

**LIVE ARGYLL – MONITORING AND PERFORMANCE REPORTING – UPDATE**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to provide the Community Services Committee with an update on the performance and monitoring arrangements between Live Argyll (LA) and the Council as set out in the various agreements between the Council and the Trust.

**RECOMMENDATIONS**

It is recommended that:

- 1.2 Members consider the contents of the report.

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**2.0 INTRODUCTION**

- 2.1 The purpose of this report is to provide the Community Services Committee with an update on the performance and monitoring arrangements between Live Argyll (LA) and the Council as set out in the various agreements between the Council and the Trust.

**3.0 RECOMMENDATIONS**

It is recommended that:

- 3.1 Members consider the contents of the report.

**4.0 DETAIL**

- 4.1 The Council approved the implementation of a Leisure and Libraries Trust on 24 November 2016, following a recommendation by the Community Services Committee of 21 November 2016.
- 4.2 Thereafter, LA was constituted on 29 September 2017 and the Council entered into a Transfer Agreement, Service Agreement, Support Services Agreement and Facility Licence. These set out a number of reporting and monitoring requirements.

**SERVICES AGREEMENT**

- 4.3 There is a Services Agreement in place between LA and the Council in respect of the leisure and library services to be delivered by LA on behalf of the Council. LA are operating in terms of their current business plan from the date of the constitution to the end of Financial Year 20/21.

**BUSINESS PLAN**

- 4.4 The Council in constituting LA was mindful of the code of guidance on funding external bodies and following the public pound. In exercising its business plan

and delivering the services LA reports that it continues to adhere to those principles. The overarching business plan based on the financial operating model and services specification was previously agreed by the Council and covers the period from 29 September 2017 -1 April 2021. The Plan refers to 3 main themes set out below each of which LA reports is currently reporting a positive trend specifically:

- **Growth:** Forecast revenues for 2019-2020 are anticipated to be positive with a projected increase on previous revenue estimates. This will be looked at in liaison with Financial Services to assess the outcome at year end;
- **Participation:** Levels continue to show strong growth with some substantial individual increases within Leisure use and Library visits; and
- **Quality:** LA have placed a significant amount of emphasis on the quality of product and service on offer and introduced a range of measures and protocols identified and aimed at ensuring a consistent quality offering across all of their services.

## **BUSINESS PLANNING: SECTOR PLANS**

4.5 LA report that they have implemented “Sector Plans” which support the overarching Business Plan, and set out proposals and priorities for change against which LA record action and progress. It is understood that good progress is being made and the plans are on track to deliver or contribute to their proposed outcomes. The following are examples of current work sector plans:

- Lean Staffing Exercise: Outcome includes extended offering, absorbed pay award cost pressure;
- Self-Scanning: Piloted in Dunoon Library and will allow customers self-serve option;
- Library purchasing review: Outcome procurement aligns to existing customer needs and also targets new customer;
- Leisure Pricing Review: Outcome increased participation and increase in associated income streams. (Early indications demonstrate positive uptake);
- Flexible facility use;
- Partnership Pop-ups;
- Helensburgh Innovation Hub; and
- Helensburgh Victoria Halls Storage Project.

## **THE SERVICES / PERFORMANCE MANAGEMENT**

### **SERVICE SPECIFICATION**

4.6 LA is responsible for delivering Leisure, Library, Halls, Community Centres, Museum, Archive and Active Schools services across Argyll and Bute. The Service Specification sets out the specific services LA have committed to deliver and that they are required to ensure they adhere to those commitments.

## PERFORMANCE MANAGEMENT

- 4.7 In order to establish if and to what extent they have complied in the provision of the services, the Services Agreement requires LA to provide operational performance information to the Council with a Performance Report on its operational performance in the second and fourth quarter of each financial year (namely June and December of each financial year). The Trust are also required to provide a complete set of relevant accounts to the Council no later than 5 months from the end of each financial year.

## PERFORMANCE REPORT

- 4.8 The latest Performance Report submitted by LA covering October 2018-March 2019 reports a positive overall position and there are no areas which are of significant concern. LA's Performance Report, together with updated information since then sets out inter alia the following:
- **Leisure:** Overall users for swim, health suite and gym has risen 5% from the previous 6 months and a 10% rise from the same period in the previous year. Attendance at fitness classes has seen a 30% increase from the previous 6 months;
  - **Libraries:** The number of library visits continues to buck the national declining trend and showing continuous year on year increase;
  - **Letting:** Overall lettings remain stable with the period on period variance representing general seasonal fluctuations;
  - **Active Schools:** Active Schools has a participation level in school activities at 52% well above the average of 45%. LA and the Council have renewed a 4 year partnership with SportScotland providing a strong platform for long term planning which is particularly positive in the context of a number of local authorities receiving 1 year funding offers; and
  - **Swim School:** LA report that their swim school continues to grow with 1529 signed up participants.

