# Project Outline

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| **Project Title :** | Schools Solar PV |
| **Sponsor :** | Oliver Savage | **Date :** | February 2015 |

## Background

This project relates to the development of an offer to schools in Harborough District to install solar PV arrays on their buildings or adjacent land. The scheme would be funded through a community share offer / crowd funding approach with schools receiving either “free electricity” or purchased electricity at a cheaper rate than grid electricity. The process would also deliver a return to investors and the creation of “Community Benefit Fund”.

## Project Synopsis

The project is to approach schools in Harborough District to offer them the opportunity to join a scheme to install Solar PV Arrays on their schools and to provide “free electricity” to the schools. Initial assessment of the potential sites for such an offer has been undertaken by Lark Energy which identified 13 schools which would be suitable “targets” for such a scheme. The potential installation capacity identified from this desk top study was **800kwp**. The identified schools and potential capacity are provided below.

| **School Name** | **Status** | **Pupil Numbers** | **Main Fuel** | **Potential Array size (Kwp)** |
| --- | --- | --- | --- | --- |
| Bringhurst Primary School | CO | 153 | Gas | 20 |
| Church Langton Church of England Primary School | VA | 190 | Gas | 20 |
| Fernvale Primary School | CO | 172 | Gas | 20 |
| Foxton Primary School | CO | 89 | Oil | 50 |
| John Wycliffe Primary School | CO | 256 | Gas | 20 |
| Meadowdale Primary School | AC | 392 | Gas | 200 |
| Ridgeway Primary Academy | AC | 284 | Gas | 40 |
| Sherrier Church of England Primary School | VOL | 380 | Gas | 20 |
| St Andrew's Church of England Primary School North Kilworth | VA | 105 | Oil | 20 |
| Kibworth High School & Community Technology College | AC | 604 | Gas | 50 |
| Lutterworth High School Academy Trust | AC | 709 | Gas | 40 |
| Welland Park Academy | AC | 694 | Gas | 150 |
| The Robert Smyth Academy | AC | 1258 | Gas | 150 |
|  |  |  | **Total** | **800** |

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| --- | --- |
| VOL | Voluntary controlled school, building owned by LCC and leased to school |
| CO | Maintained school, building owned by LCC |
| VA | Voluntary aided school, building owned by the Diocese |
| AC | Academy School, buildings owned by LCC but 125 year lease to the school |

The capital finance would be provided through a “Community Share Offer” as an aggregated project (i.e. all participating schools would be part of the same scheme) and a Community Benefit Society (CBS) would be established with an initial Board comprising representatives of the participating schools a representative of Harborough Energy Co-operative Ltd. The Board would be responsible for the distribution of returns to investors and the community benefit fund but the intention would be that this would be provided to Sustainable Harborough to continue its programme of work. Should Sustainable Harborough cease to be active the CBS would determine the future dispersal of the community benefit fund.

Schools will be approached to identify their interest in the scheme. If sufficient schools express an interest a detailed business case would be developed to establish:

* Capital requirements
* Planning requirements
* Relevant owner permissions
* Structural suitability
* Revenue costs
* Revenue distribution

Schools would then be required to sign up if they wish and the share offer developed and launched.

Harborough Energy would also receive a management fee from the project to ensure maintenance of the PV arrays etc.

## Outline financials[[1]](#footnote-1)

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| --- | --- | --- |
| **Description** | **Income** | **Expenditure** |
| Installation of PV arrays |  | c£880,000 capital (assumption£1,100 per kwp) |
| Share offer administration  |  | £5,000 |
| Rate of return to investors |  | 4.2 – 4.5% + tax relief |
| Benefit to schools (free electricity) | c£20,000 p.a. |  |
| Community benefit back to Sustainable Harborough | c£125,000 over 20 years |  |

## SWOT analysis

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| --- | --- |
| **Strengths** | **Weakness** |
| Similar schemes have been developed in other areas so could build on experience and success elsewhereMake great connections with many communities through a single programmeOffer schools free electricity | Complex programme to make happen requiring 13 schools to say yes (there will be key schools required to make this work)Issues around grid connection fees by Western Power. |
| **Opportunities** | **Threats** |
| Could limit scheme to larger installations to reduce installation costs and increase return and benefitsExporter energy could become part of a PPA with energy provider linked to development of energy sales to consumers  | Other offers from other operators diminishes opportunityLCC developing a whole school approach for schools which includes renewables and could be ready to role in AprilFalling FiTs rates prior to installation |

## Sustainability rating

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| --- | --- | --- |
|  | **Comments** | **Score****-5 to 5** |
| **Social** | Educational value for schools | 3 |
| **Economic** | Backed by Government price guarantees other than cfd regimeDelivers community benefit to local area | 4 |
| **Environmental** | Reduced carbon footprint compared to for schools and districtImproved understanding and confidence about new energy systems | 3 |

## Summary

The project could deliver an effective financial return for community benefit, provide a financial benefit to local schools, and be of educational value. Depending on choice of installer this could also support local jobs and businesses and establish Harborough Energy in the market

## Project Status

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| --- | --- | --- | --- |
| **Accepted/Rejected** |  | **Date :** |  |
| **Reason** |
| [A statement from the board as to why the project proposal was accepted/rejected] |

1. Based on report for a similar aggregated project on libraries [↑](#footnote-ref-1)