

Financial modelling for residential care in Lichfield – Sensitivity analysis

	Hawthorn Residential - Sensitivity Analysis				
	Option 1	Option 2	Option 3	Option 4	Option 5
Assumptions	No Change NPV £m	12 Beds @ Hawthorn NPV £m	12 Beds @ Scotch Orchard NPV £m	15 Beds @ Scotch Orchard NPV £m	Close Hawthorn NPV £m
Base Case NPV	-	6.926	7.579	8.634	-3.051
Capital Investment +10%	-	6.890	7.373	8.357	-
Capital Investment -10%	-	6.961	7.786	8.910	-
Cost of Change +10%	-	6.847	7.501	8.565	-3.204
Cost of Change -10%	-	7.004	7.658	8.702	-2.898
Market Rates +10%	-	6.307	6.961	8.366	-5.887
Market Rates -10%	-	7.544	8.198	8.901	-0.215
Inflation +1%	-	8.251	9.191	10.445	-2.018
Inflation -1%	-	5.801	6.210	7.101	-3.923
In House Staff costs +10%	-	5.022	5.676	6.494	-
In House Staff costs -10%	-	8.829	9.483	10.773	-
Best case	-	11.204	12.315	13.526	1.358
Worst Case	-	3.434	3.671	4.626	-6.585