



# Benchmarking Report

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Summary Report  
Winter Conference  
November 2019

# The Benchmarking Report

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Data was provided by 53 institutions, with 31 responding to both parts of the survey.

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Total commercial income across 36 institutions providing data was £835.9m in 2018/19.

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Residential income comprised 64% of the total, 25% from catering, 7% from conferences and 5% from sport.

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Residential income was of £532.3m was reported for the 2018/19 year by 30 institutions, and the average income excluding 1 small entry was £18.4m.

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Total catering income from the 33 institutions reporting their activities was £208.6m in 2018/19. The average income in this area was £6.3m.

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Conferencing income across the 26 institutions who provided data was £54.8m, an average of £2.1m per institution.

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Information has been provided by 24 institutions on their sports offer. Total income from the group was £40.3m, with an average income of £1.8m.

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Average commercial income figure (excluding sports income to draw a comparison) was £22.7m in 2018/19 up from £20.5m in 2017/18, an 11% average rise.

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## Analysis

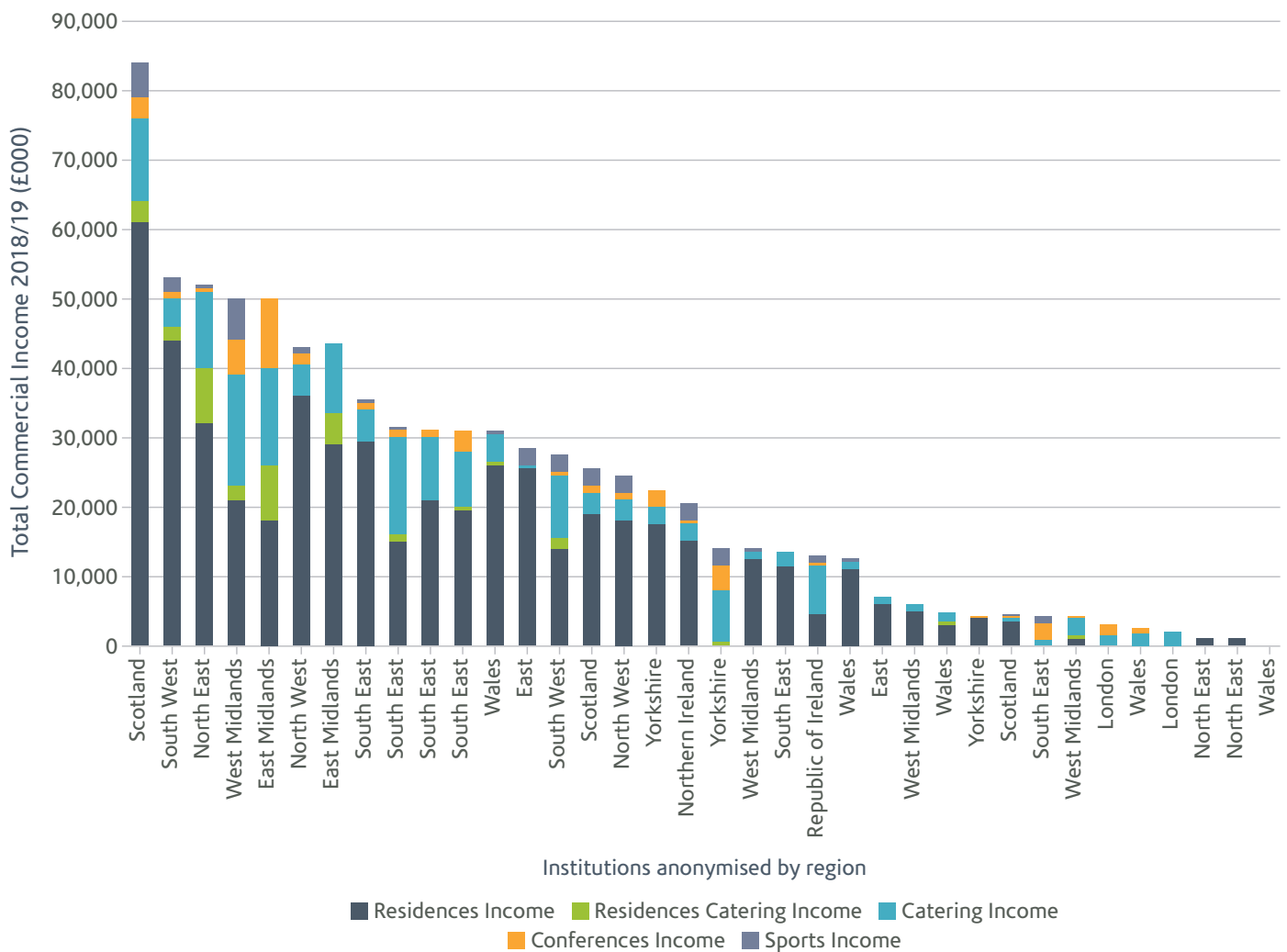
### Total Commercial Income

Total commercial income as reported by 36 institutions was £835.9m in 2018/19. This equates to an average commercial income of £23.2m per institution. Residential income constituted 64% of commercial income, with 25% from catering activities (including catering within residences), 7% from conferences and 5% from sport.

This year, data from sports activities was included in the return as an additional area to previous years, which means the average is not comparable to the previous survey.

Combining just residences, catering and conferencing income gives a total of £795.7m and an average of £22.7m across 35 institutions. In the November 2018 report the average was £20.5m meaning that the average is 11% higher in this survey, which may be accounted for by an increase in income per institution but also a slightly different group of institutions providing data this year.

