Funding and Affordability Summary – August 2025

Funding and Affordability	Option 2 A	Option 2 B	Option 2 C
TOTAL PROJECT COST	£25,296,150	£24,278,741	£27,948,318
IMPROVEMENT IN REVENUE AVAILABLE TO FUND BORROWING	£868,658	£868,658	£1,058,983
TOTAL FUNDING	£10,503,724	£10,503,724	£13,605,111
FUNDING REQUIREMENT FROM COUNCIL RESOURCES	-£14,792,427	-£13,775,017	-£14,343,207
PAYBACK PERIOD	29	28	26

Summary:

- Total capital funding required for construction = £28m + £1m to forward fund NHS fit out – Total capital envelope requested £30.5m
- Option 2 C is the preferred option based upon 26 year pay back
- Total life span of traditional leisure centre = 40 years
- Indicative funding streams that may be used to fund project;
  - CIL
  - Section 106
  - HDC Capital
  - NHS rental income (to be agreed)
  - Football Foundation + other stakeholders

Funding and Affordability Summary – April 2026

Funding and Affordability	August 2025	April 2026	Comparison
TOTAL PROJECT COST	£27,948,318	£29,475,000	£1,526,682
IMPROVEMENT IN REVENUE AVAILABLE TO FUND BORROWING	£1,058,983	£1,255,909	£196,926
TOTAL FUNDING	£13,605,111	£15,186,318	£1,581,207
FUNDING REQUIREMENT FROM COUNCIL RESOURCES	-£14,343,207	-£14,288,682	£54,525
PAYBACK PERIOD	26	23	-2.9

Summary:

- Total capital funding required for construction = £29,475,000
- April 2026 modelling shows a 23-year payback period
- Designed life span of traditional leisure centre = 40 years
- £800k Football Foundation funding from August 2025 modelling removed
- Indicative funding streams that may be used to fund project;
  - CIL
  - Section 106
  - HDC Capital
  - NHS rental income (to be agreed)

April 2026 – Updated Modelling Assumptions

NOTES TO UPDATED REVENUE MODELLING

Base financial position for the last financial year, has been updated from c.£60.4k in 2025 to c.£157k, due mainly to improvements in health and fitness membership numbers and income.

H&F member numbers remain at 35% uplift on latent demand - This compares with 57% average uplift seen at new / refurbished centres.

Increased membership fees for H&F from £37 to £39.

Increased membership fees for Active Health Suite from £30 to £33.

Increased swimming income from £1,291m^2 to £1,571m^2, mainly through increased lessons utilisation in learner pool - This compares with benchmark figure of £2.032m^2.

Increased soft play area from 350m^2 to 431m^2.

Utilisation of the party rooms reduced to 80%.

11 v 11 3G income not changed.

Secondary spend increases, due to increased throughput from swimming.

Health and wellbeing rental income unchanged.

Staffing structure and costs reviewed by HDC and remain unchanged.

Total building areas assumed the same as previous stage (total GIFA modelled = 7,212m^2)

No change in borrowing rates and calculation.

Potential VAT reduction of £200k removed from the April 2026 'Current Net Revenue', to enable a like for like comparison. If applied, a similar reduction would also be applied to the 2026 modelling.

No other significant changes to income and expenditure.

Comparison of August 2025 Revenue with April 2026

	August 2025	April 2026	Comparison
Income	**10-year average**	**10-year average**	**10-year average**
Sports Hall & Squash	£76,210	£76,210	£0
Health & Fitness	£1,561,252	£1,638,679	£77,427
Swimming	£742,088	£903,645	£161,557
Party Rooms	£65,220	£52,176	(£13,044)
Soft Play/Tag Active	£253,633	£312,331	£58,698
Health & Wellbeing (804m2)	£182,073	£182,073	£0
Secondary	£696,305	£743,626	£47,321
Outdoor	£176,619	£176,619	£0
Total Income	**£3,753,400**	**£4,085,358**	**£331,958**
Expenditure	**10-year average**	**10-year average**	**10-year average**
Staffing costs:	(£1,133,758)	(£1,133,758)	£0
Premises costs:	(£862,164)	(£862,164)	£0
Management costs:	(£330,468)	(£347,747)	(£17,278)
Cost of sales:	(£307,535)	(£328,435)	(£20,900)
Other costs:	£0	£0	£0
Total expenditure	**(£2,633,925)**	**(£2,672,104)**	**(£38,178)**
Net Revenue	**10-year average**	**10-year average**	**10-year average**
Surplus / (Deficit) exc Lifecycle Costs	**£1,119,475**	**£1,413,255**	**£293,780**
Membership and Throughput			
Membership Numbers	**10-year average**	**10-year average**	**10-year average**
H&F memberships	3,226	3,226	0
Throughput	**10-year average**	**10-year average**	**10-year average**
Total Throughput	580,254	619,688	39,434

