



Golden Lane Leisure Centre
RIBA Stage 2 Business Planning Report

City of London Corporation

1 December 2025



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1. INTRODUCTION

In October 2025, The Sport Consultancy (TSC) was appointed by the City of London Corporation (the City) to provide business planning input to the RIBA Stage 2 design report for the proposed refurbishment of Golden Lane Leisure Centre (GLLC).

The project builds on TSC's earlier work for the City (*Options Appraisal for the Future of Golden Lane Leisure Centre – April 2024*). It is also aligned to the forthcoming retendering of the City's leisure management contract for GLLC.

Project Scope

GLLC is located in east central London and forms an integral part of the Grade II listed Golden Lane Estate. It opened in 1963 and was last substantially refurbished in 2012. It is currently managed by Fusion Lifestyle and the contract is due to expire in December 2026. The existing facility mix is as follows:

- 20m, 3 lane swimming pool
- 27-station health and fitness gym
- 1-court sports hall
- 1 fitness studio
- 2 outdoor tennis courts

Through the UK Leisure Framework, the City appointed a multi-disciplinary design team, led by Hadron Consulting and FaulknerBrowns Architects, to consider a range of refurbishment options for GLLC and to develop a RIBA Stage 2 design report. As part of this, four options for the future of GLLC have been considered and they are set out in section 3 of this report.

Report Structure

This business planning report is set out in the following sections:

- Section 2: Latent Demand Report
- Section 3: Business Planning.

Section 2: Latent Demand



2. LATENT DEMAND

As outlined in section 1, in 2024, TSC delivered an *Options Appraisal for the Future of Golden Lane Leisure Centre* report. As well as assessing the wider demand for sport and leisure facilities at GLLC, the report included a Latent Demand Report. This report estimates the potential unmet demand for health and fitness memberships in a given catchment area. As health and fitness income is typically the most significant income category for a public leisure facility, this report was vital to informing the business planning (see Section 3). A summary of the report's findings are set out below.

Latent Demand Report Summary

The area surrounding GLLC has a significantly higher daytime population than residential population, with more people working in the area than living there. Accordingly, the primary market for an expanded gym offer is expected to be people working locally. In estimating latent demand for fitness, the analysis focuses on the daytime population who spend their working day within a third of a mile of Golden Lane Leisure Centre. **Within this area there are 73,858 people during the daytime (aged 16–74 and in employment)**. An additional allowance has been made both for those willing to travel further and for residents living in close proximity to the centre.

Group A (City Prosperity) accounts for over 41% of the daytime population (and 68% of residents in the same area). These are

high-income individuals in high-status jobs, with household types ranging from successful young professionals to wealthy families. **A further 10% of workers (and 13% of residents in the same area) are classified as Rental Hubs (Group O)** – typically young adults in their 20s and 30s enjoying city lifestyles. Many live alone or share with housemates or partners, and most are well educated.

There are several other significant gyms within the catchment area. In the public sector, the largest is **Ironmonger Row Baths**, a substantial wet and dry centre operated by GLL. In addition, **Finsbury Leisure Centre**, located just over a quarter of a mile away near Old Street, is an established multi-sport facility also operated by GLL. It offers four outdoor football pitches, four squash courts, a six-court multi-sports hall, fitness class studios and activity rooms, and therefore represents a notable element of local competition for both casual use and memberships.

In the private sector there are **three large premium clubs** – a Nuffield Health facility and two Virgin Active clubs – all of which offer a swimming pool. There is also a **low-cost Energie Fitness club in Old Street**.

Based on this supply and demand context, the Latent Demand Report estimated a **potential demand for fitness at Golden Lane Leisure Centre of up to 2,089 members**, depending on the size of the health & fitness gym following refurbishment (to be explained further in section 3). This figure includes an allowance for **20% of members to come from outside the core catchment area, plus**

Section 2: Latent Demand

additional allowance for the 16,000 residents living within a third of a mile. It also reflects a negative adjustment for the level of competition in the area.

Taking into account the existing GLLC membership base of circa 600, the report indicates the potential to **increase the number of memberships by up to 1,500 members.**

This outcome will be used to inform feed into the business planning stage (see Section 3).

Section 3: Business Planning



3. BUSINESS PLANNING

The objective of the business planning stage is to provide the City with a clear and informed estimate of the revenue implications of the refurbishment options considered as part of the RIBA Stage 2 design report. The output of the business planning for each option was presented over a ten-year period to align with the likely contract term of a future leisure management contract for GLLC.

The output of the business planning will input into the wider financial appraisal and decision-making process and the selection of the preferred option for GLLC.

Refurbishment Options (Facility Mixes)

The 4 facility mix options under consideration are as follows:

Option 1: Refurbishment and Extended Gym

- 20m, 3 lane swimming pool
- Sauna/Steam Room
- 43-station health and fitness gym
- 1-court sports hall
- 1 multi-purpose fitness studio

- 2 outdoor tennis courts

Option 2a: Refurbishment and Wellness – Retained Sports Hall

- 20m, 3 lane swimming pool
- Sauna/Steam Room
- Jacuzzi
- 4 additional wellness studios (in place of current gym)
- 1-court sports hall
- 1 multi-purpose fitness studio
- 2 outdoor tennis courts

Option 2b: Refurbishment and Wellness – Large Gym Replacing Sports Hall

- 20m, 3 lane swimming pool
- Sauna/Steam Room
- Jacuzzi
- 4 multi-purpose fitness studios (three replacing the current health & fitness gym)

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- Two storey, 70-station health and fitness gym (replacing current sports hall)
- 2 outdoor tennis courts

Option 2c: Refurbishment and Wellness – Smaller Gym Replacing Sports Hall

- 20m, 3 lane swimming pool
- Sauna/Steam Room
- Jacuzzi
- 3 multi-purpose fitness studios (three replacing the current health & fitness gym)
- 52-station health and fitness gym (replacing current sports hall and fitness studio)
- 2 outdoor tennis courts

The approach used to develop the revenue projections is the same as a leisure operator uses when compiling its financial offer was be employed. In short, it is as follows:

- **Step 1:** Individual income and expenditure projections are compiled for the Centre. They are informed by the

previous TSC report on GLLC, current trading data, current prices and programming and TSC benchmark data.

- **Step 2:** An allowance for the operator’s contract mobilisation costs is then added. These cover the expenditure an operator has to incur for the pre-contract administration, e.g. transfer of direct debits, staff TUPE, etc.
- **Step 3:** Allowances for the operator’s head office costs and profit are then added. These are usually calculated as a % of income.
- **Step 4:** Accounting for aggregate income, expenditure, mobilisation and operator head offices costs and profit, the figure that is produced is the management fee, which can either be a payment from the City to the contractor (if there is a deficit) or vice versa if there is a surplus.