Total Commercial Income by Type 2018/19



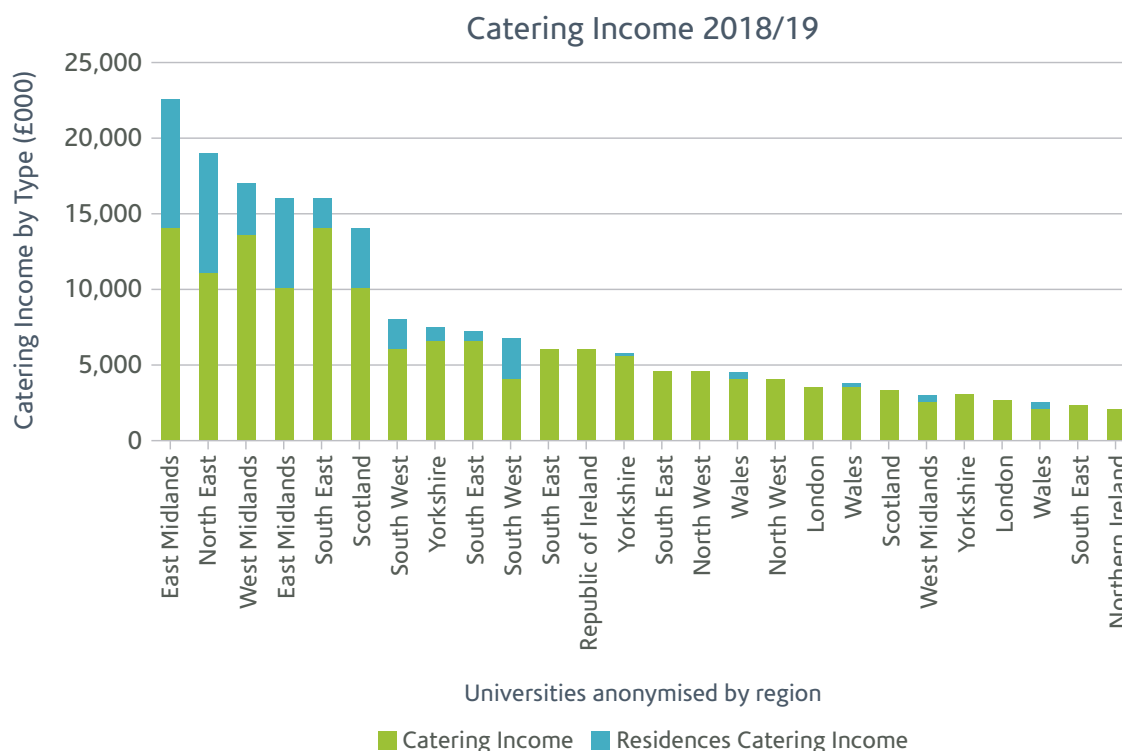
The top ten institutions reported £481.3m of commercial income which equates to 57% of the total. The top institution reported £84.4m and the second largest £53.6m.

## Catering

### Catering Income

Catering income is provided in two parts within the survey; catering relating to residences and general/campus catering. Some institutions provide separate figures and some report an aggregated total. Total catering income from the 33 institutions reporting their activities was £208.6m in 2018/19. The average income in this area was £6.3m.

Catering income reported within residences was £39.7m or 19% of the total activity, with £168.8m of general or combined catering income representing 81% of the total. The overall numbers are greater than in the last survey, based on the participation of some larger institutions in this round of the benchmarking so direct comparisons have not been made.

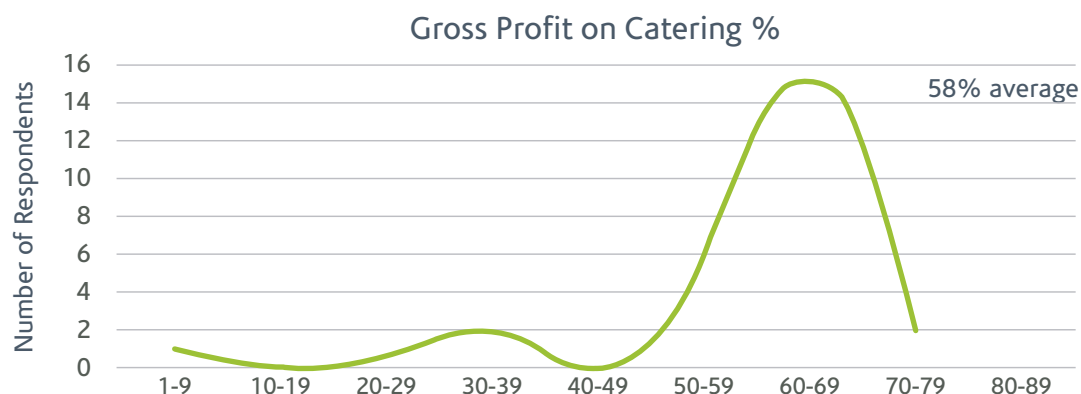


*Chart shows members with over £2m in catering income*

## Catering Profit

### Catering Income

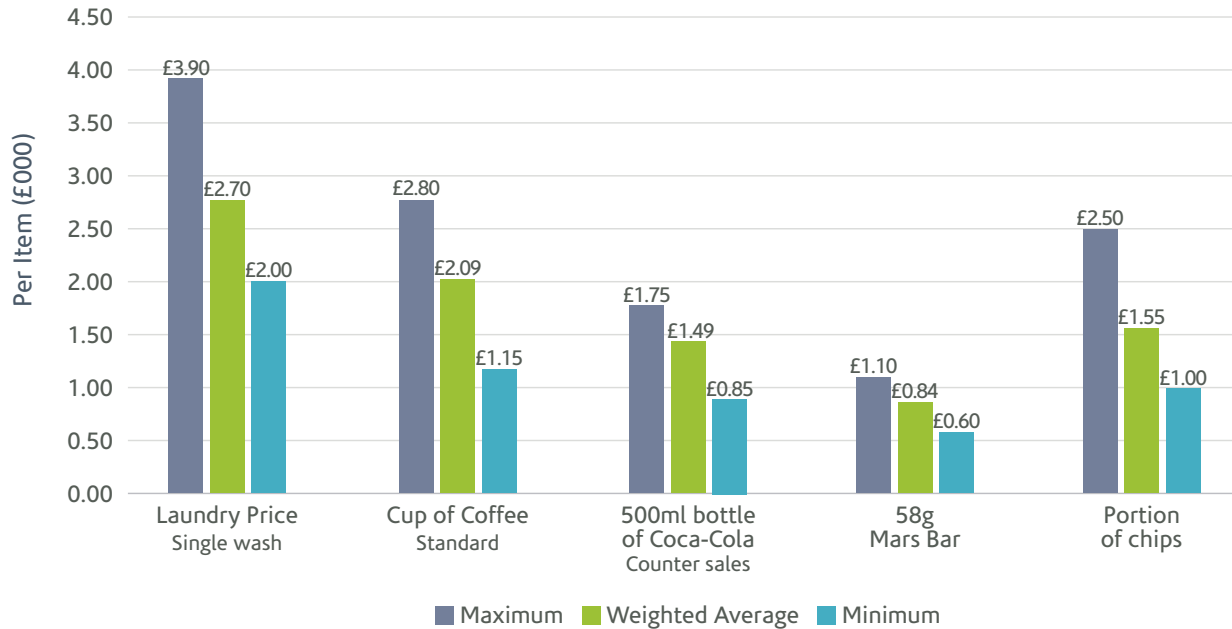
The average gross profit being achieved on catering activities is 58%, and looking at the top 10 income generators (whose income equates 64% of the total), the gross margin being achieved in this group is 59%. The chart indicates that 15 of 31 institutions are making between 50% and 69% profit, with 15 institutions falling into this higher bracket.



