

RE-PRICING OF 12 MONTH MOORING PERMITS 2009 MARKET AREA REPORT FOR GLOUCESTERSHIRE

Introduction

This report provides the rationale for mooring price decisions for 2009. For explanation of the method and relevant policy, please see our public statement at www.britishwaterways.co.uk/mooringprices09.

The government's announcement of the reduction in VAT from 1/12/08 was made whilst work on the review was in progress. To avoid confusion, we continued with our analysis showing VAT rates at 17.5%. Then, once we were ready to enter the new rates into our invoicing system, the necessary reductions were made to take VAT at 15%. Where prices are presented in this report, we indicate which VAT rate applies. VAT is payable at the rate set by the government for the date when the permit is purchased.

Profiles of privately operated sites in the area are appended. We researched and compared their prices with the BW rates to inform our judgements, but because so many operators asked us not to publish their price data, it is not included.

A network map showing all sixteen market areas is downloadable from www.britishwaterways.co.uk/mooringprices09

Local market overview

This area comprises the River Severn as far as Stourport and the Gloucester & Sharpness Canal from Gloucester southwards to Sharpness where the canal locks out onto the River Severn estuary to the Bristol Channel. Never far from the M5, these waterways offer a convenient and attractive option for boat owners living throughout the South West as well as the Midlands. Coastal and wider boats can be accommodated.

BW offers the following mooring sites on the Gloucester & Sharpness Canal which are managed by our South West business unit. We have no moorings on the River Severn.

Site name	Site capacity (berths)
Llanthony pontoons	7
Monk Meadow	40
Sellars Bridge	11
Parkend	12
Saul Junction	20
Fretherne	22
Splatt	21
Patch	22
Purton	11
Total capacity	166

Supply assessment

In addition to these BW long term moorings, there are approximately 70 online and 510 offline basin or marina moorings on the Gloucester & Sharpness Canal. On the Severn are some 35 online and 870 offline moorings between Gloucester and Stourport. Total mooring supply in the area is therefore estimated at around 1,650 berths. .

The new Saul Junction Marina opened in May 2008, supplying some 280 new berths on the Gloucester & Sharpness Canal (included in the above supply estimate) . As a result of this we will be decreasing 28 online moorings under our online mooring reduction policy within the next twelve months. This will be achieved through natural wastage – we will not advertise vacancies when mooring permits are not renewed.

Demand assessment

A guide to strength of demand is the speed with which berths in the new Saul Marina were taken up – we understand that about two thirds had been let by the end of 2008. Most BW sites are at full capacity and we are seeing generally strong results from tendered vacancies (see below). On the Severn however, private operators report vacancies. The River is prone to flooding, particularly so in the past year which perhaps explains why some boaters are seeking canal moorings instead.

Analysis of tendered vacancies

The table below summarises the results of tenders during the 12 months from November 2007. More recent results can be found on www.bwmooringvacancies.co.uk . (The moderation phase of the pricing review ran from November to January and during this period we took account of latest evidence.)

(the prices shown in this table include VAT at 17.5%)

Site Name	Berth size	Total vacancies concluded to 18/10/08	Total tenders submitted	Guide Price (£ per mtr)	Total tenders above guide price	Average contracted £ per metre following tender
Fretherne North	Over 10m	4	5	£98.00	2	86.16
Fretherne South	10m and below	1	1	£96.00	1	96.40
Fretherne South	Over 10m	1	3	£104.50	0	£86.00
Monk Meadow	8m berths	6	3	£95.25	1	£82.00
Monk Meadow	18.5m berths	5	16	£93.00	0	£64.00
Monk Meadow	20m berths	1	2	£93.50	1	£86.00
Parkend	10m and below	1	3	£98.00	2	£105.60
Parkend	Over 10m	1	1	£98.00	1	£98.13
Purton	10m and below	2	0	£114.00	0	No tenders above reserve price
Purton	Over 10m	3	11	£114.00	4	£128.00
Saul Junction	Over 10m	2	4	£118.00	1	£91.00
Sellars	10m or less	1	1	£98.00	0	£75.00
Sellars	>10m	3	8	£98.00	6	£111.00
Splatt Bridge	>10m	5	29	£114.00	12	£141.00

Private operator reference sites

Brief profiles of privately operated sites are summarised in an appended table

Pricing conclusions

The table below summarises our site-by-site conclusions across the area. Prices include VAT at 15%.

