

**Appendix 4 Sustainability Fund Financial Appraisal**

<b>Project Name</b>	<b>Three Rivers House Solar PV Project (2025)</b>
<b>Project Description</b>	Installation of a 47.70 kWp solar PV system comprising of 106 450w PV panels to the eastern facing roof aspects of both wings of Three Rivers House.
<b>Investment Required</b>	<b>£50,813</b>
<b>Benefits of Project</b>	The solar PV system will reduce grid electricity costs and carbon emissions.
<b>Expected useful life of asset created (years)</b>	<b>25</b>
<b>Financing Cost Interest Rate (PwLB 20 yer rate)</b>	<b>5.63%</b>
<b>Discount rate for NPV (Treasury Red book)</b>	<b>3.50%</b>

	<b>Year 0</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Subsequent Years</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Initial Investment</b>							
Equipment and installation	48038.0						
Other Costs 1 (Structural Survey)	1075.0						
Other Costs 2 (Bird Blocker)	1700.0						
<b>Total Investment</b>	<b>50813.0</b>						
<b>Annual Costs</b>							
Provision For Ad Hoc Repairs, Maintenance & Equipment Replacement		1000.0	1000.0	1000.0	1000.0	1000.0	1000.0
<b>Total Costs</b>		1000.0	1000.0	1000.0	1000.0	1000.0	1000.0
<b>Income</b>							
Income Stream 1 (electricity savings)		9635.0	9635.0	9635.0	9635.0	9635.0	9635.0
<b>Total Income</b>		<b>9635.0</b>	<b>9635.0</b>	<b>9635.0</b>	<b>9635.0</b>	<b>9635.0</b>	<b>9635.0</b>
<b>Net Income before Capital Financing Costs</b>		<b>8635.0</b>	<b>8635.0</b>	<b>8635.0</b>	<b>8635.0</b>	<b>8635.0</b>	<b>8635.0</b>
<b>Capital Financing Costs</b>							
Interest		1778.5	1778.5	1778.5	1778.5	1778.5	1778.5
Minimum Revenue Provision		2032.5	2032.5	2032.5	2032.5	2032.5	2032.5
<b>Revenue Budget Impact</b>		<b>4824.0</b>	<b>4824.0</b>	<b>4824.0</b>	<b>4824.0</b>	<b>4824.0</b>	<b>4824.0</b>
<b>Net Present Value</b>							<b>88410.5</b>
<b>Capital Payback Period (Years)</b>							<b>7.4</b>

**NPV**

	0	1	2	3	4	5	6
Investment	-50813						
Net income		8635	8635	8635	8635	8635	8635
	-50813	8635	8635	8635	8635	8635	8635
NPV	£88,410.51						

[illegible]

[illegible]

25

8635

8635