## Index of prices

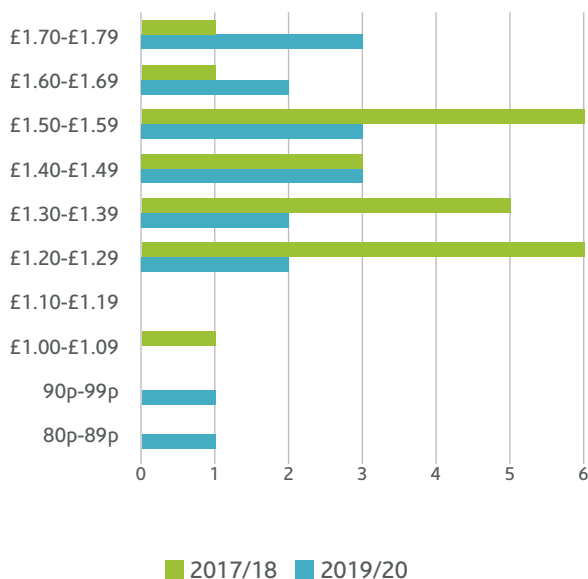
An index of prices is provided below based on data from 31 institutions. Clearly some of the products measured can vary in their size and/or method of delivery, and these are covered by the asterisk in the titles below. The average prices are significantly above those reported in the previous survey on all measures. For instance, the average price of a single laundry wash was £2.51 in 2017/18m (this year £2.70) and a cup of coffee averaged £1.50 (this year £2.09). These increases are likely due partly to inflation and partly due to different participants providing data, as well as the non-standardised measurements in the asterisked goods.

Price Indices 2019/20



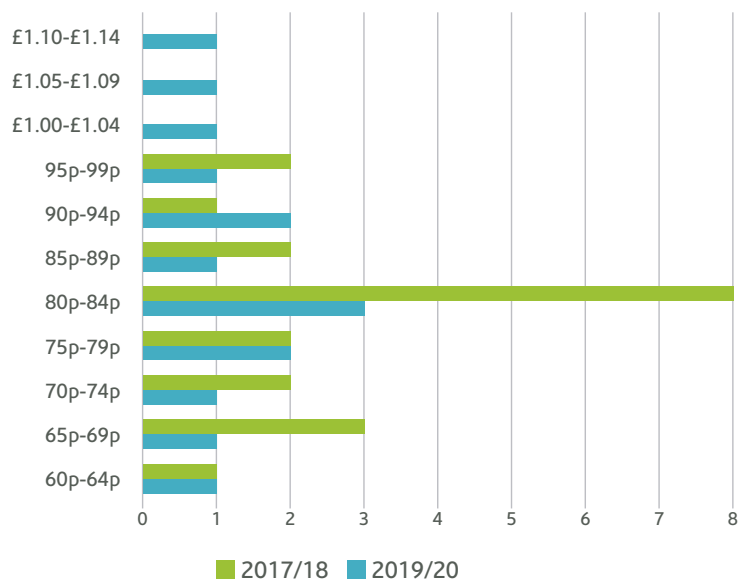
In the case of Coca-Cola and Mars Bars, these are standardised products. There is a 90 pence (or 106%) difference between the cheapest bottle of Coca-Cola across the participating institutions, and a 50 pence difference (or 83%) between Mars Bar prices. The average price of a Mars Bar in the 2017/18 survey was 78 pence, and now is 84 pence, a 7.7% difference. The average price of a bottle of Coca-Cola in 2017/18 was £1.37, and is now £1.49, a difference of 8.8%. The distribution of prices on these two items has been shown below, with the previous year's data provided as a reference.

Coca-Cola Price Distribution 2019/20 and 2017/18



Participants in 2019/20 = 17, in 2017/18 = 23

Mars Bar Price Distribution 2019/20 and 2017/18

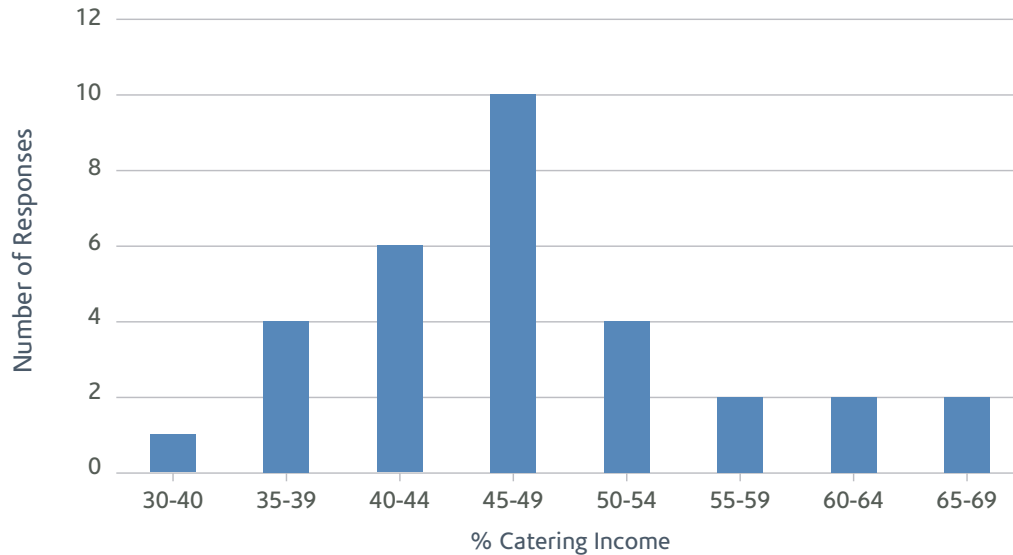


Participants in 2019/20 = 15, in 2017/18 = 21

## Salaries

Catering salaries for the 31 members who disclosed figures were most likely to account for between 33% and 66% of income. There appears to be no geographic correlation between catering staff cost and the percentage of income that staff costs account for.

