

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

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 Lancaster Canal has a fairly clearly defined market for moorings. It is the north-western extremity of the BW network from Preston to Tewitfield, running through the popular locations of Garstang, Lancaster and Carnforth.

Although accessible to the rest of the network via the Ribble Link which is seasonal (April to October), the large majority of boaters do not use it and confine their cruising to the Lancaster. .

The moorings in Glasson Basin accommodate sea going craft and serve the coastal as well as inland boating market.

The BW directly managed sites in the area are as follows. They are all managed by BW's North West business unit.:

Site name	Site capacity (berths)
Salwick Wharf	19
Stone Chimney Wharf	6
Pendle	28
Bilsborrow Wharf	11
Dimples Bridge	25
Tythe Barn Garstang	12
Moss Lane (South)	13
Moss Lane (North)	25
Montgomeries Wharf	7
Cabus Nook	11
Ratcliffe Wharf	11

Site name	Site capacity (berths)
Lodge Hill Galgate	2
Hest Bank	37
Bolton Le Sands	3
Tewitfield	3
Glasson Arm	11
Glasson Basin	3
Total capacity	227

Supply assessment

In addition to these BW long term moorings, there is a total of 152 online and 612 offline basin or marina moorings in the same area. Thus the total market comprises a little under 1000 berths.

2008 saw an increase of approximately 82 moorings within the area at Barton Grange. In the coming year, we expect a further 74 moorings to become available at the new marinas opening at Longlands Marina at Tewitfield & Garstang Marina Extension. As part of our online mooring reduction policy, we plan to close 10 berths. The sites where we would prefer closures to take place are Cabus Nook, Salwick and Moss Lane North. The net effect will be an increase of approximately 15% in supply.

Historically, there has been little investment in new, offline moorings. The very attractive rural character and its absence of locks has however proved a strong draw for customers.

Demand assessment

Occupancy, measured by the number of permit holders divided by site capacity, currently averages 83% across BW sites in the group. Increased enforcement action gradually is releasing vacancies to offer to the market.

There is a selection of marinas in the area with minimal vacancies. Garstang Marina which is a popular existing marina is increasing the number of berths available by 20 demonstrating increased demand. Barton Grange Marina opened in Autumn 2008 and Longlands at Tewitfield is due to open in Summer 2009.

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.)

Most sites are quite small so it is perhaps not surprising that few vacancies have come to the market. However, this does demonstrate that current customers have been unable to find better value moorings anywhere else.

Analysis of tendered vacancies

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

Site Name	Guide £ per metre	Length	Total Vacancies advertised to date	Total Tenders	Total Tenders > prevailing guide price	Average contracted* £ per metre following tender
Stone Chimney Wharf	£74.50	10m and under	1	2	2	
Bilsborrow	£83.00	Over 10m	2	11	9	£129.53
Dimples Bridge	£68	10m and under	2	0	0	0
		Over 10m	1	4	2	£113.40
Tythe Barn	£72.00	10m and under	1	5	4	£89.29
		Over 10m	1	4	2	£113.40
Cabus Nook	£62	10m and under	4	0	0	0
Ratcliffe Wharf	£82.00	10m and under	1	5	1	£85.25
Hest Bank	£70	10m and under	5	7	3	£66.04
Tewitfield	£80.00	Over 10m	1	2	1	£80.90
Pendle	£59.00	10m and under	1	3	1	£67.08

