

The National Benchmarking Service

Why are some leisure centres operating 3 times more efficiently than others?

Overview



Context



Structural
advantages



Operational
efficiencies

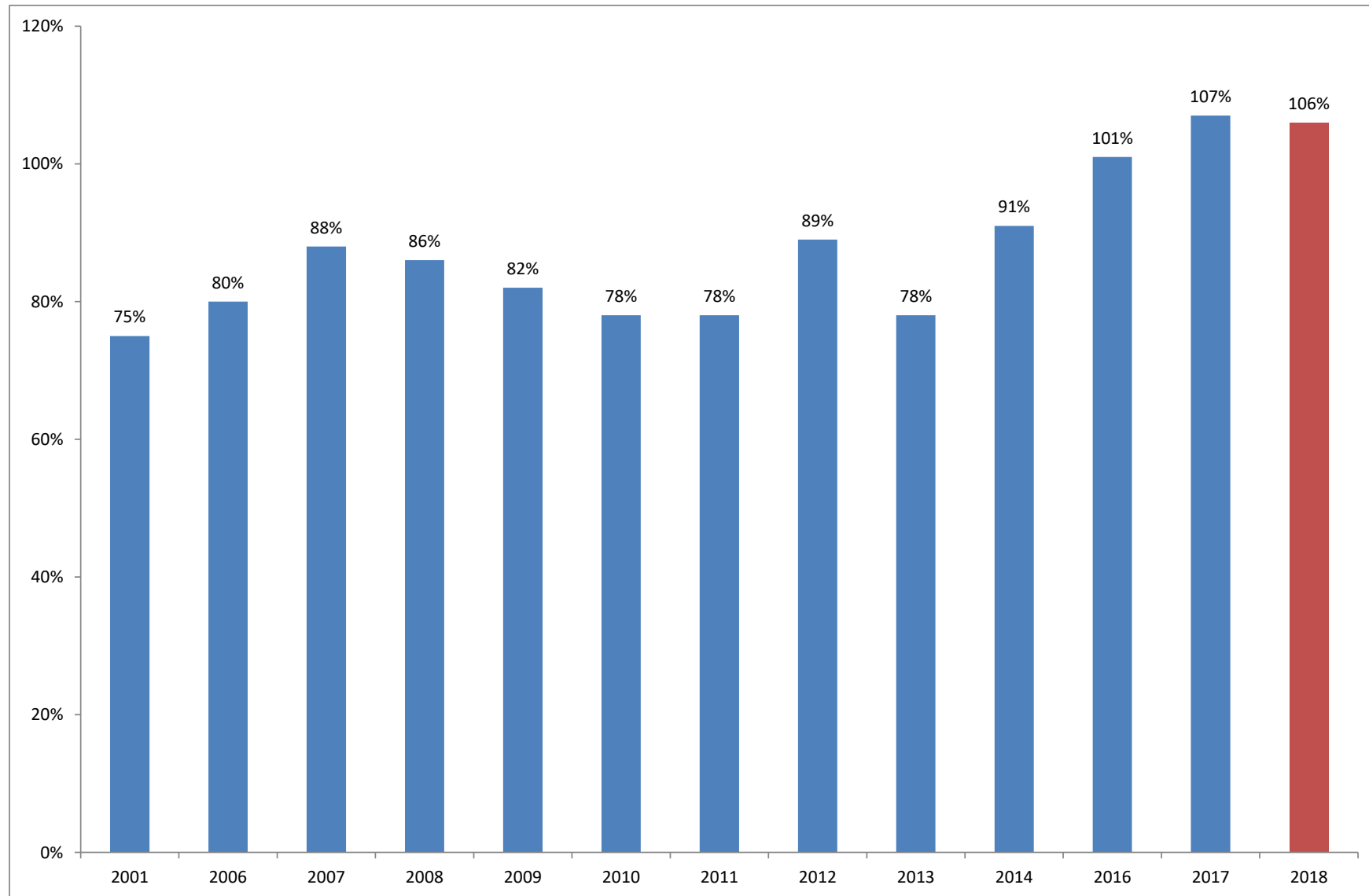


Summary

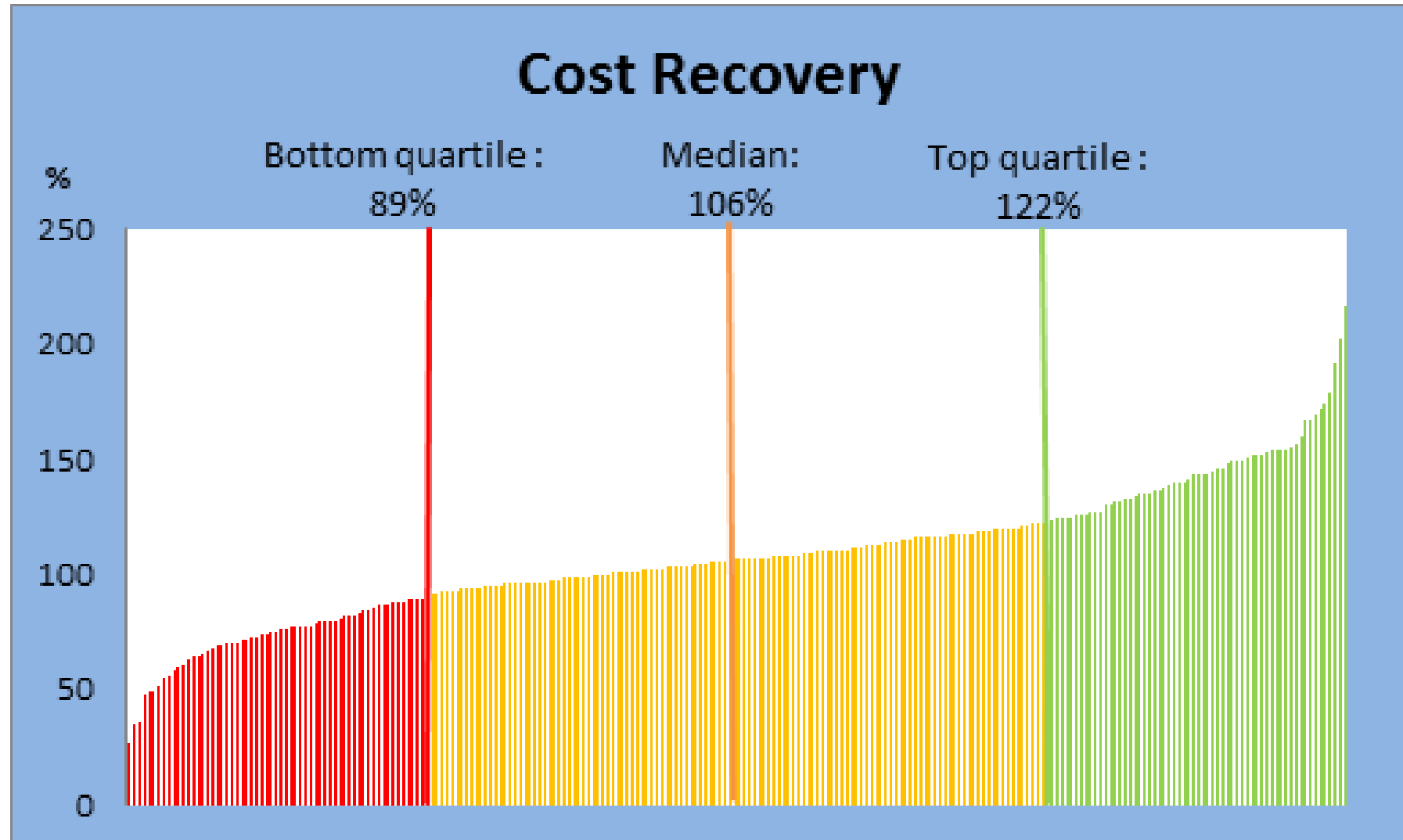


Context