This process is summarised in Figure 1.

Figure 1: Management Fee Calculation



The assumptions for the business planning exercise have been set out in four sections as follows:

Section 3: Business Planning



- Facility mixes and management
- General
- Income
- Expenditure

Facility Mix and Management

The business planning reflects the four refurbishment options outlined above.

For this exercise, it has been assumed that the Centre would be managed by a specialist leisure operator following a competitive retendering of the existing contract, which will commence in 2026. The future operator could be either an existing leisure trust or one of the private sector operators who would then use their own trust model to deliver the most competitive financial outcome.

It has been assumed that the operator would be responsible for all repairs and maintenance other than major structural items. Their responsibilities would be set out in an Asset Management Responsibilities Matrix, which would form part of the contract documentation.

General Assumptions

The business planning exercise was completed using TSC's in-house business planning model. This builds up income and throughput on a zone-by-zone basis and expenditure by key cost centres, e.g. staffing, utilities, repairs and maintenance, etc.

The underlying assumptions were informed by TSC's *Facilities Index*, which contains over 1,700 financial years of trading data from more than 600 public leisure facilities in the UK.

The income and expenditure projections were based over a 10-year period with the average for the period also provided. This aligns with the likely core term for the new leisure management contract.

The business planning was based on 2025 prices. In practice, the new management contract will include an indexation mechanism to account for inflation on an annual basis.

The building internal floor areas have been based on the designs produced by FaulknerBrowns Architects.

The business plan has been based on a trust operation (see above) for the purposes of VAT and NNDR. At this stage, it has been assumed that the GLLC would be operated under a traditional leisure management contract and not the new Agency Model structure. Whether the City follows the Agency Model approach has yet to be determined and will be tested

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through the forthcoming management contract tendering process.

General opening hours have been assumed to be 6:30 a.m. to 8:00 p.m. Monday to Friday and 8:00 a.m. to 4:00 p.m. Saturday and Sunday.

Where applicable, prices have been based on the current structure with allowance for increase due to the improvement in the facilities.

The income projections for each zone have been based on a mature year (year 4) and a profile has then been applied to build up to this figure from year 1 based on the following assumptions:

- Year 1: 80% of mature year position
- Year 2: 90% of mature year position
- Year 3: 95% of mature year position
- Year 4 onwards: 100% of mature year position.

Income Assumptions

Income has been built up on a zone-by-zone basis as summarised below.

Swimming income has been based on the following areas:

- General casual usage

- Adult swimming lessons
- Junior swimming lessons
- Aquatic fitness classes.

Income from casual usage has been informed by the current programme of usage.

As a starting point, swimming lesson income has been informed by the current size of the programme (circa 77 on average over the period 2021-24). However, even taking into account the limitations presented by the size of the swimming pool and the lack of a separate learner pool, there is scope for this figure to increase, particularly given the population in the catchment. The current size of the programme represents a participants per sqm of water space of 0.55, compared to TSC's lower quartile benchmark of [REDACTED]. Therefore, the swimming lesson programme has been projected to double in size to 150 over the first four years of operation.

Health and fitness membership income (options 1, 2b and 2c only) has been based on the Latent Demand Report produced by The Leisure Database Company (see section 2). It projected that GLLC's catchment area could generate a total demand for 2,100 memberships (compared to a current level of 600). This figure was used to inform the target membership levels; however, for each option, the target figure used also reflected the proposed size of the gym and the number of supporting fitness studios. In

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summary, the target membership levels for each option were as follows:

- Option 1: 1,100 (25 members per station compared to TSC's median benchmark of [REDACTED])
- Option 2b: 2,000 (28 members per station)
- Option 2c: 1,500 (28 members per station)

In terms of monthly membership price (which covers usage of all areas of GLLC), this was informed by the current yield (circa £16 per month) with an uplift to reflect the improved nature of the health & fitness facilities in option 1, 2b and 2c. The monthly price used was £20 for option 1 and £26.50 for option 2b and 2c to reflect the increased size and studio provision in the latter two options.

In addition, an allowance has been included in all options for pay and play access to the health & fitness gym and fitness classes.

In terms of the format of the studios and the mix of activities delivered, it will ultimately be down to the future operator to determine. However, it is recommended that the studios are designed to be as flexible as possible, so that they can accommodate the wide range of activities possible. These activities are likely to include the following:

- Group Fitness Classes (aerobics & high intensity interval training)
- Indoor cycling (spin)

- Yoga
- Pilates
- Dance fitness (e.g. Zumba, dance aerobics)
- Health and wellness and active ageing classes.

Sports hall income (option 1 and option 2a only) has been informed by current usage and the typical hire rate has been assumed to be £10 per hour. The usage covers the following areas:

- General casual usage
- Lessons & coaching
- Club hire.

Outdoor tennis court income has been based on existing levels.

Food and beverage income has been based on TSC's median benchmark of [REDACTED]

Retail income has been based on TSC's lower quartile benchmark of [REDACTED]. This reflects the fact that space constraints mean that there is likely to be a fairly limited retail offer at GLLC.

Expenditure Assumptions

Staffing costs have been based on between 40% and 45% of income, depending on the option and the overall income levels. This has been informed by TSC's median benchmark of [REDACTED].

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Additional allowances were made in all options for staff training and travel (■■■■ of staff costs), and uniforms (■■■■).

Utilities costs have been set at ■■■■■. This has been informed by TSC's median benchmark for wet and dry leisure centres.

Day-to-day and planned repairs and maintenance costs have been included at ■■■■■, which is TSC's median benchmark.

Cleaning materials costs have been included at ■■■■■, which is between the TSC's upper quartile benchmarks.

No grounds maintenance cost has been included as GLLC does not have extensive external areas for an operator to manage (e.g. a car park or outdoor grass sports pitches). The cost of any external maintenance has been assumed to be covered by the overall repairs and maintenance budget above.

An annual allowance for pool chemicals of ■■■■■

An annual allowance for equipment refresh of ■■■■■

The cost for leasing health and equipment has been based on ■■■■■

NNDR has been based on the existing rateable value for GLLC (£107,000) and a Business Rates multiplier of 0.555 (as provided by the gov.uk website). It has been assumed that the operator as a charitable trust would receive 80% mandatory relief on the overall NNDR liability.

