

Appendix 3 – Sensitivity Analysis

- Shading in the tables below represents improvement (G) or worsening (R) relative to the Central Case (30 year HSA, 10% saving to school)

Comberton Village College

	Payback excluding carbon savings	IRR excluding carbon savings	NPV excluding carbon benefits	Saving to Trust over HSA term	Residual Payment
Central case	32 years	-0.87%	−£1.149 million	£424k	£388k
5% rather than 10% saving to school	30 years	-0.14%	−£0.941 million	£216k	£67k
35 year HSA	33 years	+0.63%	−£0.833 million	£521k	None
40 year HSA	33 years	+1.77%	−£0.418 million	£629k	None
+25% faster growth in oil prices	28 years	+0.92%	−£0.683 million	£474k	None
-25% (slower) growth in oil prices	38 years	-3.06%	−£1.559 million	£390k	£1.09 million
+25% faster growth in electricity prices	33 years	-1.42%	−£1.273 million	£424k	£598k
-25% (slower) growth in electricity prices	31 years	-0.44%	−£1.038 million	£424k	£203k
+25% annual O&M costs	33 years	-1.37%	−£1.370 million	£424k	£594k
-25% annual O&M costs	31 years	-0.40%	−£1.010 million	£424k	£182k

- All parameters are assessed over the HSA term
- Monetised carbon savings and residual payments are excluded from the payback, IRR and NPV calculations
- Residual payment has been re-calculated as a result of the change in input assumptions. The HSA terms do not necessarily allow for re-evaluation of the residual as a result of changing energy tariffs etc

The Galfrid Primary School

	Payback excluding carbon savings	IRR excluding carbon savings	NPV excluding carbon benefits	Saving to Trust over HSA term	Residual Payment
Central case	35 years	-2.18%	-£495k	£137k	£302k
5% rather than 10% saving to school	33 years	-1.31%	-£426k	£68k	£194k
35 year HSA	36 years	-0.40%	-£404k	£175k	£77k
40 year HSA	36 years	+1.38%	-£216k	£222k	None
+25% faster growth in oil prices	28 years	+0.81%	-£236k	£173k	None
-25% (slower) growth in oil prices	>40 years	-7.07%	-£679k	£111k	£624k
+25% faster growth in electricity prices	38 years	-3.18%	-£555k	£137k	£405k
-25% (slower) growth in electricity prices	33 years	-1.43%	-£441k	£137k	£212k
+25% annual O&M costs	36 years	-2.55%	-£529k	£137k	£350k
-25% annual O&M costs	34 years	-1.60%	-£443k	£137k	£228k

- All parameters are assessed over the HSA term
- Monetised carbon savings and residual payments are excluded from the payback, IRR and NPV calculations
- Residual payment has been re-calculated as a result of the change in input assumptions. The HSA terms do not necessarily allow for re-evaluation of the residual as a result of changing energy tariffs etc