





## The National Benchmarking Service

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









# Overview



Context



Structural advantages



Operational efficiencies



Summary









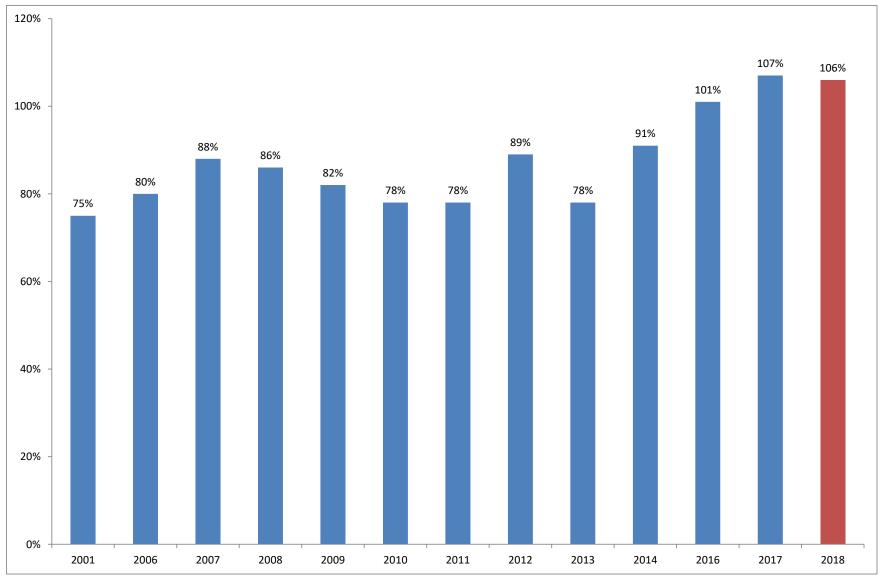


Context



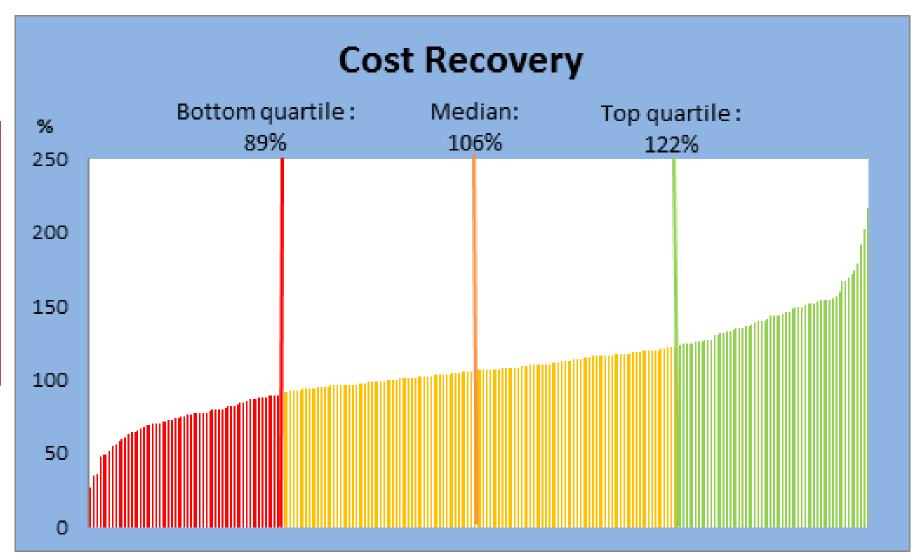
**Sheffield Hallam University**Sport Industry
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Cost
Recovery %
2001 - 2018



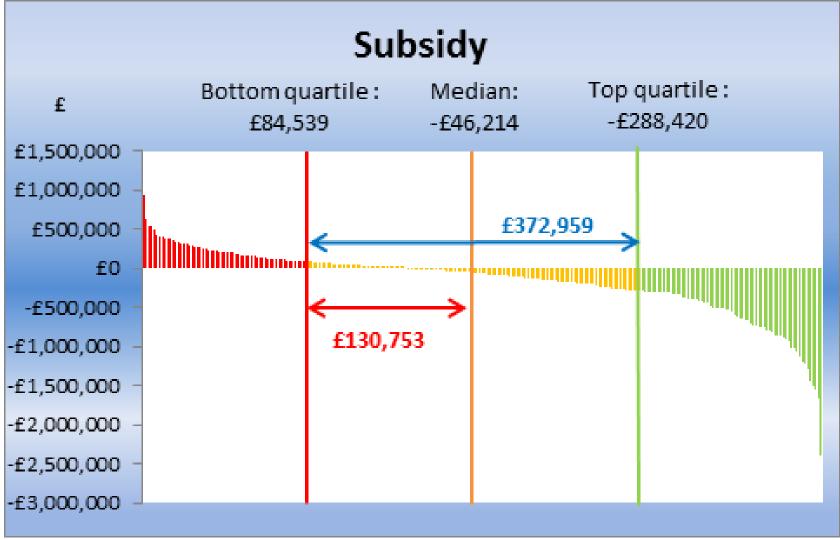


Cost
Recovery %
2001 - 2018



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Variations in Subsidy by Facility 2018









