nimbus

Funding Guide for Solar Energy

2025

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Investing in Solar Energy

A Smart Business Move

Concerned about rising energy costs?

With energy prices surging by up to 400% and dramatic advancements in solar technology, there's never been a better time to consider on-site renewable energy.

Why Solar?

- **Improved Efficiency:** Modern solar panels are almost twice as powerful as those from a decade ago, requiring less roof space to deliver exceptional energy output.
- **Exceptional ROI:** Businesses can now expect a 20% return on investment and benefit from 25-year guaranteed performance on solar systems.
- **Energy Security:** While short-term government schemes like the Energy Bill Relief Scheme offer temporary relief, generating your own energy is the only way to secure long-term price stability and independence.

We're Here to Help You Find Funding Options

At Nimbus Solar, we understand that navigating funding and grants can be complex. That's why we're here to help you identify the right options tailored to your business needs, whether you own or lease your premises.

MCS CERTIFIED

SafeContractor APPROVED

tsi APPROVED CODE TRADINGSTANDARDS.UK

RECC RENEWABLE ENERGY CONSUMER CODE

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Finance Options	How it works	Why choose	Considerations
Self-Financing: The Tried-and-Tested Option	If you have the capital to invest upfront, self-financing could be the most cost-effective option. With this route, you use your own funds to purchase and install the solar panels and equipment. Once the system is up and running, you'll enjoy a free, renewable energy supply for the lifetime of the equipment (typically 25 years or more).	1. **Long-term savings:** By generating your own renewable energy, you'll significantly reduce your reliance on the grid and make substantial savings over time. Plus, you'll be less affected by future energy price increases. 2. **Tax benefits:** Many businesses can offset up to £100,000 of capital investment through the Annual Investment Allowance, reducing your overall tax burden. 3. **Best return on investment (ROI):** Self-financing typically offers the quickest payback and the highest returns in the long run.	1. **Upfront cost:** This option requires capital upfront, which might not be feasible for every business. 2. **Management responsibilities:** You'll be responsible for maintaining and insuring the system for its entire lifespan.
Asset Finance: Spreading the Cost	If self-financing isn't the right fit, asset finance provides a great alternative. With asset finance, you can secure a loan from a specialist provider to cover the upfront cost of installing your solar energy system. The loan is paid off over time, and in many cases, the savings you make on electricity bills can exceed the cost of the loan repayments, giving you immediate financial relief.	1. **Immediate savings:** In some cases, the savings on electricity bills can more than cover the loan repayments, so you'll see financial benefits straight away. 2. **No collateral required:** Unlike traditional loans, asset finance doesn't require you to secure the loan with property or other assets. 3. **Flexible solutions:** Asset finance can be used to cover a wide range of renewable energy technologies, including solar panels, biomass boilers, and air-source heat pumps.	1. **Delayed financial benefit:** Depending on the savings, it may take a little longer to see significant returns. 2. **Ongoing responsibility:** Like self-financing, you'll need to manage and maintain the system over its lifetime.
Power Purchase Agreement (PPA): No Upfront Cost, Instant Savings	For businesses looking for a hassle-free, no-upfront-cost solution, a Power Purchase Agreement (PPA) could be the ideal choice. In this arrangement, you lease the roof space to a PPA provider who installs solar panels at no cost. You then buy the energy back from them at a significantly reduced rate compared to current market prices. The best part? The PPA provider manages all the maintenance, so you don't have to worry about a thing.	1. **Immediate savings:** You'll see an instant reduction in your energy bills with no upfront costs. 2. **Zero maintenance:** The PPA provider takes care of all system management, maintenance, and insurance. 3. **Ownership after 25 years:** Once the agreement ends (typically after 25 years), the system becomes yours to keep, providing free energy for the rest of its lifetime. 4. **PPAs are not limited to private businesses:** They are also available to Government Agencies, Educational Institutions and any organisation with suitable energy consumption patterns and roof space.	1. **Long-term commitment:** PPAs typically last for around 25 years, though they can be transferred if you relocate your business. 2. **Not the highest long-term savings:** While PPAs provide immediate savings, they may not offer the same long-term financial benefits as self-financing or asset finance. 3. **Eligibility Requirements:** Adequate roof space to accommodate the solar panels and sufficient energy usage to justify the installation and make the project viable for the provider.
Community Funding: A Shared Approach	For community-focused organisations, such as schools, churches, and village halls, community funding offers an innovative way to finance solar power installations. Through crowdfunding, local members contribute to the cost of installing solar panels, and the business then purchases the energy via a PPA. This is an excellent option for businesses looking to support local initiatives while benefiting from lower energy bills.	1. **No upfront cost:** You won't need to spend any capital to get started. 2. **Lower energy bills:** The community funding model helps provide your business with affordable, renewable energy. 3. **Supporting local projects:** Excess profits even after paying back investors can be reinvested into local community initiatives, creating a positive impact on your area. 4. **Smart Investment:** Investors can often expect 7% returns on investment for projects such as Community Solar Parks.	1. **Moderate savings:** While community funding provides energy savings, it may not offer the same high returns as other financing methods. 2. **Long setup time:** It can take more time to arrange, and you'll be committing to a longer-term agreement.