Site Name	2008 Price	Price from April 2009	Notes on pricing decision
Gloucester & Sharpness Canal			
Purton South	£111.57	£121.36	New price reflects evidence of strong demand from vacancies tendered.
Patch Bridge South	£102.28	£108.64	No customers have resigned their mooring permits at this site during the past year, suggesting that the existing price was not too high. The new price is comparable to others in the area, taking account of differences in facilities and environment.
Splatt Bridge	£111.57	£121.36	New price reflects evidence of strong demand from vacancies tendered.
Fretherne South	£102.28	£108.64	The two vacancies advertised during 2007/8 attracted only moderate interest, but we believe that this price is fair in comparison with other third party operators' charges in the same area.
Fretherne North	£95.91	£101.79	Demand expressed during the tendering process was relatively weak. Capacity is to be reduced in line with the online mooring reduction policy, but the price increase keeps this site competitive with comparable third party sites in the area.
Saul Junction	£115.49	£117.45	The three vacancies advertised during 2007/8 attracted moderate interest for this site, which is probably a direct result of Saul Marina opening around the corner in May 2008. In the past the site had been deemed to be in a prime location and demand for moorings here were very high. The small increase brings this site inline with other comparable L1 moorings on the G&S.
Parkend Bridge	£95.91	£101.79	Although this site has very little to offer in the way of facilities and parking, 2 tendered mooring vacancies received moderate bids and the price increase keeps this site competitive with comparable third party sites in the area.
Sellars Bridge	£95.91	£101.79	We have sold 4 mooring berths at this site on the tendering trial, which have generated a fair amount of interest, endorsing the fact that this site remains to be very popular and sought after. This site is ear marked for moorings reductions, inline with the OLMR number due to be closed within the next 12 months and we anticipate losing one or two berths at this location through natural wastage over this time. The price is in line with the third party comparison sites in the locality.
Monk Meadow 18.5m berths	£1,687.32	£1,603.15	We are reducing the price at this site, recognising that the multiple vacancies tendered have attracted very little interest. Disruption due to redevelopment works in the area has also been taken into account.
Monk Meadow 8 m berths	£745.79	£708.60	
Monk Meadow 20m berths	£1,830.21	£1,739.19	
Llanthony pontoons	£115.49	£117.45	Building and road works in the vicinity reduce the attractiveness of this site. The price is broadly in line with other sites in the area. We have applied a small cost-reflective increase.

James Young
Business Development Manager
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Gloucester & Sharpness Canal – private moorings

Site name	Mooring style	Approx number leisure moorings	Site setting	Site amenity	Current vacancies?	Waiting list?
Victoria Basin	Layby/basin	48	Basin within the Docks	Marina with pontoons		
A&D Marine	online offside	7	Along line of waterway on Southern outskirts of Gloucester	off-side linear moorings	No	No
Sharpness Marine	Offline	180	Old Arm at the end of the G&S Canal	Marina with pontoons	Yes	Yes
R W Davis Marine	online offside	20	Along line of waterway on the outskirts of a village, next to a boatyard	off-side linear moorings	No	No
Saul Junction Marina	Layby/basin	280	New Marina (Opened May 2008)	280 berth marina with pontoons	Yes	Yes
Slimbridge Boat Station	online offside	45	In a small village close to the Wildlife & Wetlands Trust	off-side linear moorings	No	Yes

River Severn – private moorings

Site Name	Setting	Mooring amenity	Facilities
Tewkesbury Marina	Located in a rural location on the River Avon near Tewkesbury, close to the junction with the River Severn via Avon Lock.	350 berth marina with serviced pontoons	Parking, drinking water, refuse disposal, pump-out, elsan, toilets, showers.
Bredon Marina	Set in a rural location on the River Avon, on the Worcestershire & Gloucestershire border, close to the M5 & M50 motorways.	80 riverside & sheltered creek moorings. Area prone to flooding, when access is not permitted for safety reasons.	Parking, drinking water, refuse disposal, pump-out, elsan, toilets, showers, diesel
Lower Lode Hotel	Rural location near Forthampton, looking across the River Severn to Tewkesbury.	Riverside small linear pontoon, with access across ramp from Lower Lode Inn car park	Parking, refuse disposal, elsan, toilets, showers.
Upton Marina	Located off the River Severn close to Upton upon Severn, south of Worcester and north of Tewkesbury.	270 berth marina with serviced floating pontoons	Parking, drinking water, refuse disposal, pump-out, elsan, toilets, showers, electricity, diesel, gas & crainage.
Seabourne Yacht Co.	On the River Severn near to Kempsey, approx 5 miles south of Worcester.	Riverside linear pontoon	Parking, drinking water, refuse disposal, toilets, showers, electricity, diesel, gas
Ketch Caravan Park & Moorings	On the River Severn on the outskirts of south Worcester, with easy access to the M5 motorway, junction 7.	Riverside linear pontoon	Parking, winding hole, drinking water, refuse disposal, elsan, electricity.
Pitchcroft Boat Station	On the River Severn, close to the city of Worcester, next to the Worcester Race Course.	Mooring alongside river edge, located in a residential area	Parking, drinking water, refuse disposal, toilets, gas & Storage.
Northwick Marina	Located off the River Severn, near to the Northwick area of Worcester, to the north of the city centre.	Small marina with pontoons	Parking, drinking water, refuse disposal, toilets & electricity
Camp House Inn	Set in a rural location on the River Severn close to the village of Grimley, approx 5 miles north of Worcester.	Riverside linear pontoon, access down steps from Camp House Inn garden.	Parking, drinking water
Hampstall Inn	On the River Severn at Astley Burf, approx 3 miles south of Stourport on Severn	Riverside linear pontoon, access down steps from Hampstall Inn garden.	Parking, drinking water, refuse disposal.
Stourport Marina	Located off the River Severn in rural Worcestershire, close to the M5 & M42 motorways.	130 berth marina with serviced floating pontoon	Parking, drinking water, refuse disposal, pump-out, toilets, showers, electricity & diesel