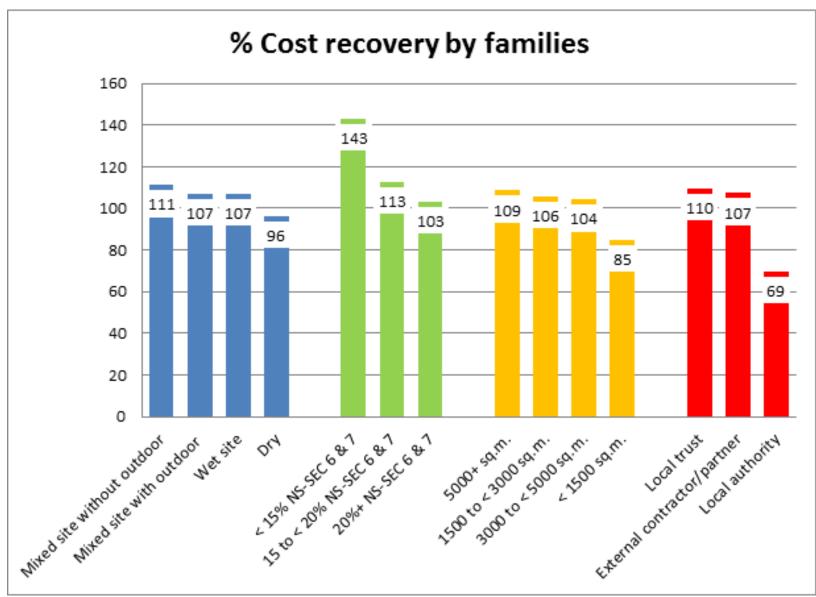


# Structural Advantages

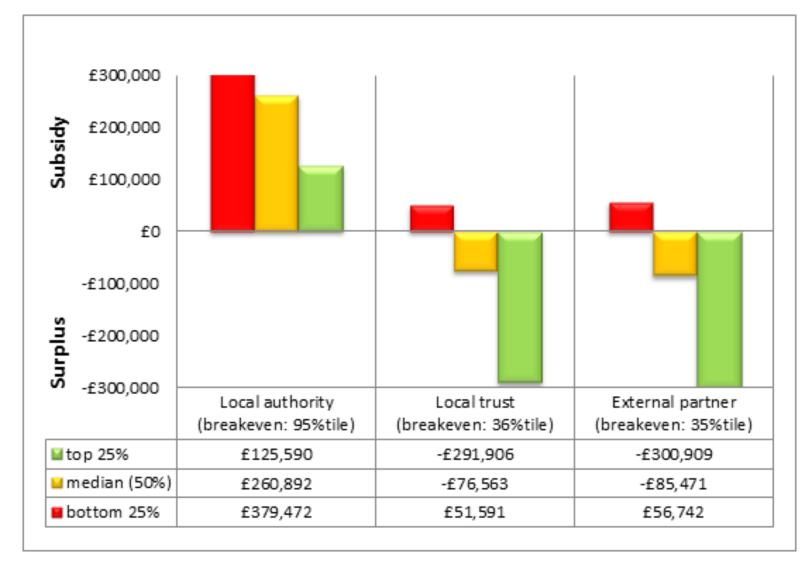


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Cost
Recovery %
by Family
Type