Catering Salaries as a % of Catering Income 2018/19



## Staff Costs

The average rate of pay for catering staff was £9.15 per hour and for cleaning staff was £9.34 in 2019/20. The calculations exclude on-costs and represent the mid-points on the salary bandings of many institutions, with some participants indicating they have also accounted for the living wage. Rates of pay within the London based institutions averaged £10.54, in the south £9.31, in the Midlands and Wales £8.95 and in the North and Scotland £8.98 per hour.

Staff Costs per Hour 2019/20



30 institutions provided data on the hourly rate of pay for their catering staff and 21 for cleaning staff with 32 institutions giving data on these questions overall.

The average rates of pay are higher than in the previous survey, with the average for cleaning staff in 2017/18 reported as £8.85 and the previous catering hourly rate was £8.88. These figures are unlikely to be directly comparable due to variations in institutions and are therefore provided for reference only.

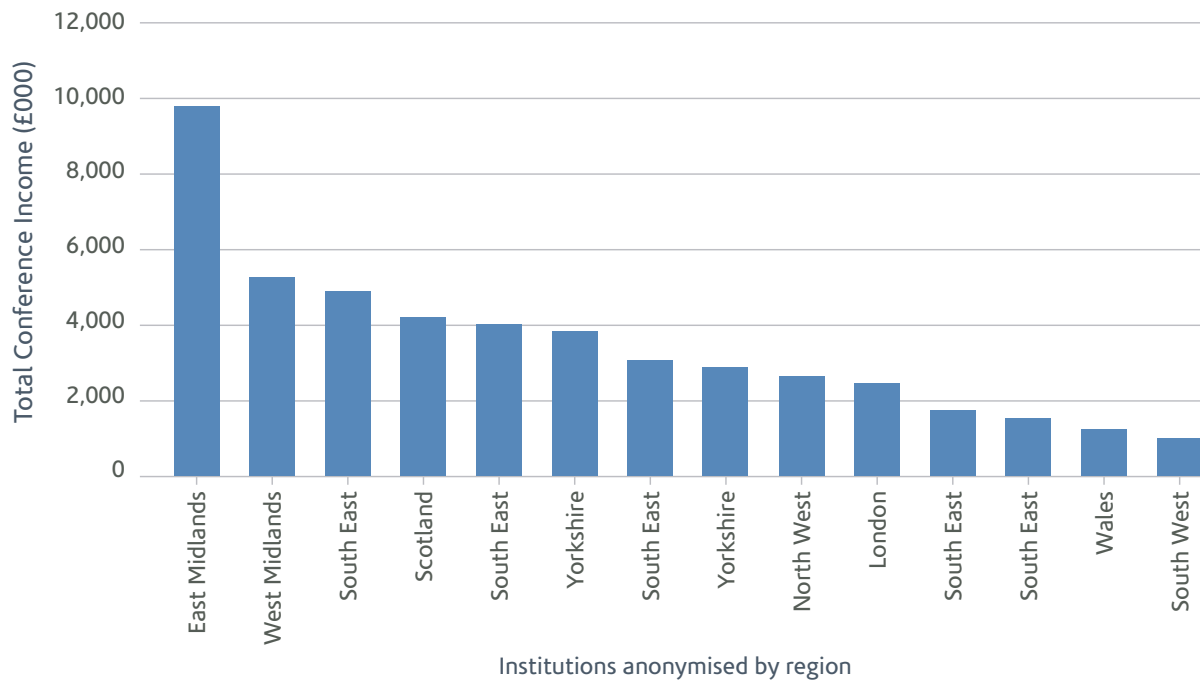
## Conference Activity

### Conference income

Conferencing income across the 26 institutions who provided data was £54.8m, an average of £2.1m per institution. Conference activity is not prevalent at every institution, and the data from the 14 institutions reporting more than £1m income is shown in the chart below. There is a stand-out institution based in the East Midlands whose conference income is reported at almost £10m. This is more than 80% greater than the next institution and 3.6 times larger than the average income. There appears to be no geographic correlation between conferencing staff cost and the percentage of income that staff costs account for.

44% (or £24.1m) of the total £54.8m revenue generated was done so through dedicated conference facilities, with 56% (£30.7m) through non-dedicated facilities.