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

Moons Bridge

Ashton Basin

Barton Grange

Garstang Marina

Bridgehouse Marina

Tewitfield Marina

BWML Galgate

BWML Glasson

Nu Way Acorn

Brief profiles of BW and these 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
Salwick Wharf	£64.60	£68.51	There have been no vacancies tendered at this site, as this has been highlighted for reduction as part of the on line mooring policy in 2009/10. Taking account of difference in facilities and immediate environment, this price is consistent with that of competitors.
Stone Chimney Wharf	£72.91	£75.36	Little interest expressed in the two vacancies tendered.
Pendle Moorings	£57.74	£60.19	Only one tender to date, which received little interest which may have been due to the small size of the space. Taking account of difference in facilities and immediate environment, this price is consistent with that of competitors.
Bilsborrow Wharf	£81.23	£87.11	Mooring located in the centre of Bilsborrow which is a very popular village. Vacancies at this site which have been tendered have resulted in prices at considerably higher levels. Taking account of differences in facilities and immediate environment, this price is consistent with that of the new marina in the area.
Dimples Bridge	£66.55	£69.49	Several vacancies have arisen at the site, with larger berths being let for above guide price and smaller berths below. Taking account of differences in facilities and immediate environment, this price is consistent with that of the two marinas in Garstang.
Tythe Barn Garstang	£70.47	£74.38	Vacancies at this site which have been tendered have resulted in prices higher than the published guide price. This increase keeps the price comparable with that of the local marinas, taking account of the difference in facilities.
Moss Lane (South)	£81.23	£84.66	No customers have resigned their mooring permits at this site, suggesting that the existing price was not too high. Taking account of differences in facilities and immediate environment, this price is consistent with the local marina operators in Garstang.
Moss Lane (North)	£74.87	£78.30	This site is priced lower than that of the neighbouring Moss Lane South as it has no on site facilities. There have been no tenders to date for this site as it has been highlighted for reduction as part of the on line mooring reduction in 2009/10.
Montgomeries Wharf	£73.40	£76.34	No customers have resigned their mooring permits at this site, suggesting that the existing price is not too high. Taking into account the facilities and immediate environment of this site, the price is consistent with that of Moss Lane South.
Cabus Nook (Houghton)	£60.68	£63.62	Four berths were initially tendered in October 2007, which received no interest. Since then the site has been highlighted for reduction as part of the on line mooring plan in 2009/10 and no further vacancies have been tendered.
Ratcliffe Wharf	£80.26	£84.66	Only one vacancy at this site has been tendered which resulted in a price at approximately the current level. Taking account of differences in facilities and immediate environment, this price is consistent with that of competitors.
Lodge Hill Galgate	£67.53	£72.43	No customers have resigned their mooring permits at this site, suggesting that the existing price was not too high. Taking account of differences in facilities and immediate environment, this price is consistent with that of Galgate Marina.

Site Name	2008 Price	Price from April 2009	Notes on pricing decision
Hest Bank	£68.51	£71.45	Vacancies at this site which have been tendered have resulted in prices at approximately the current level. This site has since been highlighted for reduction as part of the on line mooring plan in 2009/10. Taking account of differences in facilities and immediate environment, this price is consistent with that of the new marina at Tewitfield.
Bolton Le Sands	£70.47	£73.40	No customers have resigned their mooring permits at this site, suggesting that the existing price was not too high. A new marina is due to open within the area, and taking into account the differences in facilities and immediate environment this price is consistent with the price of the new marina at Tewitfield.
Tewitfield	£78.30	£81.72	Only one tender to date at this site, which resulted in a price at approximately the current level. A new marina is due to open within the area, and taking into account the differences in facilities and immediate environment this price is consistent with the price of the new marina.
Glasson Arm	£70.47	£73.40	No customers have resigned their mooring permits at this site, suggesting that the existing price was not too high. Taking account of differences in facilities and immediate environment, this price is consistent with that of Glasson Marina
Glasson Basin (designated moorings)	£70.47	£76.34	No customers have resigned their mooring permits at this site, suggesting that the existing price was not too high. This site is priced higher than Glasson Arm this year as this site has electricity. Taking account of differences in facilities and immediate environment, this price is consistent with that of Glasson Marina