Subsidy by
Management
Type





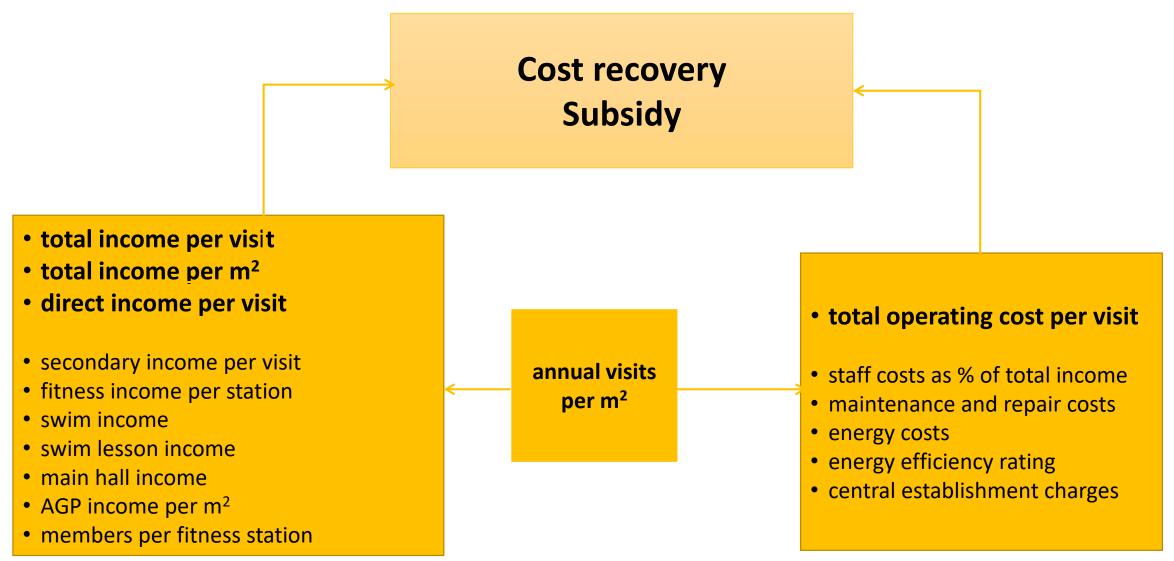


# Operational efficiencies



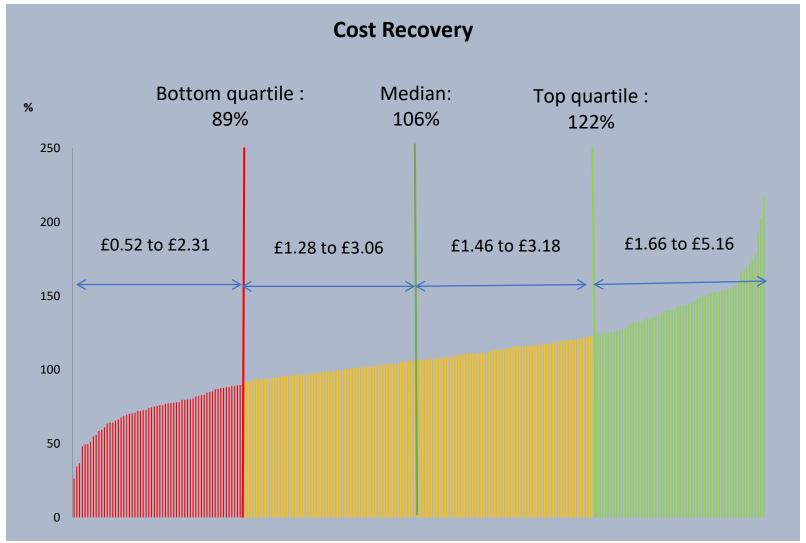


#### **Key determinants of Cost Recovery/Subsidy**





Sales
Orientation
Income
generated per
£1 spent on
staff costs





**Weak**Performance

Efficiency indicators	Bottom quartile	25%	2 <sup>nd</sup> quartile	50%	3 <sup>rd</sup> quartile	75%	Top quarti
subsidy per visit							
% cost recovery							
subsidy per catchment area person							
total operating cost per visit							
maintenance and repair costs per m <sup>2</sup>							
energy costs per m <sup>2</sup>							
energy efficiency rating							
staff costs as % of total income							
total income per visit							
central establishment charges as % of total expenditure							
income per m <sup>2</sup> (usable space)							
direct income per visit							
secondary income per visit							
swim income per m <sup>2</sup> (water space)							
swim lesson income per m <sup>2</sup> (water space)							
annual visits per m <sup>2</sup> (usable space)							



**Average**Performance

Efficiency indicators	Bottom quartile	25%	2 <sup>nd</sup> quartile	50%	3 <sup>rd</sup> quartile	75%	Top quartil
subsidy per visit							
% cost recovery							
subsidy per catchment area person							
total operating cost per visit							
maintenance and repair costs per m <sup>2</sup>							
energy costs per m <sup>2</sup>							
energy efficiency rating							
staff costs as % of total income							
total income per visit							
central establishment charges as % of total expenditure							
income per m <sup>2</sup> (usable space)							
direct income per visit							
secondary income per visit							
fitness income per station							
main hall income per badminton court (£)							
annual visits per m <sup>2</sup> (usable space)							
members per fitness station							

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# **Strong**Performance

Efficiency indicators	Bottom quartile	25%	2 <sup>nd</sup> quartile	50%	3 <sup>rd</sup> quartile	75%	Top quartile
subsidy per visit							
% cost recovery							
subsidy per catchment area person							
total operating cost per visit							
maintenance and repair costs per m <sup>2</sup>							
energy costs per m <sup>2</sup>							
energy efficiency rating							
staff costs as % of total income							
total income per visit							
central establishment charges as % of total expenditure							
income per m <sup>2</sup> (usable space)							
direct income per visit							
secondary income per visit							
fitness income per station							
swim income per m <sup>2</sup> (water space)							
swim lesson income per m <sup>2</sup> (water space)							
annual visits per m <sup>2</sup> (usable space)							
members per fitness station							







## 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?