## FINANCIAL POSITION

- 4.9 LA receives the grant funding from the Council over the course of the year in monthly tranches and all payments are up to date. LA has reported on its net cash position and it is expected that they will report a positive end of year position. This will be reviewed by Commercial Services and Financial Services at the relevant time to confirm the final outcome.

## SCHEDULED DEVIATIONS

- 4.10 While it is considered that LA have fulfilled their service delivery obligations, they have reported a limited number of deviations, specifically:
- **Rothsay Leisure Centre:** Work on the centre roof commenced in June and is expected to last until approximately twelve weeks. The facility will be closed to the public until the works are complete. Agreement has been reached with Rothsay Campus that gym users can use their facilities. An

enhanced class provision will be in place at the Moat Centre facility to compliment the fitness programme currently delivered from there. Pool users will be offered dedicated times at LA's Dunoon Facility.

## UNPLANNED DEVIATIONS FROM THE SERVICE SPECIFICATION

- **Islay Mobile:** The library vehicle continues to require ad-hoc maintenance which has resulted in 2 days of service disruption during the period November to March 19. The vehicle requires further maintenance and is nearing the end of its useful life. LA report that they are exploring alternative delivery models including the use of community hubs.

## CHANGE REQUEST

4.11 It should be noted that LA have agreed to an additional services outwith their original service commitments specifically:

- **Art Collections:** The custody and management of the Anderson and Museum and Library art collections and to curate and maintain an up to date inventory of both in addition to adding new items that are relevant. This has now been agreed and formalised as a variation to the services specification; and
- **Queens Hall Putting:** Agreement has also been reached during the period for LA to operate and manage arrangements for the putting green area at the Queens Hall.

## SUPPORT SERVICES AGREEMENT

4.12 There is a Support Services Agreement in place between LA and the Council in respect of central support services delivered by the Council to the Trust. As part of the requirements of the agreement, the operation of the support services are kept under annual review by the Council and LA. LA has advised that from their perspective, arrangements continue to operate satisfactorily with effective working partnerships either in place and being developed.

4.13 It should be noted that a number of minor revisions to the Financial Services and HR and OD specifications require to be made to reflect actual working practice and promote efficiency. These will be discussed and agreed prior to any formal change request being made. It is not anticipated that there will be any financial implications arising from any revisions.

## OTHER DEVELOPMENTS

4.14 In addition to the monitoring and reporting requirements above LA report that there are a number of other developments coming forward in 2019 across all service areas including but not limited to:

- Working with Argyll College and Citizens advice in respect of those organisations utilising library venues;

- Looking at potential outreach options for strands of service activity making them more accessible;
- Launching a revised pricing strategy;
- A continuing events programme in the Argyll and Bute Area; and
- A revised website including online booking and payment options.

4.15 LA report that they will also continue to focus on their Maximising Charitable Status strategy. This work stream will look at a number of areas including donations, legacy funding, grants and sponsorship as well as inclusion, accessibility, literacy, social interaction and mental health initiatives.

## **5.0 CONCLUSION**

5.1 The current arrangements between the Council and LA are working well with no areas of service which are of particular concern. The specific reporting and monitoring requirements required generally demonstrate a positive position in relation to the delivery of the services and support services, as well as in relation to the financial position of the Trust.

5.2. It is recommended that:

Members consider the contents of the report.

## **6.0 IMPLICATIONS**

6.1 Policy – In line with Council policy in relation to Leisure and Libraries Trust

6.2 Financial – None

6.3 Legal - In line with relevant contractual agreements between Council and Live Argyll

6.4 HR - None

6.5 Fairer Scotland Duty – None

6.5.1 Equalities - protected characteristics – None

6.5.2 Socio-economic Duty – None

6.5.3 Islands – None

6.6. Risk – as outlined in body or report above

6.7 Customer Service – None

**Douglas Hendry – Executive Director with responsibility for Commercial Services and Legal and Regulatory Support**

8 August 2019

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