

Sustainability Fund Financial Appraisal

Project Name	South Oxhey Leisure Centre Rooftop Solar PV (2025)						
Project Description	Installation of a 145.65 kWp solar PV system comprising of 320 455w PV panels onto the roof.						
Investment Required	£111,202						
Benefits of Project	The solar PV system will reduce grid electricity costs and carbon emissions.						
Expected useful life of asset created (years)	25						
Financing Cost Interest Rate (PWL8 20 yer rate)	5.63%						
Discount rate for NPV (Treasury Red book)	3.50%						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Subsequent
	£000	£000	£000	£000	£000	£000	Years
							£000
Initial Investment							
Equipment	£102,902.0						
Costs of Installation	£0.0						
Project Management	£0.0						
Other Costs 1 (PPA Support)	£2,900.0						
Other Costs 2 (Consultancy Support)	£5,400.0						
Total Investment	£111,202.0						
Annual Costs							
Maintenance and cleaning		£1,000.0	£1,000.0	£1,000.0	£1,000.0	£1,000.0	£1,000.0
Total Costs		£1,000.0	£1,000.0	£1,000.0	£1,000.0	£1,000.0	£1,000.0
Income							
Income Stream 1 (PPA Revenue)		£17,823.0	£17,823.0	£17,823.0	£17,823.0	£17,823.0	£17,823.0
Income Stream 2 (Indemnity Clause Contribution Reduction)		£9,659.0	£9,659.0	£9,659.0	£9,659.0	£9,659.0	£9,659.0
Total Income		£27,482.0	£27,482.0	£27,482.0	£27,482.0	£27,482.0	£27,482.0
Net Income before Capital Financing Costs		£26,482.0	£26,482.0	£26,482.0	£26,482.0	£26,482.0	£26,482.0
Capital Financing Costs							
Interest		£3,892.1	£3,892.1	£3,892.1	£3,892.1	£3,892.1	£3,892.1
Minimum Revenue Provision		£4,448.1	£4,448.1	£4,448.1	£4,448.1	£4,448.1	£4,448.1
Revenue Budget Impact		£18,141.9	£18,141.9	£18,141.9	£18,141.9	£18,141.9	£18,141.9
Net Present Value							£314,262.3
Capital Payback Period (Years)							4.9

NPV

	0	1	2	3	4	5	6
Investment	-111202						
Net income		26482	26482	26482	26482	26482	26482
	-111202	26482	26482	26482	26482	26482	26482
NPV	£314,262.29						

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