

| | |
|----------------------|---|
| Agenda item: | 15 |
| Report title: | Hotel Programme 2017 |
| Report by: | Gordon Duffus , Head of Procurement, Resources and Quality Assurance gduffus@gmc-uk.org , 0161 923 6632 |
| Action: | To consider |

Executive summary

GMC has a hotel programme to ensure that suitable accommodation for members, associates, staff and witnesses is available at competitive rates at our main sites. The 2016 preferred hotel programme expires on 31 December 2016, and a new programme needs to be put in place for 2017.

In order to meet the various needs of the users of the hotel programme and ensure room availability, it is proposed that for 2017 the expenses policy overnight rate in London is increased by £3 to £160; other overnight rates outside London are proposed to be maintained at the current level.

Subject to the Board's approval, staff and associates will be able to book hotel rooms for 2017 from 1 October 2016.

Recommendations

The Performance and Resources Board is asked to approve:

- a** An increase in the expenses policy overnight rate in London by £3 to £160.
- b** The proposed list of hotels on the hotel programme for 2017.

GMC Hotel Programme 2017

- 1 The GMC preferred hotel programme is renegotiated annually to ensure that the availability of rooms meets our needs, at the best overall price, at a reasonable standard. We take into account quality, feedback from users (including associates), the availability of rooms at the GMC/MPTS rate, cancellation policy, hotel facilities, location, and price.
- 2 The full list of hotels proposed to be on the hotel programme for 2017 is:

| Hotel | Location | GMC B&B Rate |
|--|------------|--------------|
| Melia Whitehouse | London | £160.00 |
| Innside by Melia | Manchester | £100.00 |
| The Midland Hotel | Manchester | £100.00 |
| Doubletree by Hilton | Manchester | £98.00 |
| Holiday Inn Manchester City Centre | Manchester | £98.00 |
| The Palace Hotel | Manchester | £95.00 |
| Renaissance | Manchester | £95.00 |
| Novotel | Manchester | £89.00 |
| Mercure Manchester Piccadilly | Manchester | £87.00 |
| Atrium service apartments (breakfast not included) | Manchester | £83.00 |

Existing hotel programme

- 3 In 2016 our forecast expenditure on hotels is £1.3 million.
- 4 In 2016 the GMC required around 11,500 room nights in Manchester, 1,000 in London, and 300 across other UK locations. We anticipate that demand will be similar in 2017.
- 5 We recently carried out an online survey of associates and staff who regularly use hotels. 78% of the respondents were content with the hotels offered on the 2016 programme. The survey highlights that different travellers have very different preferences related to their accommodation and therefore a mix of hotels is required e.g. size of room, proximity to office, on-site facilities.
- 6 The existing GMC expenses policy sets the rate cap (for bed and breakfast) at £157 for London; £100 for Manchester; and £130 for other locations. The rate caps for hotels are reviewed annually and were last increased in London for the 2016 hotel programme, and in Manchester during 2009. In both London and Manchester, our Travel Management Company has confirmed that the GMC currently obtains some of the most competitive rates available in the hotels it uses.

2017 Hotel Programme

- 7** We have recently completed a review of four and five star hotels in the centre of Manchester and within a close proximity of the London office, to generate a suitable hotel programme for 2017. The programme does not extend beyond Manchester and London, due to insufficient demand in other locations to allow for negotiated rates lower than the best available commercial rate.
- 8** The hotel programme for 2017 will be subject to the following:
- a** Manchester:
- i** The £100 rate cap for Manchester will be maintained. All of the hotels on our 2016 programme, and a number of other high standard hotels, were willing to commit to the cap.
 - ii** The general trend in Manchester hotels has been to reduce the room allocations available to corporate programmes, thus in selecting the final programme we have attempted to maximise our available allocation of rooms.
 - iii** NEW HOTELS
 - As agreed last year, following a change of ownership and a £40million refurbishment of The Palace Hotel, the hotel is due to be reintroduced into the 2016 programme shortly and this will continue in 2017.
 - The newly built Holiday Inn Manchester which opened in April 2016 has also been included in the new programme.
 - iv** HOTELS REMOVED FROM THE PROGRAMME
 - The McDonald Manchester hotel proved unpopular with both staff and associates, so has been removed.
 - The Townhouse Hotel was previously used as our primary hotel for witnesses, however the hotel has changed hands and the new owners were unable to provide GMC with any guarantee of availability of rooms, which means that it would be unsuitable for this purpose. In 2017 the Novotel hotel will operate as our primary hotel for witness stays, and has been able to offer room allocation.
 - v** We have an ongoing need for serviced apartments in Manchester. The Atrium serviced apartments meet this need, and the rate allows the ordering of breakfast within the expenses policy parameters.

- b** London:

- i** During 2016 we have seen a 33% reduction in our usage of London hotels and hence no hotel has offered any room allocation. This means that on popular nights in London we may be subject to fluctuating rates.
- ii** Over 90% of our 2016 bookings in London were at the Melia Whitehouse hotel due to the convenience of its location. As such we will continue to offer this option
- iii** HOTELS REMOVED FROM THE PROGRAMME
 - Ambassadors has proved unpopular with travellers and were unable to offer any allocation.
 - Grange Langham Court has been unpopular with travellers and we have only booked 13 room nights so far in 2016. Furthermore they are seeking a rate increase to £168 per night to remain on the programme.
- iv** No other hotel of a suitable standard and in the locality of the London Office was able to offer a rate anywhere close to our rate cap.
- v** RATE CAP- The best rate that the Melia Whitehouse will offer is £160 per night which exceeds the current cap by £3 per night; this will equate to an annual increase in hotel charges of £3,000. The best option appears to be to accept the rate offered and where not available, travellers must seek the Best Available rate at the time of booking.