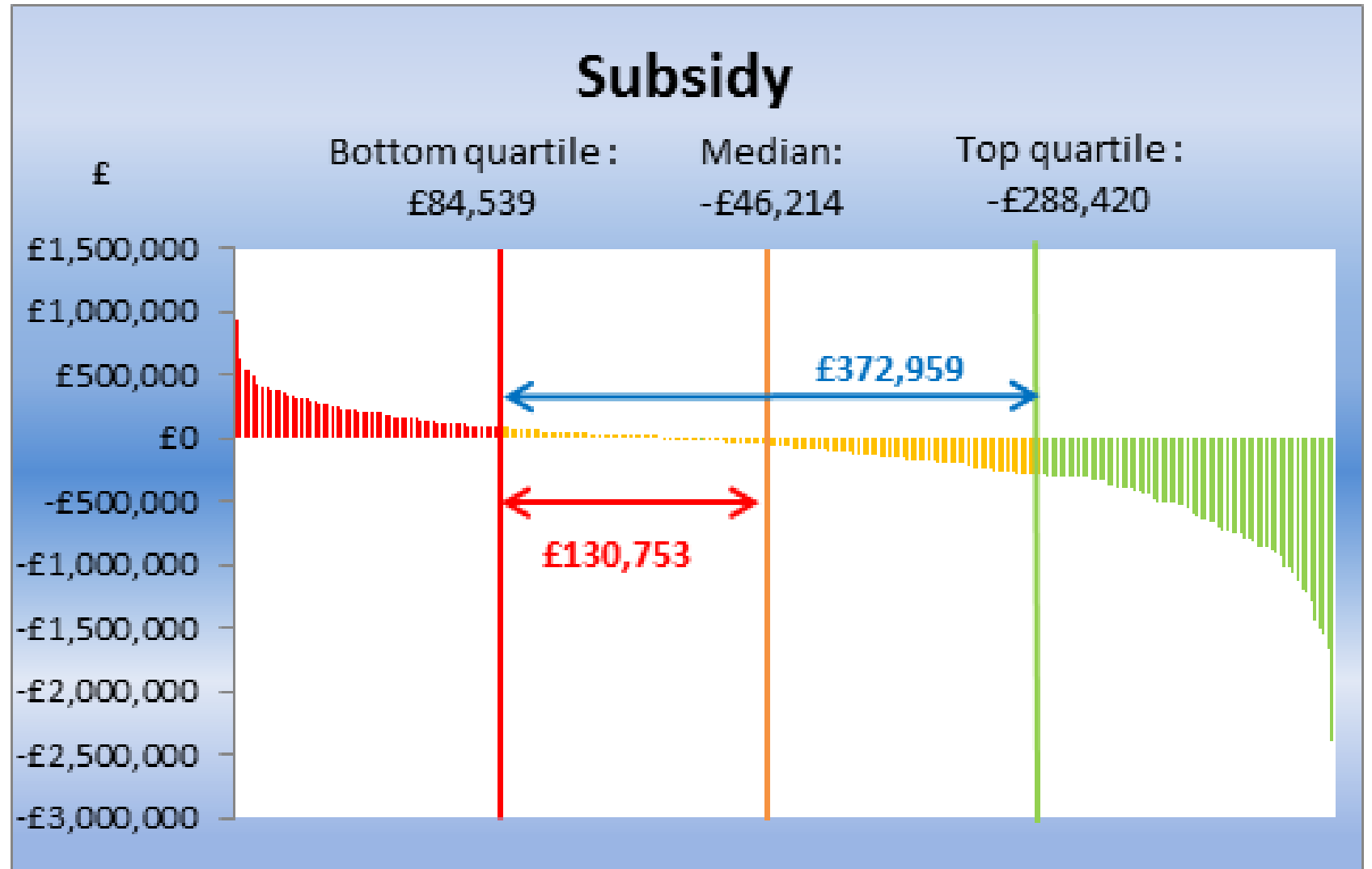
Cost
Recovery %
2001 - 2018



Cost
Recovery %
2001 - 2018



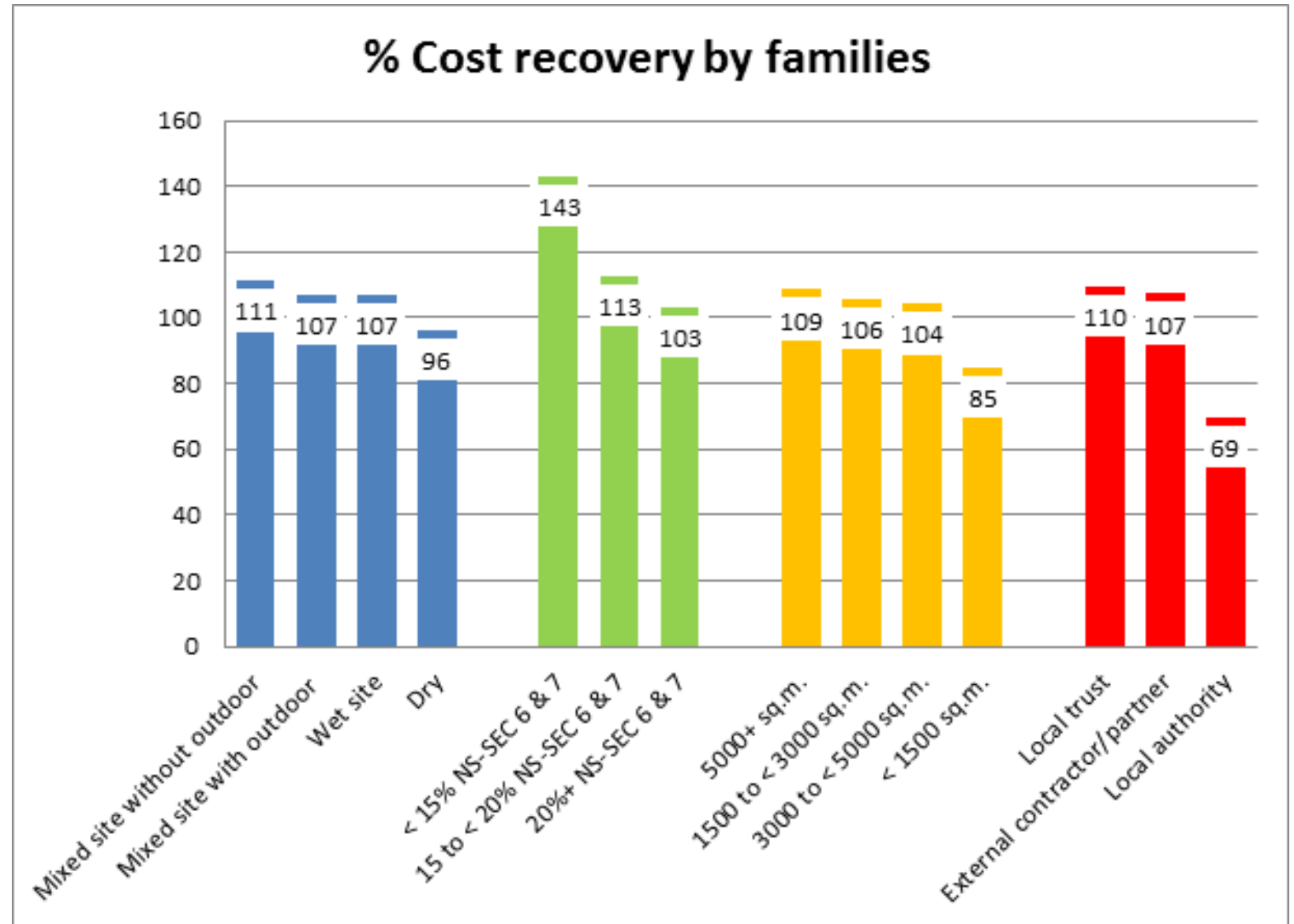
Variations in Subsidy by Facility 2018



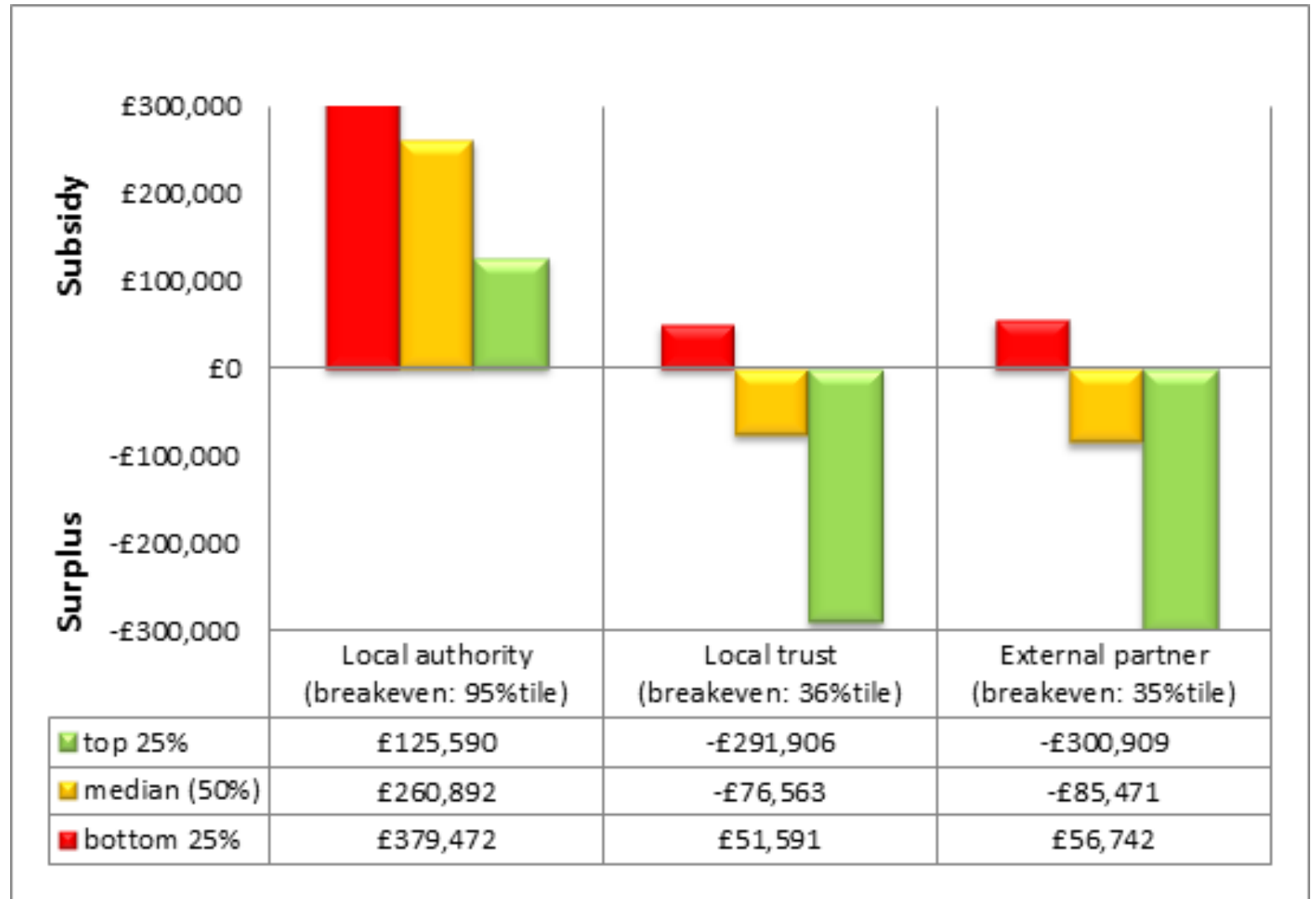


Structural Advantages

Cost
Recovery %
by Family
Type



Subsidy by Management Type





Operational efficiencies