Business Development Manager
February 2009

Appendix: Mooring site comparisons

Site name (BW sites shown bold)	Setting	Mooring amenity	Facilities
Bilsborrow Wharf	Village Centre - close to pub, noisy on summer evenings. On bus route, Two minutes walk to A6.	Offside Mooring, leisure site	Shared refuse, toilets, water point & elsan.
Dimples Bridge	Semi rural location. Five minutes drive to local town.	Offside Mooring, leisure site	Shared refuse
Tythe Barn Garstang	Close to local town, approx 5 minutes drive.	Offside Mooring, leisure site	No on-site facilities
Moss Lane (South)	Close to local town. On bus route, 5 mins walk to A6.	Offside Mooring, leisure site	Shared refuse, toilets, water point, elsan & pump out.
Moss Lane (North)	Close to local town. On bus route, 5 mins walk to A6	Offside Mooring, leisure site	Five minute cruise to Shared refuse, toilets, water point, elsan & pump out at Moss Lane South.
Montgomeries Wharf	Quiet rural location, approx 5 minutes drive to the local town.	Offside Mooring, leisure site	Five minute cruise to Shared refuse, toilets, water point, elsan & pump out at Moss Lane South.
Cabus Nook	Rural quiet location approx 5 minutes drive to the local town.	Small linear towpath leisure site.	No on-site facilities.
Ratcliffe Wharf	Rural quiet location approx 5 minutes drive to the local town.	Offside Mooring, leisure site.	On site car parking, 1 water point shared.
Lodge Hill Galgate	Rural quiet location approx 10 minutes drive to the local town.	Small linear towpath leisure site.	No on-site facilities. Shared use of Galgate Marina pump out, water point & elsan
Hest Bank	Semi rural location approx 10 minutes drive to the local town.	Large linear towpath leisure site.	Shared refuse, water point & elsan. On site toilets provided by Lancaster City Council with a contribution by BW.
Bolton Le Sands	Semi rural location approx 10 minutes drive to the local town.	Offside Mooring, leisure site.	Ten minute cruise to shared facilities at Carnforth. Refuse, showers, toilets, water point & elsan
Tewitfield	Rural location. 10 minute drive from M6	Offside Mooring, leisure site	Shared refuse, showers, toilets, water point, elsan & pump out. Car parking also available.
Glasson Arm	Rural Location approx ten minutes drive to the local town.	Small linear towpath leisure site.	On site car parking.
Glasson Basin	Rural Location approx 10 minutes drive to the local town.	Basin leisure site.	On site car parking. Electricity bollards.
Private ref site 1 - Moons Bridge Marina	Rural location, 5 minute drive from the M6.	100 berth marina with pontoons.	Car parking, slipway, on site chandlery & boat repairs, shared on site toilets & refuse collection.
Private ref site 2 - Ashton Basin	Semi-rural location, close to local town.	Basin leisure site.	Car parking available.
Private ref site 3 Barton Grange Marina	Close to local town. On bus route, 5 mins walk to A6	250 berth marina with pontoons.	Electricity, refuse collection, drinking water, security, showers, laundry, internet access, car parking & slipway facilities
Private ref site 4 Garstang Marina	Close to local town. On bus route, 5 mins walk to A6	250 berth marina with pontoons.	Shared water point. On site car parking & slipway facilities
Private ref site 5 Bridgehouse Marina	Close to local town. On bus route, 5 mins walk to A6	54 berth marina with pontoons.	On site car parking & slipway facilities. Shared on site toilets, showers, launderette, diesel, CCTV & on site chandlery.
Private ref site 6 Tewitfield Marina	Rural location, Close to motorway.	54 berth marina with pontoons.	On site car parking
Private ref site 7 BWML Galgate Marina	Close to local village and good motorway access.	120 berth marina with pontoons	Shared on site facilities including pump out, toilets, drinking water, showers, elsan & Laundry. On site car parking, slipway & CCTV.
Private ref site 8 BWML Glasson	Rural location, Ten minute drive to local town	220 berth marina with pontoons.	Shared facilities including water point, refuse, elsan, electricity & Laundry. On site car parking, diesel & gas, chandlery.
Private ref site 9 Nu Way Acorn	On bus route, 10 mins walk to nearest A road.	Lay-by moorings with pontoons	On site car parking. Toilets, showers, telephone, water points, refuse disposal, electrical charging point.