Marketing costs have been based between TSC's median benchmark of ■■■■■

Insurance costs have been based on TSC's median benchmark of ■■■■■

Administration costs have been based on ■■■■■. It covers items such as printing, postage, stationery, telephones, audit and legal, etc)

Licences and subscriptions have been based on TSC's median benchmark of ■■■■■

Food and beverage cost of sales have been based on ■■■■■

Retail cost of sales has been based on ■■■■■

An allowance for irrecoverable VAT has been included based on the assumption that all sporting income will be exempt of VAT. The allowance has been based on TSC's benchmark of ■■■■■

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An allowance of [REDACTED] for the operator's head office costs and [REDACTED] for their profit has been included. This is in line with [REDACTED]

Operator Soft Market Testing

Ultimately, the level of management fee achieved for the refurbished GLLC will depend on the option chosen and the outcome of the forthcoming competitive tendering process for the management contract. The income and expenditure projections presented in this report represent realistic targets and the underlying assumptions have been informed by current trading data and TSC's extensive Facilities Index benchmark data. In addition, it should be noted that, as part of our previous report for the City, an operator soft market testing exercise was undertaken to test the appetite from the market for a future management contract for GLLC following refurbishment. Five of the main leisure operators ([REDACTED]) responded to this indicating that they would be interested. This should provide the City with assurance that the forthcoming tendering process should generate engagement from the market and, hence, a positive outcome for them.

Summary

An overall summary of the business plans for each option has been presented in Table 1. This compares the output to current trading data (2022–23 financial year) for GLLC.

This is then followed (Table 2 to Table 9) by a more detailed summary and a sensitivity analysis of each option. The sensitivity analysis sets out a range of scenarios based on the core position for each option as follows:

- Higher income (+10%) & base costs
- Higher income (+10%) & higher costs (+10%)
- Base income & lower costs (-10%)
- Base income & higher costs (+10%)
- Lower income (-10%) & higher costs (+10%)
- Lower income (-10%) & base costs.

For clarity, Table 1 to Table 9 are as follows:

- **Table 1:** Overall summary of the options compared to current trading performance
- **Table 2:** Income, expenditure and annual visits summary for Option 1
- **Table 3:** Sensitivity analysis summary for Option 1
- **Table 4:** Income, expenditure and annual visits summary for Option 2a
- **Table 5:** Sensitivity analysis summary for Option 2a
- **Table 6:** Income, expenditure and annual visits summary for Option 2b

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- **Table 7:** Sensitivity analysis summary for Option 2b
- **Table 8:** Income, expenditure and annual visits summary for Option 2c
- **Table 9:** Sensitivity analysis summary for Option 2c

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Table 1: Overall summary of the options compared to current trading performance

	10-year Average Current Position (2022-23)	10-year Average Option 1: Refurbishment	10-year Average Option 2A: Refurbishment	10-year Average Option 2B: Refurbishment	10-year Average Option 2C: Refurbishment
Income	£251,933	£444,579	£239,278	£850,603	£675,456
Expenditure	(£407,516)	(£500,455)	(£315,076)	(£779,833)	(£631,471)
Net Position	(£155,583)	(£55,876)	(£75,799)	£70,770	£43,985

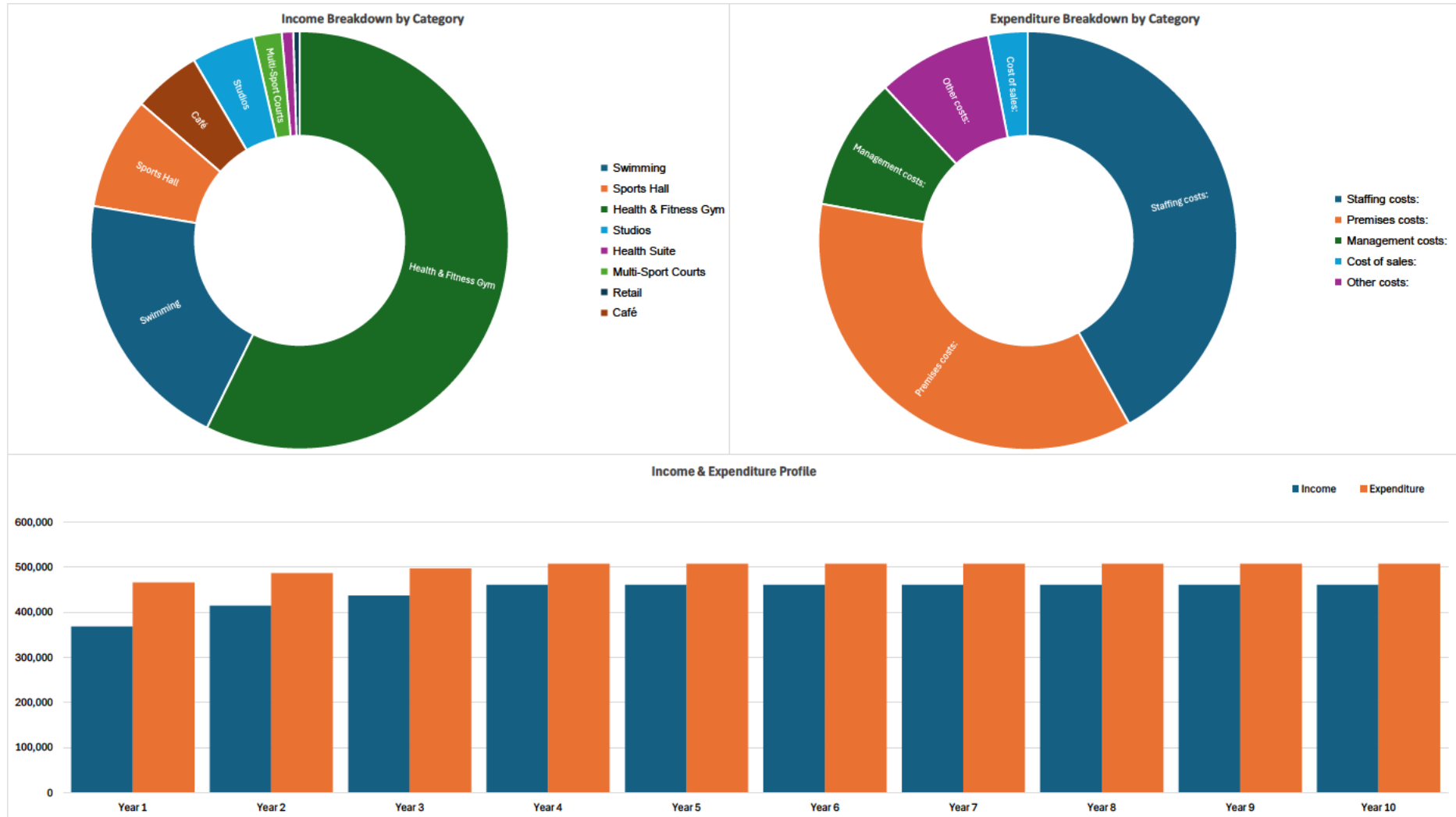
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Table 2: Income, expenditure and annual visits summary for Option 1