Latent Demand Versus Actual

Centre Name	Latent Demand forecast Membership Projection	Actual / Projected Performance	Comparison (no)	Comparison (%)	Operator
Aylestone - Leicester	1477	1765	288	19%	Leicester City Council
Braunstone - Leicester	2124	3706	1582	74%	Leicester City Council
Cossington Street - Leicester	562	1277	715	127%	Leicester City Council
Evington - Leicester	1372	2453	1081	79%	Leicester City Council
Westminster Lodge Leisure Centre - St Albans	3300	6000	2700	82%	Everyone Active
The Castle Leisure Centre - Southwark	2900	3320	420	14%	Everyone Active
Winchester Leisure Centre	3645	5774	2129	58%	Everyone Active
Dover Leisure Centre	3000	4200	1200	40%	Places for People Leisure
Flitwick Leisure Centre - Bedfordshire	3250	3856	606	19%	Everyone Active
Ely Leisure Centre	2900	3500	600	21%	GLL
Bromsgrove Leisure Centre	1800	3750	1950	108%	Everyone Active
Dunstable Leisure Centre	2095	3868	1773	85%	Everyone Active
Whiteoak Leisure Centre	1314	3200	1886	144%	Everyone Active
Total	**29739**	**46669**	**16930**	**57%**	

Average performance of operation centres compared to latent demand forecast:		**57%**

Comparison of April 2026 Modelling 35% v 50% H&F Uplift

	35% Increase in Latent Demand	50% Increase in Latent Demand	Comparison
Income	**10-year average**	**10-year average**	**10-year average**
Sports Hall & Squash	£76,210	£76,210	£0
Health & Fitness	£1,638,679	£1,806,436	£167,758
Swimming	£903,645	£903,645	£0
Party Rooms	£52,176	£52,176	£0
Soft Play/Tag Active	£312,331	£312,331	£0
Health & Wellbeing (804m2)	£182,073	£182,073	£0
Secondary	£743,626	£775,887	£32,261
Outdoor	£176,619	£176,619	£0
Total Income	**£4,085,358**	**£4,285,377**	**£200,019**
Expenditure	**10-year average**	**10-year average**	**10-year average**
Staffing costs:	(£1,133,758)	(£1,133,758)	£0
Premises costs:	(£862,164)	(£862,164)	£0
Management costs:	(£347,747)	(£360,774)	(£13,027)
Cost of sales:	(£328,435)	(£342,683)	(£14,249)
Other costs:	£0	£0	£0
Total expenditure	**(£2,672,104)**	**(£2,699,379)**	**(£27,276)**
Net Revenue	**10-year average**	**10-year average**	**10-year average**
Surplus / (Deficit) exc Lifecycle Costs	**£1,413,255**	**£1,585,997**	**£172,743**
Membership and Throughput			
Membership Numbers	**10-year average**	**10-year average**	**10-year average**
H&F memberships	3,226	3,585	358
Throughput	**10-year average**	**10-year average**	**10-year average**
Total Throughput	619,688	646,573	26,884

Funding and Affordability Summary – 35% v 50% H&F Uplift

Funding and Affordability	35% Increase in Latent Demand	50% Increase in Latent Demand	Comparison
TOTAL PROJECT COST	£29,475,000	£29,475,000	£0
IMPROVEMENT IN REVENUE AVAILABLE TO FUND BORROWING	£1,255,909	£1,428,651	£172,743
TOTAL FUNDING	£15,186,318	£17,275,108	£2,088,789
FUNDING REQUIREMENT FROM COUNCIL RESOURCES	-£14,288,682	-£12,199,892	£2,088,789
PAYBACK PERIOD	23	21	-2.8