Total Conference Income (£000) 2018/19



*Showing institutions with more than £1m in conference income*

## Conference day and full-board rates

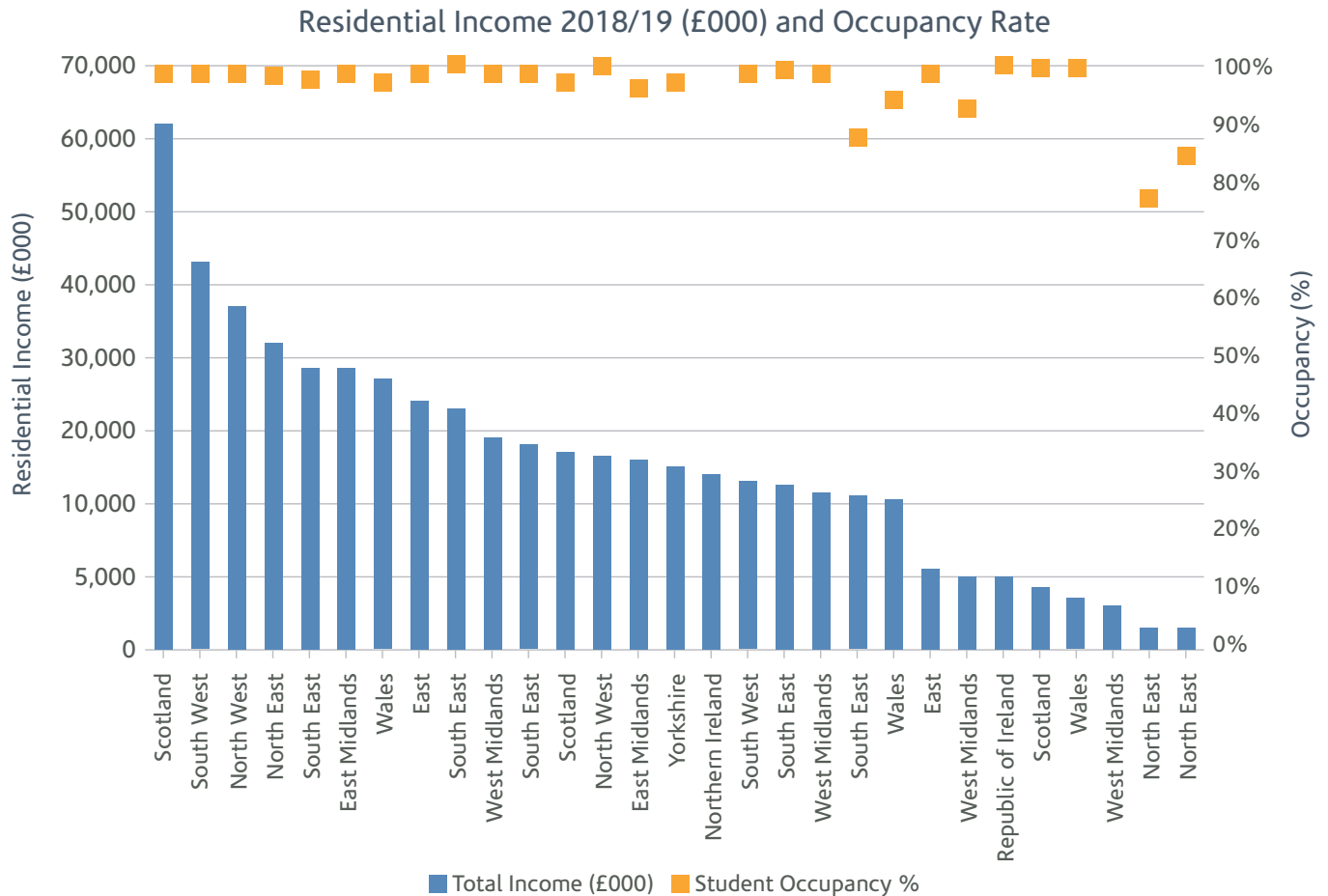
Delegate day rates averaged £31 per night across the 17 institutions who provided data on this area, with the maximum day rate reported as £55, and the lowest rate at £17 per day in 2019/20. The group average in 2018/19 was the same at £31 per night and inflation does not appear to have been applied to conference rates during the period surveyed. The responding institutions tended to provide data for both years.

There was insufficient data to generalise about the different rates per night between dedicated and non-dedicated facilities in 2019/20, however, some institutions with dedicated facilities were able to charge more for higher profile external venues or new campuses.

Data on the full-board rates for a 24-hour period was provided by 13 institutions in 2019/20. The maximum rate was £186, the average was £92 and the cheapest package was £48 per 24-hour period. By comparison, the maximum rate was £219, the average was £109 and the cheapest was £48 per day full-board in 2018/19, where there was some variability in institutions responding and a smaller data return.

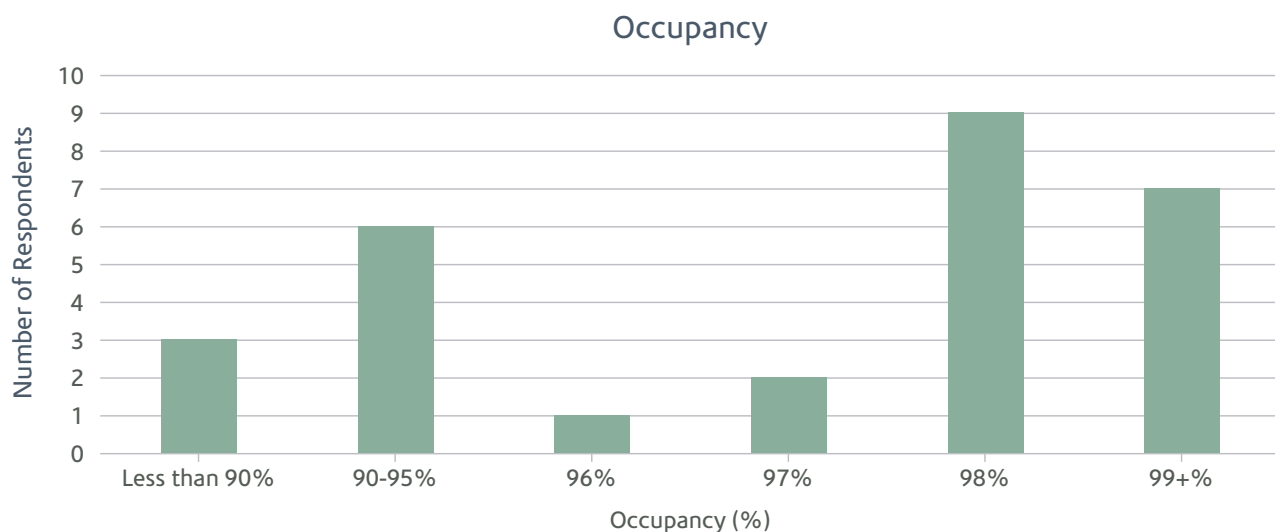
## Residences Income

Total residential income of £532.3m was reported for the 2018/19 year by 30 institutions. The average income was £17.7m. The largest institution reported a residential income of £61.9m and the smallest was £29,000. Excluding a single smaller return gives an average of £18.4m. In 2016/17 residential income averaged £18.5m but as indicated the group of respondents is not directly comparable (containing both larger and smaller institutions in 2018/19).



Shows data from all institutions reporting more than £2m in residential income (1 exclusion)

Occupancy was reported by 28 institutions for 2018/19, with the average level being 95%, the highest reported to be 100% and the lowest at 75%. 16 institutions (or 57%) reported 97.5% occupancy or greater. These figures are intended to represent student headcount in beds during the contract period.





# Residences Rents

## Rents by Room type

34 institutions provided rental data on self-catered rooms, aggregating the data into modal rents (acting as a weighted average or most likely figure that students are paying), as well as providing minimum and maximum rents. In this section the modal rents are analysed. These figures cannot be weighted and are taken as a snapshot across the dataset.

