

## Appraisal Panel Summary

<b>Project Name</b>	Yorkshire Wildlife Park Expansion Project		
<b>Grant Recipient</b>	Wild Life Group Ltd		
<b>SCR Executive Board</b>	Housing and Infrastructure	<b>SCR Funding</b>	£5m
<b>% SCR Allocation</b>	9%	<b>Total Scheme Cost</b>	£56.9m

### Project Description

Additional land has been secured adjacent to the current site for a new entrance and visitor hub with themed restaurants, destination hotel and investment in signature animal reserves to expand the existing Wildlife Park by 150 acres.

It is projected that visitor numbers will increase from 760,000 currently (levels have been capped by the local authority to control impact on residential neighbours) to 1.2m. SCR funds will be used to develop infrastructure on the new site including access from Hurst Lane and new car parks, onsite utilities and potentially improvements requested by Doncaster Borough Council to improve the surrounding road network to support the increased visitor levels. The highway improvements include a roundabout at the new entrance and modifications to the T junction up from the new entrance (Hurst Lane/ Branton Road).

### Strategic Case

There is significant capacity to grow Yorkshire Wildlife Park as an attraction given the demographics and potential target market within both the day visitor and the short break visitor drive time. There is also an opportunity to deliver a link with the Doncaster Sheffield airport and other local attractions as part of a wider destination offer.

This growth is not possible without the full scheme to expand the Wildlife Park and create a new access as the current park access has a limit of 750,000 visitors (per annum) which has already been reached. The jobs created will be at all levels and the majority will be permanent contracts due to the increased activities to make the Wildlife Park an all year-round attraction.

The improvements to the local road network will benefit residents and passengers en route to Doncaster Sheffield Airport, especially the changes to the Mosham Road Junction onto Hurst Lane. A further output will be an education and training focus on developing job ready school leavers by working closely with the relevant authorities. A training academy will also be established.

### Value for Money

SCR funding support is for a 100% loan (£5m) to accelerate the delivery of this project. It is worth noting that the jobs would still be created even without LGF. However, the timing and pace of employment generation and other benefits would be sub optimal. SCR funding is required as existing covenants limit the extent of private sector borrowing to finance the project.

Over ten years, total scheme GVA is circa £46.2m. The additional GVA generated by SCR LGF is estimated to be worth £0.67m. This excludes the value of wider benefits like engagement with local schools and providing opportunities to locals.

## Risk

The top 5 risks identified by the applicant are delayed start, inability to secure all funding, cost over runs, programme delay and change management.

The applicant has set aside £1,440,000 (equivalent of 2.5% of the total project cost) as contingency and also committed to funding any cost overruns during procurement and/or construction without unduly compromising scheme outputs.

Finally, there proposed repayment plan will ensure that SCR's financial exposure reduces with each payment.

## Delivery

Project management will be undertaken in-house. The applicant states that the "project management arrangements are in place: project team recruited in house and procurement strategies and contracts well underway".

The Senior Construction Manager (named in FBC) will act as 'Senior Responsible Owner' of the project. He will oversee delivery of construction and can draw upon industry experience of delivering multi-million pound capital schemes and relevant academic qualifications. He will lead the project team which will report to the CEO and the Chairman.

## Legal

SCR MCA will be the third in line in terms of seniority of lenders. As part of the assurance process, the due diligence report requested by the senior lender, has been shared with SCR and reviewed in confidence. The commercial lending rate offered by SCR reflects that applicants balance sheet and the risks associated with growth projections.

In terms of State Aid, the SCR are granting a loan at an interest rate that meets EU rules and satisfies the Market Investor Principle. Therefore, this does not breach the rules.

## Recommendation and Conditions

<b>Recommendation</b>	Full award subject to conditions
<b>Payment Basis</b>	Loan to be paid on completion of Loan Agreement
<b>Conditions of Award</b>	
<b><i>The following conditions must be satisfied before drawdown of funding.</i></b>	
<ol style="list-style-type: none"><li>1. All required statutory consents including all planning conditions must be satisfied.</li><li>2. Submission of evidence of Board approval for the scheme.</li><li>3. Formal confirmation of all other funding approvals required to deliver the project.</li><li>4. Formal confirmation of commitment to address any cost overruns without unduly compromising project outputs and outcomes.</li><li>5. Submission of a detailed project plan and risk register</li></ol>	
<b><i>The following conditions must be satisfied before contract execution.</i></b>	
<ol style="list-style-type: none"><li>6. Submission of revised full business case which reflects all clarifications and comments ensuring consistency (example employment impact, contingency etc) throughout the document and appendices as this will be the basis of any funding agreement.</li></ol>	

7. Formal acknowledgement that the full value of the loan will be drawn down in 2018/19. LGF support will not be available for this project thereafter.
8. Formal confirmation that SCR will have sufficient charge on the site (or suitable assets) till loan is fully repaid.
9. Submission of acceptable repayment schedule specifying all/any dependencies.
10. Confirmation of commitment to deliver applicant's Academy focusing on science, leisure and tourism with details of how SCR residents and under-represented groups in the labour market will be targeted. The timing and delivery plans as well as a target number (or percentage) of local beneficiaries will be agreed.
11. Submission of a definitive set of outputs which SCR will can contract against and monitor.
12. Agree detailed schedule of inclusive growth indicators and targets (e.g. % of [previously unemployed] locals offered permanent contracts and apprenticeships, mentoring and school engagement and engagement with the local supply chain) to ensure the project delivers wider socio-economic benefits and that these can be captured, monitored and reported.

The conditions above should be fully satisfied by 17<sup>th</sup> January 2019. Failure to do so could lead to the withdrawal of approval.

**Record of Recommendation, Endorsement and Approval**

**Project Name**

<b>Appraisal Panel Recommendation</b>		<b>Board Endorsement</b>		<b>CA Approval</b>		
<b>Date of Meeting</b>		<b>Date of Meeting</b>		<b>Date of Meeting</b>		
<b>Head of Paid Service or Delegate</b>	Ruth Adams Deputy MD	<b>Endorsing Officer (Board Chair)</b>		<b>Approving Officer (Chair)</b>		
<b>Signature</b>		<b>Signature</b>		<b>Signature</b>		
<b>Date</b>		<b>Date</b>		<b>Date</b>		
<b>S73 Officer or Delegate</b>	Mike Thomas Senior Finance Manager	<b>Statutory Finance Officer Approval</b>				
<b>Signature</b>						<b>Name:</b>
<b>Date</b>						<b>Signature:</b>
<b>Monitoring Officer or Delegate</b>	Steve Davenport SCR CA Solicitor					<b>Date:</b>
<b>Signature</b>						
<b>Date</b>						