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	as % income
Swimming	74,912	84,276	88,958	93,640	93,640	93,640	93,640	93,640	93,640	93,640	90,363	20.3%
Sports Hall	32,064	36,072	38,076	40,080	40,080	40,080	40,080	40,080	40,080	40,080	38,677	8.7%
Health & Fitness Gym	211,200	237,600	250,800	264,000	264,000	264,000	264,000	264,000	264,000	264,000	254,760	57.3%
Studios	18,036	20,291	21,418	22,545	22,545	22,545	22,545	22,545	22,545	22,545	21,756	4.9%
Health Suite	3,246	3,652	3,855	4,058	4,058	4,058	4,058	4,058	4,058	4,058	3,916	0.9%
Multi-Sport Courts	8,016	9,018	9,519	10,020	10,020	10,020	10,020	10,020	10,020	10,020	9,669	2.2%
Retail	1,834	2,063	2,178	2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,212	0.5%
Café	19,254	21,661	22,865	24,068	24,068	24,068	24,068	24,068	24,068	24,068	23,226	5.2%
Total Operating Income	368,563	414,633	437,668	460,703	460,703	460,703	460,703	460,703	460,703	460,703	444,579	100.0%
Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	as % expenditure
Staffing costs:	(209,855)	(209,855)	(209,855)	(209,855)	(209,855)	(209,855)	(209,855)	(209,855)	(209,855)	(209,855)	(209,855)	42%
Premises costs:	(159,110)	(171,492)	(177,683)	(183,874)	(183,874)	(183,874)	(183,874)	(183,874)	(183,874)	(183,874)	(179,540)	36%
Management costs:	(47,537)	(49,841)	(50,992)	(52,144)	(52,144)	(52,144)	(52,144)	(52,144)	(52,144)	(52,144)	(51,338)	10%
Cost of sales:	(12,654)	(14,236)	(15,026)	(15,817)	(15,817)	(15,817)	(15,817)	(15,817)	(15,817)	(15,817)	(15,264)	3%
Other costs:	(36,856)	(41,463)	(43,767)	(46,070)	(46,070)	(46,070)	(46,070)	(46,070)	(46,070)	(46,070)	(44,458)	9%
Total Operating Expenditure	(466,012)	(486,886)	(497,323)	(507,761)	(507,761)	(507,761)	(507,761)	(507,761)	(507,761)	(507,761)	(500,455)	100%
Net Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	
Profit/Loss (Management Fee)	(97,450)	(72,253)	(59,655)	(47,057)	(47,057)	(47,057)	(47,057)	(47,057)	(47,057)	(47,057)	(55,876)	
Membership and Throughput												
Membership Numbers	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	Mature year
H&F memberships	880	990	1,045	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,062	1,100
No. on swimming lesson programme	120	135	143	150	150	150	150	150	150	150	145	150
Throughput	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	Mature year
Total Throughput	91,688	103,149	108,879	114,610	114,610	114,610	114,610	114,610	114,610	114,610	110,599	114,610

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Table 3: Sensitivity analysis summary for Option 1

	10-year average	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
		Higher income & base costs	Higher income & higher costs	Base income & lower costs	Base income & higher costs	Lower income & higher costs	Lower income & base costs
Income							
		10%	10%	0%	0%	-10%	-10%
Swimming	£90,363	£99,399	£99,399	£90,363	£90,363	£81,326	£81,326
Sports Hall	£38,677	£42,545	£42,545	£38,677	£38,677	£34,809	£34,809
Health & Fitness Gym	£254,760	£280,236	£280,236	£254,760	£254,760	£229,284	£229,284
Studios	£21,756	£23,932	£23,932	£21,756	£21,756	£19,580	£19,580
Health Suite	£3,916	£4,308	£4,308	£3,916	£3,916	£3,524	£3,524
Multi-Sport Courts	£9,669	£10,636	£10,636	£9,669	£9,669	£8,702	£8,702
Retail	£2,212	£2,433	£2,433	£2,212	£2,212	£1,991	£1,991
Café	£23,226	£25,548	£25,548	£23,226	£23,226	£20,903	£20,903
Total Income	£444,579	£489,037	£489,037	£444,579	£444,579	£400,121	£400,121
Expenditure							
		0%	10%	-10%	10%	10%	0%
Staffing costs:	(£209,855)	(£209,855)	(£230,840)	(£188,869)	(£230,840)	(£230,840)	(£209,855)
Premises costs:	(£179,540)	(£179,540)	(£197,494)	(£161,586)	(£197,494)	(£197,494)	(£179,540)
Management costs:	(£51,338)	(£51,338)	(£56,472)	(£46,204)	(£56,472)	(£56,472)	(£51,338)
Cost of sales:	(£15,264)	(£15,264)	(£16,790)	(£13,737)	(£16,790)	(£16,790)	(£15,264)
Other costs:	(£44,458)	(£44,458)	(£48,904)	(£40,012)	(£48,904)	(£48,904)	(£44,458)
Total Expenditure	(£500,455)	(£500,455)	(£550,500)	(£450,409)	(£550,500)	(£550,500)	(£500,455)
Net Operational Surplus/Deficit	(£55,876)	(£11,418)	(£61,463)	(£5,830)	(£105,921)	(£150,379)	(£100,334)

Scenario	SURPLUS / DEFICIT	
10-year average	(£55,876)	
Higher income & base costs	(£11,418)	
Higher income & higher costs	(£61,463)	
Base income & lower costs	(£5,830)	Best case
Base income & higher costs	(£105,921)	
Lower income & higher costs	(£150,379)	Worst case
Lower income & base costs	(£100,334)	