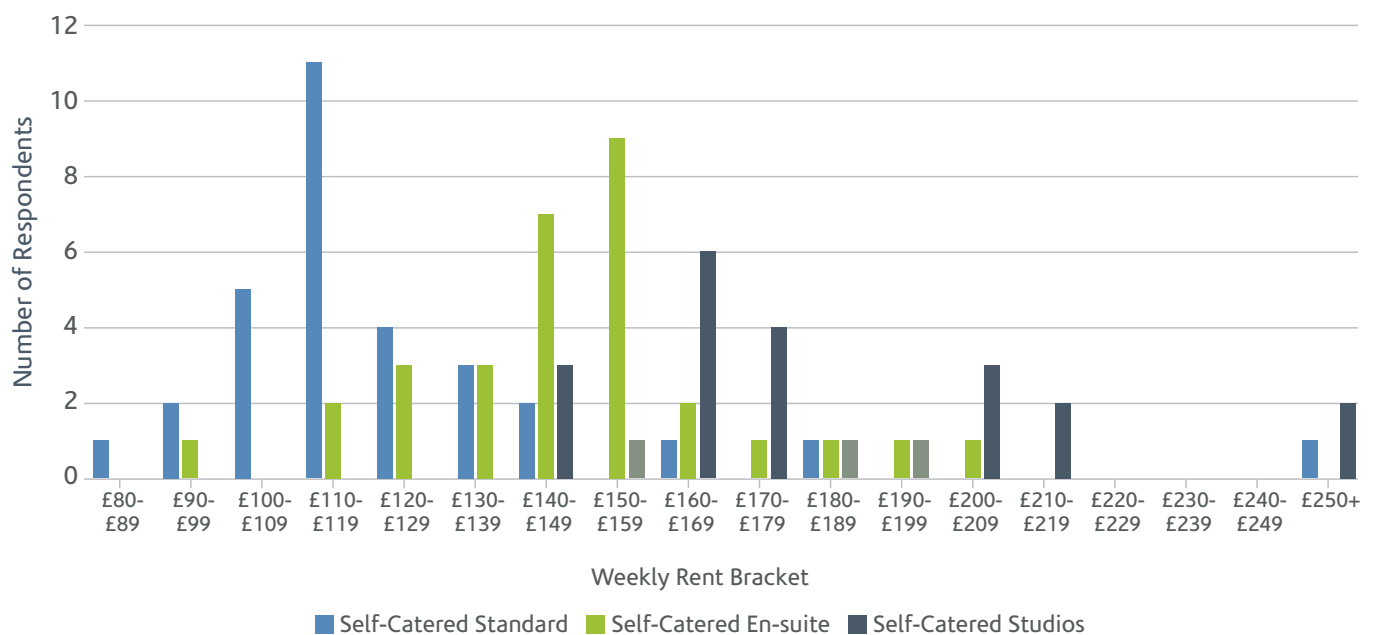
The first table looks at the averages across the modal rents by self-catered room including data on room configuration/ number of tenants, by weekly rent, contract length and annual rent.

## Averages of Modal Rents for Self-Catered Room Types, 2019/20

Modal Rents	Single Room rents			Twin Room rents			Double Room rents		
	Per week (£)	Per annum (£)	Contract length (wks)	Per week (£)	Per annum (£)	Contract length (wks)	Per week (£)	Per annum (£)	Contract length (wks)
Self-Catered Studios	186	8,143	44	149	6,377	43	190	8,634	46
Self-Catered En-suite	147	6,080	42	112	4,853	42	182	7,683	40
Self-Catered Standard	125	5,128	41	89	3,883	45	150	5,908	41

Survey participants may review the raw data in detail, but for the purposes of providing a summary, the following chart breaks down the modal rents for single occupancy rooms into price brackets for greater visibility of rental distribution. The modal price bracket for a standard single occupancy room is in the £110-£119 per week bracket, typically offered on a 41 week let. A self-catered en-suite room was reported at a modal average of £150-£159 per week on a 42 week let. A studio room was reported at a modal average of £200-£209 per week on a 44 week let.

Modal Weekly Rents, Self-Catered 2019/20



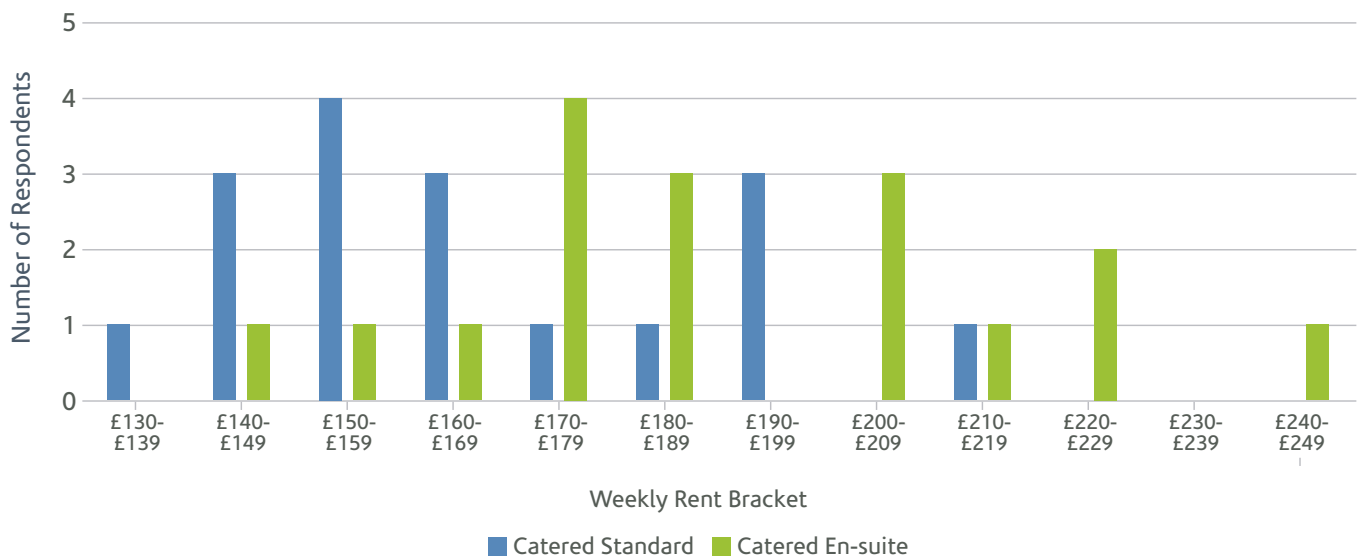
Catered standard and en-suite rooms were each provided on 38 week lets on average and the average of modal rents for catered rooms can be seen in this table.