Key determinants of Cost Recovery/Subsidy

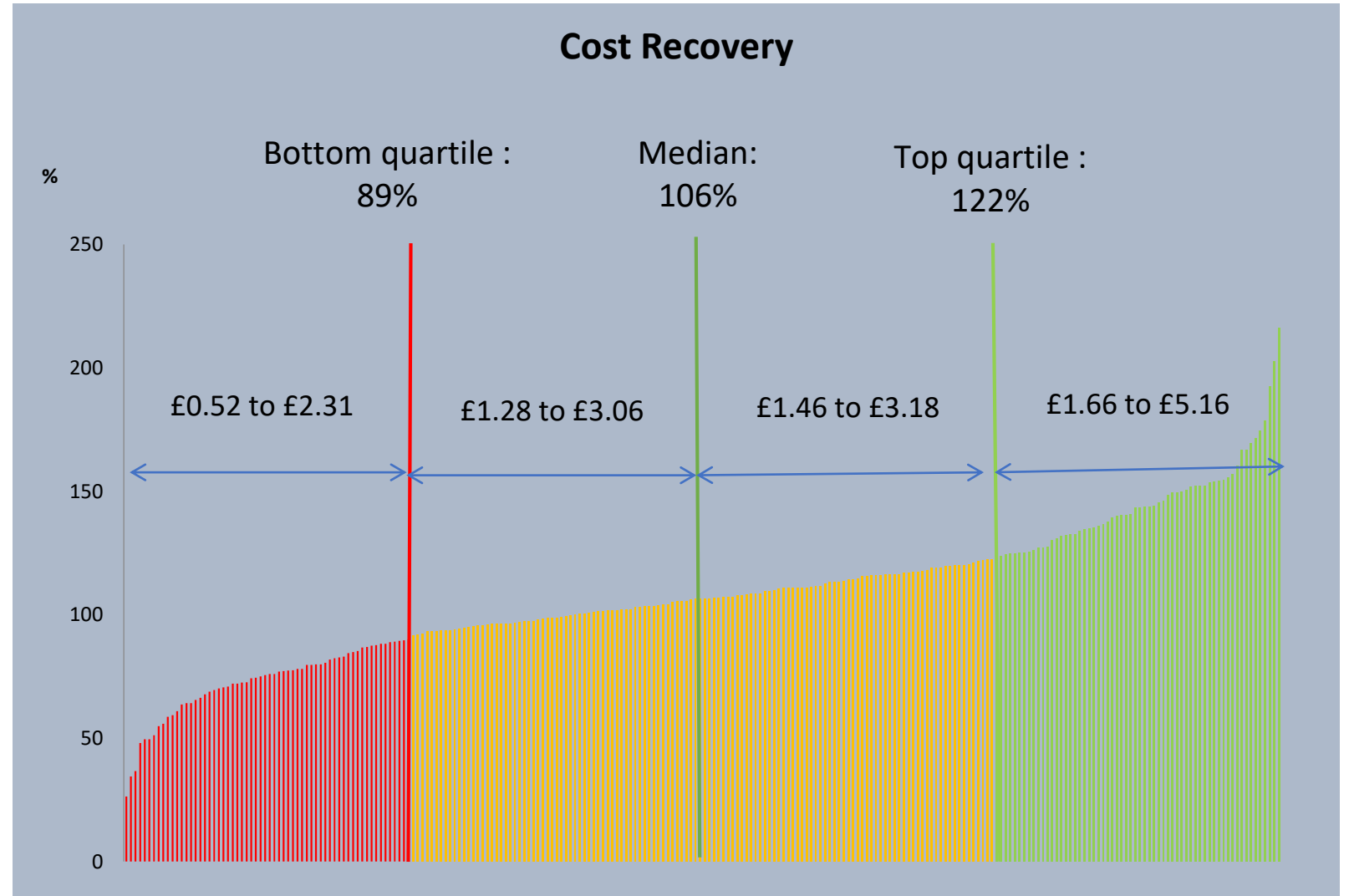
Cost recovery Subsidy

- **total income per visit**
- **total income per m²**
- **direct income per visit**
- secondary income per visit
- fitness income per station
- swim income
- swim lesson income
- main hall income