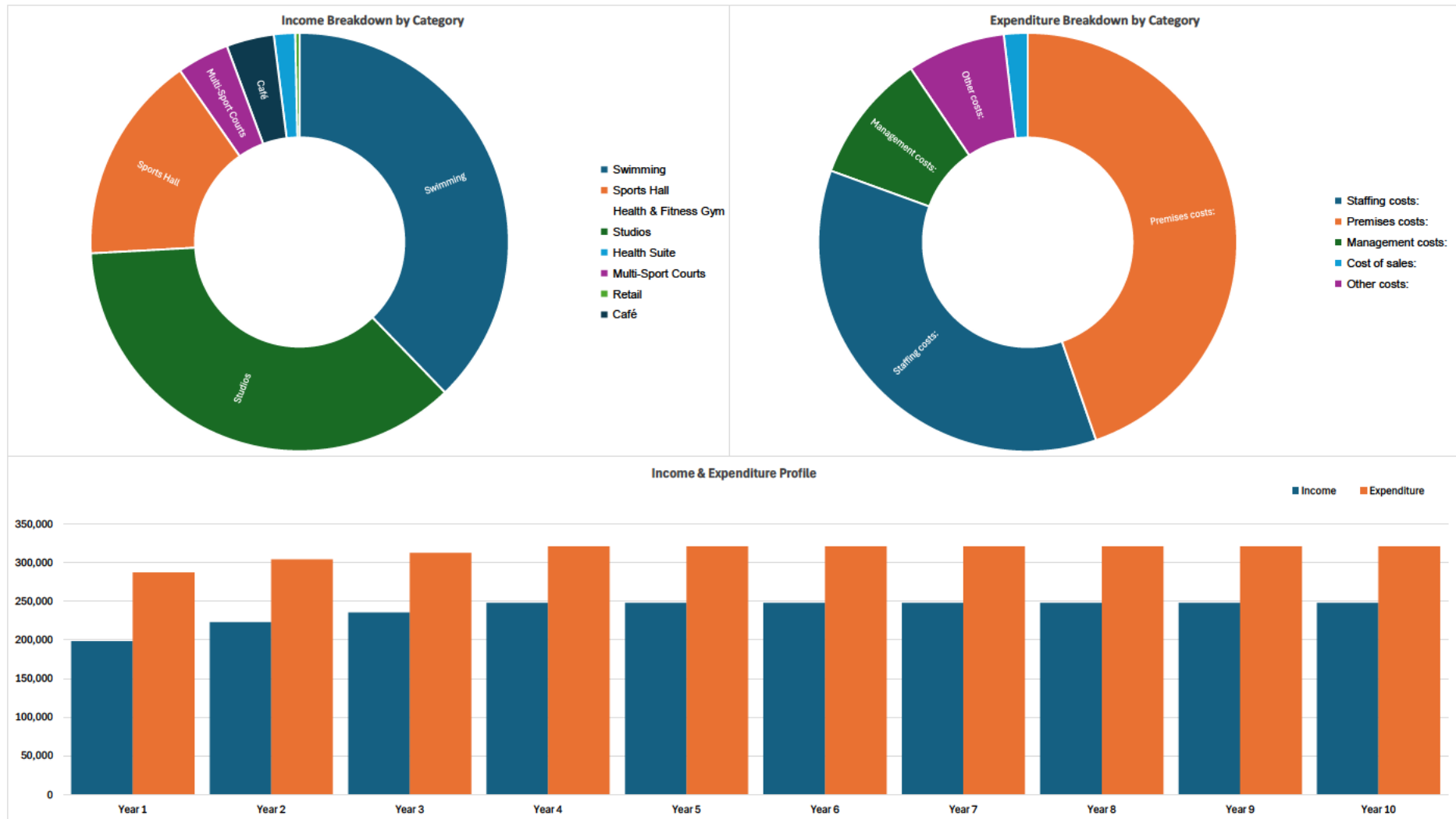
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Table 4: Income, expenditure and annual visits summary for Option 2a

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	as % income
Swimming	74,912	84,276	88,958	93,640	93,640	93,640	93,640	93,640	93,640	93,640	90,363	37.8%
Sports Hall	32,064	36,072	38,076	40,080	40,080	40,080	40,080	40,080	40,080	40,080	38,677	16.2%
Health & Fitness Gym	0	0	0	0	0	0	0	0	0	0	0	0.0%
Studios	72,144	81,162	85,671	90,180	90,180	90,180	90,180	90,180	90,180	90,180	87,024	36.4%
Health Suite	3,246	3,652	3,855	4,058	4,058	4,058	4,058	4,058	4,058	4,058	3,916	1.6%
Multi-Sport Courts	8,016	9,018	9,519	10,020	10,020	10,020	10,020	10,020	10,020	10,020	9,669	4.0%
Retail	694	781	824	868	868	868	868	868	868	868	837	0.3%
Café	7,288	8,199	8,655	9,110	9,110	9,110	9,110	9,110	9,110	9,110	8,791	3.7%
Total Operating Income	198,365	223,160	235,558	247,956	247,956	247,956	247,956	247,956	247,956	247,956	239,278	100.0%
Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	as % expenditure
Staffing costs:	(112,946)	(112,946)	(112,946)	(112,946)	(112,946)	(112,946)	(112,946)	(112,946)	(112,946)	(112,946)	(112,946)	36%
Premises costs:	(120,410)	(132,792)	(138,983)	(145,174)	(145,174)	(145,174)	(145,174)	(145,174)	(145,174)	(145,174)	(140,840)	45%
Management costs:	(29,539)	(30,779)	(31,398)	(32,018)	(32,018)	(32,018)	(32,018)	(32,018)	(32,018)	(32,018)	(31,584)	10%
Cost of sales:	(4,790)	(5,388)	(5,688)	(5,987)	(5,987)	(5,987)	(5,987)	(5,987)	(5,987)	(5,987)	(5,778)	2%
Other costs:	(19,836)	(22,316)	(23,556)	(24,796)	(24,796)	(24,796)	(24,796)	(24,796)	(24,796)	(24,796)	(23,928)	8%
Total Operating Expenditure	(287,521)	(304,221)	(312,571)	(320,921)	(320,921)	(320,921)	(320,921)	(320,921)	(320,921)	(320,921)	(315,076)	100%
Net Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	
Profit/Loss (Management Fee)	(89,157)	(81,061)	(77,013)	(72,965)	(72,965)	(72,965)	(72,965)	(72,965)	(72,965)	(72,965)	(75,799)	
Membership and Throughput												
Membership Numbers	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	Mature year
H&F memberships	0	0	0	0	0	0	0	0	0	0	0	0
No. on swimming lesson programme	120	135	143	150	150	150	150	150	150	150	145	150
Throughput	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	Mature year
Total Throughput	34,706	39,044	41,213	43,382	43,382	43,382	43,382	43,382	43,382	43,382	41,864	43,382

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Table 5: Sensitivity analysis summary for Option 2a