## Averages of Modal Rents for Catered Room Types, 2019/20

Modal Rents	Single Room rents			Twin Room rents			Double Room rents			No of meals per week
	Per week (£)	Per annum (£)	Contract length (wks)	Per week (£)	Per annum (£)	Contract length (wks)	Per week (£)	Per annum (£)	Contract length (wks)	
Catered En-suite	192	7,244	38	166	6,282	38	184	7,531	41	13
Catered Standard	165	6,383	38	151	5,668	38	170	6,618	39	14

Again the chart below shows the modal distribution for each room type. The modal price for a catered standard room in 2019/20 was in the £150-£159 rent bracket, whilst the modal en-suite catered cost was £170-£179 per week.

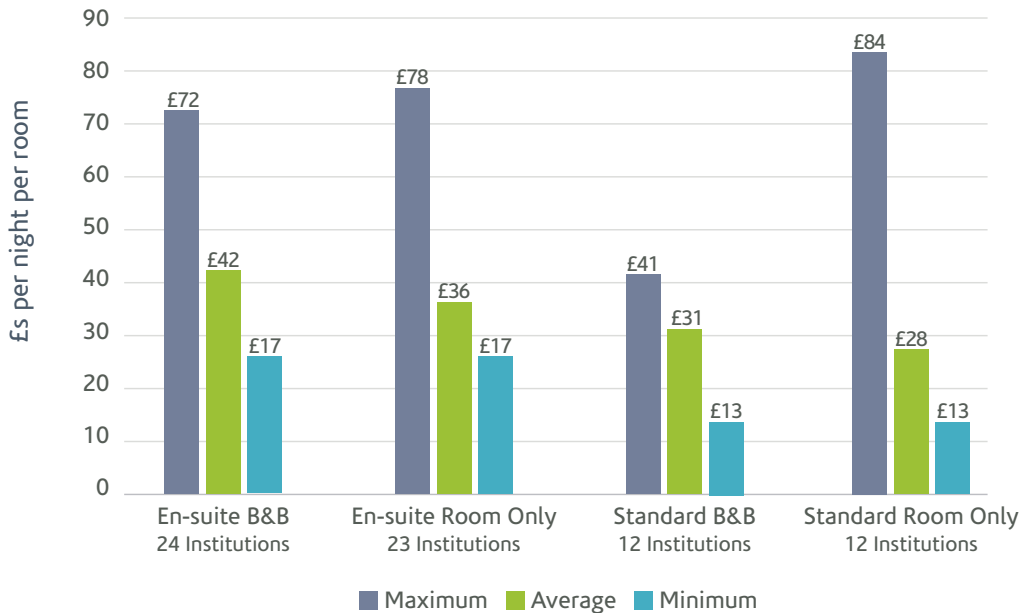
### Modal Weekly Rents, Catered Rooms 2019/20



## Commercial Activity in Residences

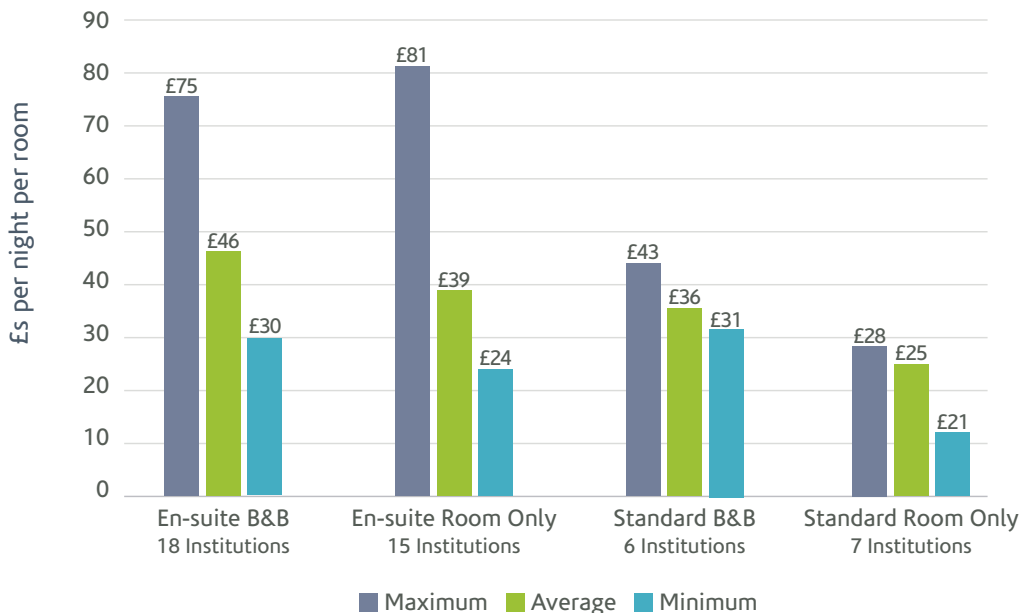
Data from 24 members reveals the following trends in vacation prices by room type and basis of offering. Due to the slightly larger sample size, there is some comparability in the data on en-suite room prices per vacation night and those figures reported in 2016/17. The averages have not changed between surveys; both in 2016/17 and 2018/19 the average price per night for en-suite B&B was £42, and was £36 per night for an en-suite room only.

Vacation Prices per Night Summer 2018/19



Rates in summer 2019 are £4 per night higher for en-suite B&B rooms and £3 per night higher on a room-only basis, as compared with term time prices. Given the smaller sample size for the standard rooms, comparisons are less appropriate.

Vacation Prices per Night Summer 2019



## Year-Round Guest Accommodation

Total income at the 11 responding institutions from year-round guest accommodation was £23.1m in 2018/19. The average 'rack rate' price of all 1,327 rooms was £65 per night, with a wide variation between the lowest price of £22.80 per night and the highest £159 per night.