- AGP income per m²
- members per fitness station

**annual visits
per m²**

- **total operating cost per visit**
- staff costs as % of total income
- maintenance and repair costs
- energy costs
- energy efficiency rating
- central establishment charges

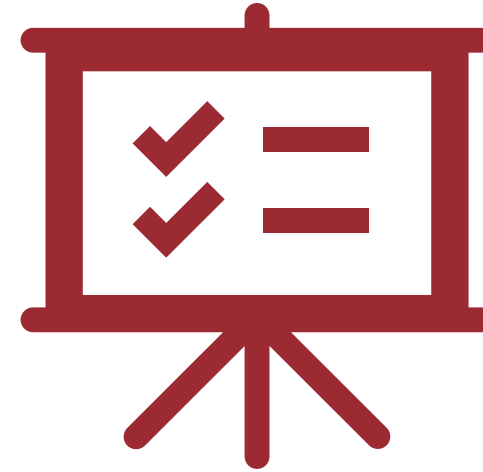
Sales
Orientation
Income
generated per
£1 spent on
staff costs



Summary

Ingredients for High Efficiency

- Average to low costs
- High sales orientation of staff time
- High end pricing or High income per visit
- Strong secondary spend???
- High throughput
- Limited local competition
- Efficient use of space and other assets
- Energy efficient plant



| Areas for discussion

- Is it fair to say that “governance structure” is key determinant of ability to recover costs?
- Is it going to be the same going forward? (Ealing ruling on VAT)
- What changes to use of technology and operations can make a significant impact going forward?