

**Proposed renovation and refurbishment of Radnor Arms Hotel in New Radnor, Presteigne, Powys**

**1. Early Cost Budget Phase 2 (Building Works) prepared January 2024**

Budget construction costs set at the current tender price index 216 (1Q2024 - Year 2000 = 100) UK national average index 100. UK Construction Cost Regional Variation for Wales is 98.

Note: No adjustment to building works value to reflect economies of scale.

Costs below are for building work only inclusive of preliminaries, and contractor overheads and profit at 5.5%. They should only be used to give an indication of what a building project may cost.

They do not provide actual project costs to construct.

A Chartered Quantity Surveyor will be able to advise an accurate budget for the project at the appropriate time.

Costs exclude building purchase, fees, VAT, and any fittings, furnishings and equipment supplied by the client. Estimate base date: January 2024 (1Q 2024)

Location:	Mid Wales (Powys)
Indicative Construction Start Date:	August 2024
Construction Period:	24 weeks approx

New-build Base Cost for Public houses/licensed premises - based on building constructed to mid-range specification	£2, 600.00/£/m <sup>2</sup>
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Cost adjustment £/m<sup>2</sup> for renovation works (70%): £1, 820.00/£/m<sup>2</sup> Gross Floor Area of Existing Building

Comprising:	478m <sup>2</sup> :	
	Ground floor	305m <sup>2</sup>
	First floor	173m <sup>2</sup>

Approx area to be renovated in Phase 2 at 30% total floor area	143.4m <sup>2</sup>
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Indicative proposed construction start date:	August 2024
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**Budget Calculation**

New Building works for public houses cost (at bwv factor of 1.00):		£2, 600.00/£/m <sup>2</sup>	
Assumed new building works costs for 143.4m <sup>2</sup> (30% total floor area)		£372, 840.00	
Adjustment £/m <sup>2</sup> for Phase 2 70% renovations/making watertight		£1, 820.00/£/m <sup>2</sup>	£260, 988.00
Adjustment factor for building works value	1.00		£260, 988.00
Adjustment reduction for location (Wales = 98) 0.98			£255, 768.24
Adjustment for tender inflation			
Current tender price index	1Q 2024	216	
Forecasted tender price index 3Q 2024		218	
Adjustment (218 - 216) / 216		0.93%	£2, 378.64
Adjustment for construction inflation			
Current building cost index	1Q 2024	232	
Forecasted building cost index 3Q 2024		236	
Adjustment (236 - 232) / 232		1.72%	£4,440.13
Allowance for Phase 2 External work		2.5%	£6, 564.68
Allowance for risk - Contingencies		10%	£26, 915.17

<b>Phase 2 Indicative total construction works cost</b>	<b>£296, 066.85</b>
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**2. Early Cost Budget Phase 3 (Building Works/Further Development of the Site) prepared January 2024**

New-build Base Cost for Public houses/licensed premises - based on building constructed to mid-range specification £2,600.00/£/m<sup>2</sup>

Cost adjustment £/m<sup>2</sup> for renovation works (70%): £1,820.00/£/m<sup>2</sup> Gross Floor Area of Existing Building

Comprising: 478m<sup>2</sup>:  
 Ground floor 305m  
 2 First floor 173m  
 2

Approx area to be renovated in Phase 3 - 70% total remaining area 334.6m<sup>2</sup>

Indicative proposed construction start date: August 2024

**Budget Calculation**

New Building works for public houses cost (at bwv factor of 1.00):		£2,600.00/£/m <sup>2</sup>	
Assumed new building works costs for 334.6m <sup>2</sup> floor area		£869,960.00	
Adjustment £/m <sup>2</sup> for Phase 3 renovations		£1,820.00/£/m <sup>2</sup>	£608,972.00
Adjustment factor for building works value	1.00		£608,972.00
Adjustment reduction for location (Wales = 98) 0.98			£596,792.56
Adjustment for tender inflation			
Current tender price index	1Q 2024	216	
Forecasted tender price index 3Q 2024		218	
Adjustment (218 - 216) / 216	0.93%	£5,550.17	£602,342.73
Adjustment for construction inflation			
Current building cost index	1Q 2024	232	
Forecasted building cost index 3Q 2024		236	
Adjustment (236 - 232) / 232	1.72%	£10,360.29	£612,703.03
Allowance for Phase 3 External work	2.5%	£15,317.58	£628,020.61
Allowance for risk - Contingencies	10%	£62,802.06	£690,822.67
<b>Phase 3 Indicative total construction works cost</b>			<b>£690,822.67</b>

**3. Summary Costs**

Phase 2 Indicative construction works cost	£296,066.85
Phase 3 Indicative construction works cost	£690,822.67
<b>Total Radnor Arms Refurbishment construction works cost start August 2024</b>	<b>£986,889.52</b>