	10-year average	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
		Higher income & base costs	Higher income & higher costs	Base income & lower costs	Base income & higher costs	Lower income & higher costs	Lower income & base costs
Income							
		10%	10%	0%	0%	-10%	-10%
Swimming	£90,363	£99,399	£99,399	£90,363	£90,363	£81,326	£81,326
Sports Hall	£38,677	£42,545	£42,545	£38,677	£38,677	£34,809	£34,809
Health & Fitness Gym	£0	£0	£0	£0	£0	£0	£0
Studios	£87,024	£95,726	£95,726	£87,024	£87,024	£78,321	£78,321
Health Suite	£3,916	£4,308	£4,308	£3,916	£3,916	£3,524	£3,524
Multi-Sport Courts	£9,669	£10,636	£10,636	£9,669	£9,669	£8,702	£8,702
Retail	£837	£921	£921	£837	£837	£754	£754
Café	£8,791	£9,671	£9,671	£8,791	£8,791	£7,912	£7,912
Total Income	£239,278	£263,205	£263,205	£239,278	£239,278	£215,350	£215,350
Expenditure							
		0%	10%	-10%	10%	10%	0%
Staffing costs:	(£112,946)	(£112,946)	(£124,241)	(£101,652)	(£124,241)	(£124,241)	(£112,946)
Premises costs:	(£140,840)	(£140,840)	(£154,924)	(£126,756)	(£154,924)	(£154,924)	(£140,840)
Management costs:	(£31,584)	(£31,584)	(£34,743)	(£28,426)	(£34,743)	(£34,743)	(£31,584)
Cost of sales:	(£5,778)	(£5,778)	(£6,355)	(£5,200)	(£6,355)	(£6,355)	(£5,778)
Other costs:	(£23,928)	(£23,928)	(£26,321)	(£21,535)	(£26,321)	(£26,321)	(£23,928)
Total Expenditure	(£315,076)	(£315,076)	(£346,584)	(£283,569)	(£346,584)	(£346,584)	(£315,076)
Net Operational Surplus/Deficit	(£75,799)	(£51,871)	(£83,379)	(£44,291)	(£107,306)	(£131,234)	(£99,726)

Scenario	SURPLUS / DEFICIT	
10-year average	(£75,799)	
Higher income & base costs	(£51,871)	
Higher income & higher costs	(£83,379)	
Base income & lower costs	(£44,291)	Best case
Base income & higher costs	(£107,306)	
Lower income & higher costs	(£131,234)	Worst case
Lower income & base costs	(£99,726)	

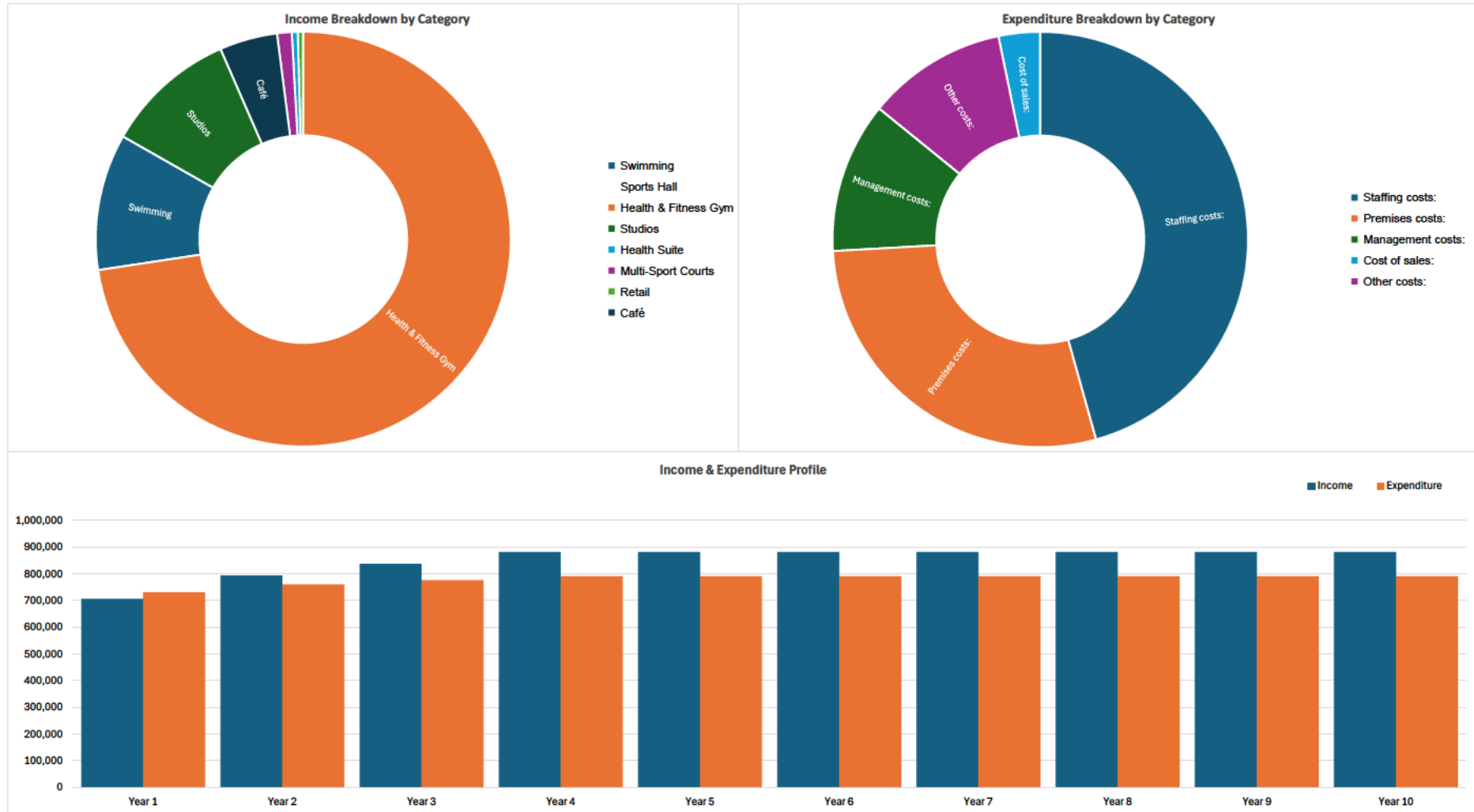
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Table 6: Income, expenditure and annual visits summary for Option 2b

