would take place every time the developer makes use of the lending facility to make sure the loan value never exceeds the value of the site and works at that given time."

Planning permission for the project has recently been submitted for the 160-bed hotel. The brand of the new hotel will be announced publicly by the developer shortly.

The Fletton Quays development has been spearheaded by the Peterborough Investment Partnership of which the city council is a joint partner.