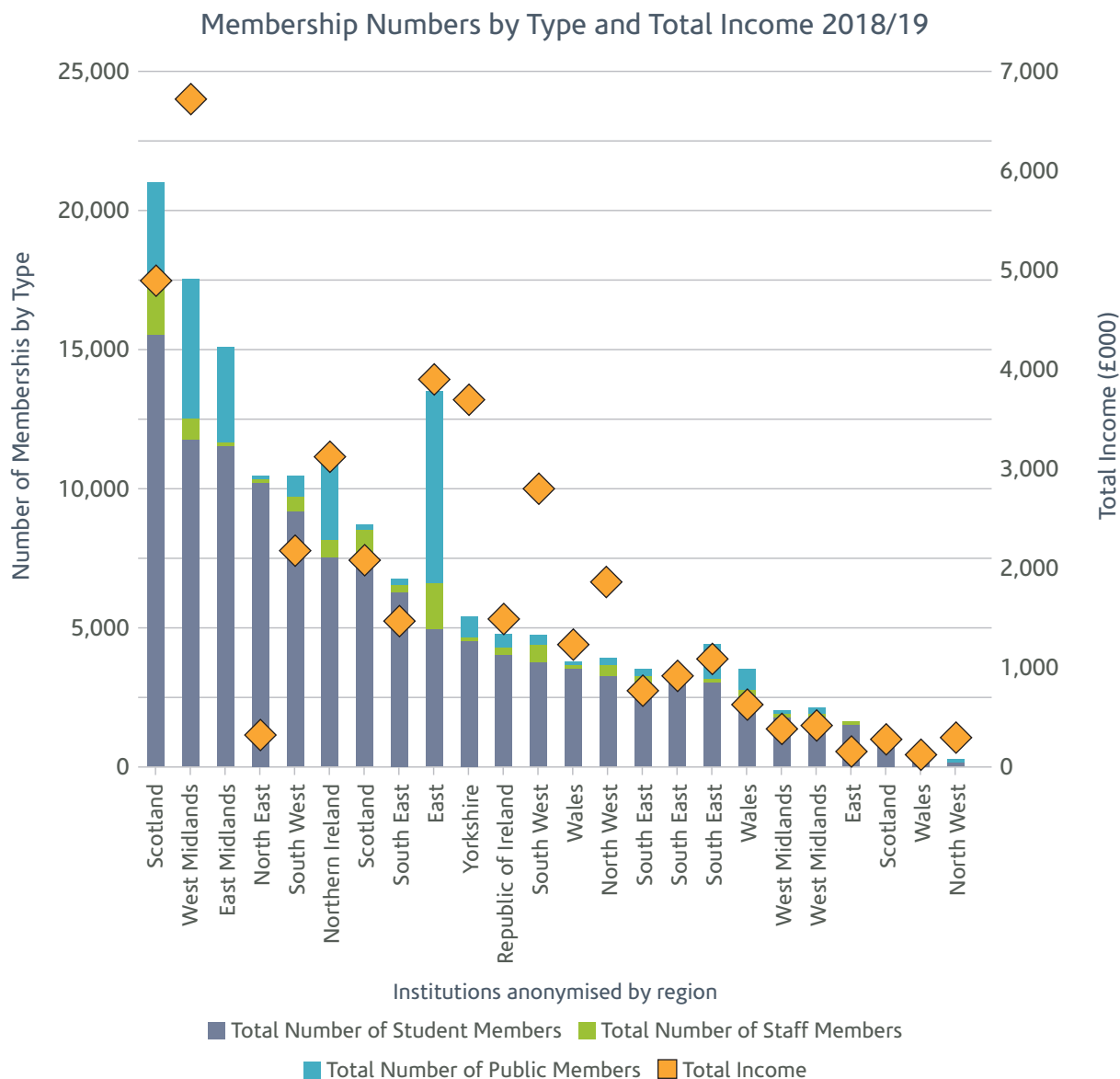
From the data, it is possible to infer a proxy occupancy rate at each institution as the rack rate, total income and number of rooms was provided. Occupancy ranges from 22% to 84% with an average of 63% in 2018/19. These numbers are merely a guide, as there are many factors that would affect room night prices within each institution's portfolio.

The maximum rack rate in 2019/20 was £159, the average was £67 and the cheapest was £24. For 2019/20 prices were provided by the same 10 institutions as provided data for 2018/19. Half of them increased the room rates, with a wide range of increases between 2.7% and 13%, however the other half did not change their rates.

## Sports

Information has been provided by 24 institutions on their sports offer. Total income from the group was £40.3m, with an average income of £1.8m and wide variation between incomes. The largest institutional income was £6.5m and the smallest £158,000.

Of the total membership of 24,320 members across the institutions, 66% were students, 9% were staff and 25% were members of the public.



Pricing was reported in a non-standard way, reflecting the complex pricing methodologies employed by different institutions. Some institutions reported monthly or annual subscription rates. By way of indication on pricing, an annual anytime subscription ranged in price from £100 to £470.

Prices for staff and members of the public are often higher than for students, with prices of up to £470 per year for public memberships and up to £300 per year for specific student memberships. However, there are many responses which do not differentiate between the audiences and the overall annual average price for the most expensive memberships was £310.

Other pricing methodologies were evident in the responses. Some institutions differentiated between peak and off peak/peak times within their subscriptions. Others reported pay as you use systems where the price for a session ranged from £2.50 to £3.50.

Price changes were implemented at very few institutions setting sports prices for 2019/20. Of the 19 institutions providing data for the two years, 9 maintained the same prices for sports over the two years. 3 institutions increased their prices by 3-4%, and the remaining institutions appear to have varied prices on certain elements of their offer, for instance selectively increasing only the cheapest or the most expensive subscription prices whilst maintaining other prices at the same level.

## Notes on the Survey

The data collected in the benchmarking exercise is unique in the sector.

By providing a level of analysis on this valuable dataset, we hope that members will gain some further insight into the results. Full raw results in the tabulated format will be provided to the survey participants, and it is our aim to continue provide the raw results to those member institutions who participate in the survey in future years.

Thank you to those institutions who took part in the benchmarking exercise. We hope that the raw results will be useful and that this further analysis has enhanced the visibility of trends and patterns overall.

A quick note on the data. In order to maximise the analysable data, a small amount of reformatting has taken place behind the scenes. This includes calculating the mid-point of a rent range typed into a cell where appropriate, and converting the one Republic of Ireland dataset in Euros into Pounds at EUR 1 = GBP 0.86.



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