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	as % income
Swimming	74,912	84,276	88,958	93,640	93,640	93,640	93,640	93,640	93,640	93,640	90,363	10.6%
Sports Hall	0	0	0	0	0	0	0	0	0	0	0	0.0%
Health & Fitness Gym	512,000	576,000	608,000	640,000	640,000	640,000	640,000	640,000	640,000	640,000	617,600	72.6%
Studios	72,144	81,162	85,671	90,180	90,180	90,180	90,180	90,180	90,180	90,180	87,024	10.2%
Health Suite	3,246	3,652	3,855	4,058	4,058	4,058	4,058	4,058	4,058	4,058	3,916	0.5%
Multi-Sport Courts	8,016	9,018	9,519	10,020	10,020	10,020	10,020	10,020	10,020	10,020	9,669	1.1%
Retail	3,030	3,409	3,598	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,655	0.4%
Café	31,815	35,792	37,780	39,769	39,769	39,769	39,769	39,769	39,769	39,769	38,377	4.5%
Total Operating Income	705,163	793,309	837,381	881,454	881,454	881,454	881,454	881,454	881,454	881,454	850,603	100.0%
Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	as % expenditure
Staffing costs:	(356,107)	(356,107)	(356,107)	(356,107)	(356,107)	(356,107)	(356,107)	(356,107)	(356,107)	(356,107)	(356,107)	46%
Premises costs:	(198,591)	(212,668)	(219,707)	(226,745)	(226,745)	(226,745)	(226,745)	(226,745)	(226,745)	(226,745)	(221,818)	28%
Management costs:	(84,354)	(88,761)	(90,965)	(93,169)	(93,169)	(93,169)	(93,169)	(93,169)	(93,169)	(93,169)	(91,626)	12%
Cost of sales:	(20,908)	(23,522)	(24,829)	(26,136)	(26,136)	(26,136)	(26,136)	(26,136)	(26,136)	(26,136)	(25,221)	3%
Other costs:	(70,516)	(79,331)	(83,738)	(88,145)	(88,145)	(88,145)	(88,145)	(88,145)	(88,145)	(88,145)	(85,060)	11%
Total Operating Expenditure	(730,478)	(760,390)	(775,346)	(790,303)	(790,303)	(790,303)	(790,303)	(790,303)	(790,303)	(790,303)	(779,833)	100%
Net Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	
Profit/Loss (Management Fee)	(25,314)	32,919	62,035	91,152	91,152	91,152	91,152	91,152	91,152	91,152	70,770	
Membership and Throughput												
Membership Numbers	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	Mature year
H&F memberships	1,600	1,800	1,900	2,000	2,000	2,000	2,000	2,000	2,000	2,000	1,930	2,000
No. on swimming lesson programme	120	135	143	150	150	150	150	150	150	150	145	150
Throughput	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	Mature year
Total Throughput	151,499	170,437	179,906	189,374	189,374	189,374	189,374	189,374	189,374	189,374	182,746	189,374

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Table 7: Sensitivity analysis summary for Option 2b

	10-year average	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
		Higher income & base costs	Higher income & higher costs	Base income & lower costs	Base income & higher costs	Lower income & higher costs	Lower income & base costs
Income							
		10%	10%	0%	0%	-10%	-10%
Swimming	£90,363	£99,399	£99,399	£90,363	£90,363	£81,326	£81,326
Sports Hall	£0	£0	£0	£0	£0	£0	£0
Health & Fitness Gym	£617,600	£679,360	£679,360	£617,600	£617,600	£555,840	£555,840
Studios	£87,024	£95,726	£95,726	£87,024	£87,024	£78,321	£78,321
Health Suite	£3,916	£4,308	£4,308	£3,916	£3,916	£3,524	£3,524
Multi-Sport Courts	£9,669	£10,636	£10,636	£9,669	£9,669	£8,702	£8,702
Retail	£3,655	£4,020	£4,020	£3,655	£3,655	£3,289	£3,289
Café	£38,377	£42,214	£42,214	£38,377	£38,377	£34,539	£34,539
Total Income	£850,603	£935,664	£935,664	£850,603	£850,603	£765,543	£765,543
Expenditure							
		0%	10%	-10%	10%	10%	0%
Staffing costs:	(£356,107)	(£356,107)	(£391,718)	(£320,497)	(£391,718)	(£391,718)	(£356,107)
Premises costs:	(£221,818)	(£221,818)	(£244,000)	(£199,637)	(£244,000)	(£244,000)	(£221,818)
Management costs:	(£91,626)	(£91,626)	(£100,789)	(£82,464)	(£100,789)	(£100,789)	(£91,626)
Cost of sales:	(£25,221)	(£25,221)	(£27,743)	(£22,699)	(£27,743)	(£27,743)	(£25,221)
Other costs:	(£85,060)	(£85,060)	(£93,566)	(£76,554)	(£93,566)	(£93,566)	(£85,060)
Total Expenditure	(£779,833)	(£779,833)	(£857,817)	(£701,850)	(£857,817)	(£857,817)	(£779,833)
Net Operational Surplus/Deficit	£70,770	£155,830	£77,847	£148,753	(£7,213)	(£92,274)	(£14,290)

Scenario	SURPLUS / DEFICIT	
10-year average	£70,770	
Higher income & base costs	£155,830	Best case
Higher income & higher costs	£77,847	
Base income & lower costs	£148,753	
Base income & higher costs	(£7,213)	Worst case
Lower income & higher costs	(£92,274)	
Lower income & base costs	(£14,290)	

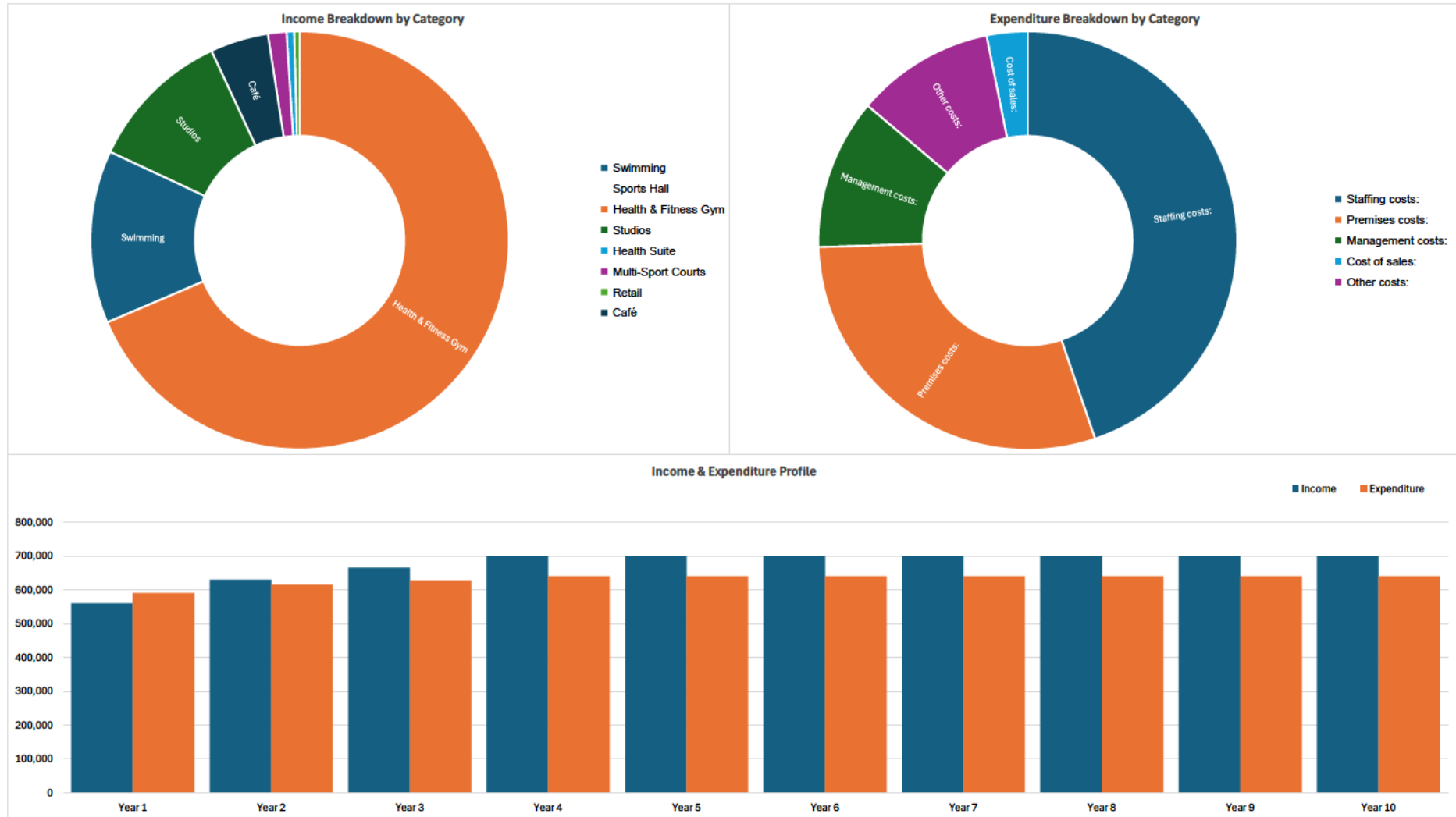
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Table 8: Income, expenditure and annual visits summary for Option 2c

