

# Prices and price strategies



The list beneath is designed to give you a guide to mean prices in regions over the last year. These have been collated from the published findings of prices supplied by local authorities to the Chartered Institute of Public Finance.

## Weekday Charges per session (£)- 2008-9

	Indoor Pool: Adult	Indoor Pool: Junior	Indoor Pool: Senior Citizen	Indoor Pool: Club Booking Charge per Hour	Leisure Pool: Adult
Inner London	3.12	1.52	1.30	62.15	3.18
Outer London	3.20	1.77	1.47	81.00	3.47
Greater London	3.16	1.66	1.43	69.33	3.32
Metropolitan Districts	3.19	1.80	2.14	52.79	3.24
Non-Met Districts England	3.16	1.91	1.94	61.46	3.27
England	3.15	1.83	1.96	59.55	3.26
Wales	2.36	1.44	1.50	36.48	2.98
Total England & Wales	3.11	1.81	1.95	58.31	3.24



### Weekday Charges per session (£)- 2008-9 (cont'd)

	Leisure Pool: Junior	Leisure Pool: Senior Citizen	Leisure Pool: Club Booking Charge per Hour	Sauna: Charge per Session	Sauna: Sunbed: Charge per Session
Inner London	1.64	1.85	57.30	5.20	5.50
Outer London	1.78	1.66	84.29	6.08	5.60
Greater London	1.70	1.74	68.58	5.68	5.54
Metropolitan Districts	1.78	2.04	51.59	5.31	4.42
Non-Met Districts England	2.00	2.01	68.61	4.48	4.83
England	1.90	2.00	66.27	5.06	4.70
Wales	1.94	1.93	43.32	3.93	6.00
Total England & Wales	1.90	1.99	63.94	4.94	4.73

For information on local price comparisons in the last year, contact [info@hnicons.co.uk](mailto:info@hnicons.co.uk) who will generally be able to provide a comparative guide with 2 or 3 other adjacent authorities.

HNI should also be able to provide comparisons of the cost of teaching but these figures tend to be reported less reliably and should be viewed as a guide only.

### Where to find pool prices

More extensive information on pool prices is available by visiting the Chartered Institute of Public Finance web site. CIPFA have, in recent years, produced 2 useful reports which contain leisure statistics that will provide useful information in business planning. These are Charges for Leisure Service Statistics and Culture, Sport and Recreation Statistics. These provide competitive information on pools in England and Wales. A parallel report is produced in Scotland. Typical information includes the number of pool staff employed, cost of admissions and the amount of investment in capital and sport development in each local authority.

These reports can be found at

<http://secure.cipfa.org.uk/cgi-bin/cipfa.storefront/4bb2147601ffecbc27403efdf40706ba/Search/Run>



## **Working out competitive prices**

The information provided by CIPFA gives a range of prices against as many local authorities as reported. It is therefore possible to compare your prices against those of pools in geographically close sites. You can also compare your proposed prices with that of pools in the local authorities which are most similar (*see Squared Euclidean Distance authorities in Sport England Tools pdf*).

First, you will need to go to

<http://www.ons.gov.uk/ons/guide-method/geography/products/area-classifications/ns-area-classifications/index/corresponding-authorities/local-authorities/index.html>

to find out which are the most similar local authorities. You can then compare these authorities with your own authority area for prices using the information provided by CIPFA.

## **What your price strategy will be**

Your approach to pool prices will impact on your proposed customers. If an asset is being transferred, your pool pricing strategy might be limited by the service level or operational agreement you draw up with a local authority. The local authority may require you to charge similar prices and to increase (or decrease) prices at a similar rate to other pools owned by the local authority. If there is flexibility, then you will need to decide how you are going to compete.

Prices are often difficult to set initially because it will be a few months before you have a full knowledge of your costs and many businesses set prices based on their costs as well as the prices of their competitors. You will therefore need to determine your pricing objective. This objective might be to maximise profits, survival, sales growth, capturing more of the market and product quality leadership. Generally, you are more likely to be concerned with survival at the start because you will be looking to cover variable and some fixed costs.