

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

Introduction

This report provides the rationale for mooring price decisions for 2009. For explanation of the method and relevant policy, please see our overview report 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

The 14 mile Bridgwater and Taunton Canal is Somerset's only navigable canal but valued by boat owners throughout the south west as safe alternative to coastal waters and lakes. Between the two towns the canal is predominantly rural with a few hamlets..

BW offer the following long term moorings on the canal. They are managed by our south west business unit..

Site name	Site capacity (berths)
Bathpool	18
Lower Maunsel	4
Boat & Anchor	2
Bridgwater	60
Total capacity =	84

Supply assessment

In addition to BW moorings, there is a total of 11 privately operated berths along the canal so the total market comprises just under 100 berths.

Apart from a proposal for a new marina to be developed at Huntsworth, we anticipate no significant change in the supply of moorings on the canal. The Huntsworth development is still tentative.

Demand assessment

We believe that the demand for moorings on the Bridgwater & Taunton Canal has increased over the past twelve months and we have had a good response to the eight mooring vacancies advertised for tender.

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
Bathpool	8m berths	3	7	£66.50	4	£81.25
Bridgwater	10m and below	1	3	£62.50	1	£64.11
Bridgwater	Over 10m	3	13	£62.50	4	£83.30
Lower Maunsel	Over 10m	1	3	£58.00	1	£108.00

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

Private operator reference sites

We have identified the following privately operated mooring sites as being the most relevant to the BW sites for price comparison purposes:-

Site name	Mooring style	Approx number leisure moorings	Site setting	Site amenity	Current vacancies?	Waiting list?
Somerset Navigators (Maunsel Lock Off-side)	online offside	4	Boat club moorings	Wooden staging with mooring posts	No	Yes
Maidenmead	online offside	3	Private Moorings	Wooden staging with mooring posts	No	Yes
YMCA - Bridgwater	online offside	4	Semi-urban	Pontoon/Jetty	No	No

Price conclusions

The isolation of this short canal means that mooring prices on the B&T remain lower than elsewhere in BW's South West region. The tendering analysis carried out showed that there was quite strong interest for all vacancies and support the case for some increases. The following prices (including VAT at 15%) will be apply:-

Site Name	2008 Price	Price from April 2009	Notes on pricing decision
Bridgwater Docks	£61.17	£64.84	Six vacancies tendered during first 14 months of tendering system demonstrated reasonably strong demand for this convenient location.
Boat & Anchor	£47.96	£47.96	This site is in need of improvement works. No price increase for 2009
Lower Maunsel	£56.77	£59.60	This well appointed site is full; only one vacancy has arisen.
Bathpool	£65.09	£70.47	New price reflects evidence of strong demand from vacancies tendered.

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