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	as % income
Swimming	74,912	84,276	88,958	93,640	93,640	93,640	93,640	93,640	93,640	93,640	90,363	13.4%
Sports Hall	0	0	0	0	0	0	0	0	0	0	0	0.0%
Health & Fitness Gym	384,000	432,000	456,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	463,200	68.6%
Studios	62,224	70,002	73,891	77,780	77,780	77,780	77,780	77,780	77,780	77,780	75,058	11.1%
Health Suite	3,246	3,652	3,855	4,058	4,058	4,058	4,058	4,058	4,058	4,058	3,916	0.6%
Multi-Sport Courts	8,016	9,018	9,519	10,020	10,020	10,020	10,020	10,020	10,020	10,020	9,669	1.4%
Retail	2,397	2,697	2,846	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,891	0.4%
Café	25,168	28,314	29,887	31,460	31,460	31,460	31,460	31,460	31,460	31,460	30,359	4.5%
Total Operating Income	559,963	629,959	664,956	699,954	699,954	699,954	699,954	699,954	699,954	699,954	675,456	100.0%
Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	as % expenditure
Staffing costs:	(282,781)	(282,781)	(282,781)	(282,781)	(282,781)	(282,781)	(282,781)	(282,781)	(282,781)	(282,781)	(282,781)	45%
Premises costs:	(167,210)	(179,592)	(185,783)	(191,974)	(191,974)	(191,974)	(191,974)	(191,974)	(191,974)	(191,974)	(187,640)	30%
Management costs:	(67,778)	(71,278)	(73,027)	(74,777)	(74,777)	(74,777)	(74,777)	(74,777)	(74,777)	(74,777)	(73,552)	12%
Cost of sales:	(16,540)	(18,607)	(19,641)	(20,675)	(20,675)	(20,675)	(20,675)	(20,675)	(20,675)	(20,675)	(19,951)	3%
Other costs:	(55,996)	(62,996)	(66,496)	(69,995)	(69,995)	(69,995)	(69,995)	(69,995)	(69,995)	(69,995)	(67,546)	11%
Total Operating Expenditure	(590,306)	(615,254)	(627,729)	(640,203)	(640,203)	(640,203)	(640,203)	(640,203)	(640,203)	(640,203)	(631,471)	100%
Net Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	
Profit/Loss (Management Fee)	(30,342)	14,704	37,228	59,751	59,751	59,751	59,751	59,751	59,751	59,751	43,985	
Membership and Throughput												
Membership Numbers	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	Mature year
H&F memberships	1,200	1,350	1,425	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,448	1,500
No. on swimming lesson programme	120	135	143	150	150	150	150	150	150	150	145	150
Throughput	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-year average	Mature year
Total Throughput	119,846	134,827	142,317	149,808	149,808	149,808	149,808	149,808	149,808	149,808	144,564	149,808

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Table 9: Sensitivity analysis summary for Option 2c

	10-year average	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
		Higher income & base costs	Higher income & higher costs	Base income & lower costs	Base income & higher costs	Lower income & higher costs	Lower income & base costs
Income							
		10%	10%	0%	0%	-10%	-10%
Swimming	£90,363	£99,399	£99,399	£90,363	£90,363	£81,326	£81,326
Sports Hall	£0	£0	£0	£0	£0	£0	£0
Health & Fitness Gym	£463,200	£509,520	£509,520	£463,200	£463,200	£416,880	£416,880
Studios	£75,058	£82,564	£82,564	£75,058	£75,058	£67,552	£67,552
Health Suite	£3,916	£4,308	£4,308	£3,916	£3,916	£3,524	£3,524
Multi-Sport Courts	£9,669	£10,636	£10,636	£9,669	£9,669	£8,702	£8,702
Retail	£2,891	£3,180	£3,180	£2,891	£2,891	£2,602	£2,602
Café	£30,359	£33,394	£33,394	£30,359	£30,359	£27,323	£27,323
Total Income	£675,456	£743,001	£743,001	£675,456	£675,456	£607,910	£607,910
Expenditure							
		0%	10%	-10%	10%	10%	0%
Staffing costs:	(£282,781)	(£282,781)	(£311,060)	(£254,503)	(£311,060)	(£311,060)	(£282,781)
Premises costs:	(£187,640)	(£187,640)	(£206,404)	(£168,876)	(£206,404)	(£206,404)	(£187,640)
Management costs:	(£73,552)	(£73,552)	(£80,908)	(£66,197)	(£80,908)	(£80,908)	(£73,552)
Cost of sales:	(£19,951)	(£19,951)	(£21,946)	(£17,956)	(£21,946)	(£21,946)	(£19,951)
Other costs:	(£67,546)	(£67,546)	(£74,300)	(£60,791)	(£74,300)	(£74,300)	(£67,546)
Total Expenditure	(£631,471)	(£631,471)	(£694,618)	(£568,324)	(£694,618)	(£694,618)	(£631,471)
Annual Land Cost (if applicable)	£0	£0	£0	£0	£0	£0	£0
Net Operational Surplus/Deficit	£43,985	£111,530	£48,383	£107,132	(£19,162)	(£86,708)	(£23,561)

Scenario	SURPLUS / DEFCIT	
10-year average	£43,985	
Higher income & base costs	£111,530	Best case
Higher income & higher costs	£48,383	
Base income & lower costs	£107,132	
Base income & higher costs	(£19,162)	Worst case
Lower income & higher costs	(£86,708)	
Lower income & base costs	(£23,561)	