

Business plan

Barn conversion holiday let:

The Old Barn, Climaengwyn Uchaf Farm.

Proposed business and owner details:

The Old Barn (Holiday Let)
Cilmaengwyn Uchaf Farm

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Proposed business summary:

To provide high class, eco-friendly family holiday accommodation. We are proposing to provide a high quality holiday experience in an idyllic traditional setting with state of the art eco-credentials (e.g. solar panels, highly insulated, heat pump, electric car charging point). The let will provide access to a wide range of facilities and attractions within the Swansea Valley area and beyond.

Background:

We have a stone barn (pre 1800) which is no longer used and is in need of renovation (e.g. roof replacement) and a disused corrugated metal 'Dutch' barn which has reached the end of its working life. By removing the Dutch barn and the brick link structure, we could give the stone barn a new use as holiday accommodation. The stone barn is set within a quiet rural setting comprising the original farmhouse, the proposed barn holiday let and other barns and outbuildings. The barn itself has a courtyard to one side and at the other opens onto a large grassed area with expansive views along the Swansea Valley and beyond. We therefore have the barn, land to create an outdoor dining / garden area and an existing courtyard for parking.

The Old Barn benefits from a number of factors which will help secure new and repeat customers including:

- the rural setting and the beauty of the local area
- a variety of wildlife including red kites, buzzards, siskins, woodpeckers, cuckoos, brown long eared and soprano pipistrelle bats
- access to walks from The Old Barn and easy access to National Cycle Route 43
- access by car to Brecon and the surrounding area to the North, and via car or walk / bus to Swansea and the beaches of Gower to the South
- excellent customer service including access to ourselves in the nearby farmhouse for anything that might be needed during a stay

We have renovated and extended the farmhouse and undertaken other extensive high standard renovation works to previous properties. These experiences mean we are well placed to undertake this project to bring the barn back into productive use as holiday accommodation.

The Old Barn will comprise of two en-suite bedrooms, open plan living / dining / kitchen and expansive views over the Swansea Valley and beyond. The accommodation will benefit from under-floor heating, solar energy, parking for two cars, secure bicycle storage and an electric car charging point.

We believe we can provide welcoming high quality accommodation and service to our customers and provide a location where families can retreat or engage with the many activities available locally. In line with the high end experience we seek to provide, we will provide welcome hampers to guests containing a range of locally sourced produce and essentials. We will also link with a local wholefoods shop, butcher and farm shop business to provide those holidaying with the option for boxed produce to be supplied to them directly for their stay.

Views from The Old Barn towards the Swansea Valley and beyond:



Our customers / market:

We see our customers / target market as families who want to stay in a rural location to relax, engage in activities such as walking or cycling or as a base from which to explore the local area. It is expected that customers will be from outside the local area and therefore those holidaying in The Old Barn would likely contribute to the local economy through shopping, visiting attractions and eating in local restaurants and pubs.

The accommodation and its setting will appeal to customers who just wish to spend time relaxing and holidaying. However, for those who want to explore the wider area, Swansea, Neath, Mumbles and Brecon are within 30-50 minutes drive, whilst Cardiff is just over an hour away. For those seeking days out or places to visit, Brecon Beacons National Park, Gower, Aberdullais Falls, Cefn Coed Colliery Museum, Zip World, Big Pit, Folly Farm, Penderyn distillery and Llanelli Wetland Centre are just some of the attractions for day trips.

Finance:

The renovation costs will be self financed and will be approximately £200,000.

Revenue:

Rentals will be offered as weekend and week lets. At minimum, we would anticipate the property securing paying guests for the equivalent of 16 weeks per year with an average rental charge of £750 / full week. This minimum letting would give an annual revenue of at least £12,000; 6% yield on the investment. However, we are confident that the property will be in high demand and that we will achieve a higher rate of letting. With an occupancy rate of 46 weeks per year the annual revenue would be £34,500; 17.25% yield on the investment. We are confident that this scheme is viable and that the income will fall within these parameters in line with the trend for holidaying in the UK and as the property becomes established in the market.

Employment:

As the business grows it is anticipated that part time cleaners / house keepers will be required to support the business. Based on the revenue estimate above, it is expected that this will cost up to £40 per week of rental.

Advertising:

We will publicise our property via our own website, through local business and the tourist information service as well as through national letting agencies.