

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

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 note and 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 note and 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 2021-24 business plan.

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 1st April 2021 to 31st March 2024. The plan refers, as with previous plans references 3 key themes set out below each of which LA advises is

- **Growth:** Pre Covid Pandemic forecast revenues for 20-21 were anticipated to be positive with a projected increase on previous years' revenue estimates. The cessation of services and on-going governmental restrictions have resulted in a significant reduction in income levels, however a combination of prudent financial management alongside both UK and Scottish Government support has meant that the company remains in a stable financial position. Whilst early indications are off a positive trend in terms of returning customer it is anticipated that it may take between 1 and 3 years to return to previous performance levels.
- **Participation:** Pre Covid Pandemic participation figures were strong with substantial individual increases within Leisure services. Library indicators were in line with national trends. Current usage levels are in line with expectations and sector trends. A further relaxation of restrictions will support the company in returning to a full service offering which will have co-related participation increases.
- **Quality:** LA continue to place 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 despite the significant interruption to front line services, plans are in place to continue with implementing sector plan proposals and priorities for change. As with the vast majority of services, plans have been reviewed and where appropriate updated to ensure priorities support the organisation in its re-opening and recovery plan. 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:

- Re-purposing facilities to support commercial and service activity;
- Replacement leisure Management system with a focus on customer experience, introduction of an information and booking app, due to go live Autumn 2021;
- Enhanced borrowbox offering and launch of Press reader service.
- Introduction of a User Accreditation scheme;
- Introduction of a Volunteer scheme;
- Continuation with Helensburgh Innovation Hub; and
- Continuation with Helensburgh Victoria Halls Storage Project.
- Develop proposals to re-purpose Riverside reception area creating split level gym
- Development of an outreach programme to ensure wider accessibility

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). LA 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. LA advised draft accounts were submitted May 2021 and audited accounts will be submitted by August 31st 2021.

PERFORMANCE REPORT

- 4.8 It is not appropriate to report on growth, participation and quality measures for the latest period given the governmental closedown of Leisure and Library services. The annual report for the period end March 2020, immediately preceding closedown clearly demonstrates positive trends across the significant majority of indicators. The 2021 annual report clearly highlights the positive impact of services which were able to continue and LA's commitment to returning and improving upon previous levels of performance.

LA report that analysis of performance data available for those services which were allowed to resume show a reasonable uptake to date and figures are in line with national and local customer survey expectations. It should be noted that it is envisaged that in some cases it may take between 1 and 3 years to return to pre-covid levels.

FINANCIAL POSITION

- 4.9 LA, continue to actively manage their financial position. LA have successfully accessed the UK Government Employee Retention Scheme alongside accessing some sector specific support funds. This has allowed the company to offset a 7 month loss of self-generated income and an on-going reduction in activity as a result of restrictions. A phased approach to re-opening is in place which takes cognisance of on-going government restrictions, customer demand and available governmental support. This approach is proving successful and is highlighted in the fact that LA have not requested any

additional funds, a position which is significantly different across Scottish Local Authorities where there is a £120 million in year shortfall being reported with Council being asked to fund individual shortfalls. LA further advise that in year position (21-22) whilst challenging is not anticipated to result in any further request for support. The financial position will continue to be reviewed by Commercial Services and Financial Services to confirm the final outturn.

2021 – 2024 LA after positive discussion with Council partners were able to fulfil their over-arching objective of being less reliant on management fee funding by absorbing a 10%, (£370k) funding reduction as part of their 21/22 settlement.

SCHEDULED DEVIATIONS

- 4.10 Against a background of national imposed restrictions it is considered that LA have fulfilled their service delivery obligations. It should be noted that LA were one of very few trusts which as a result of robust planning and collaboration with Council partners, re-opened their full Leisure service provision on the first allowable date. LA also maximised any digital offering available. LA advise that subject to restriction a return to a full service offering is planned for September 2021.

SUPPORT SERVICES AGREEMENT

- 4.11 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 in place.

OTHER DEVELOPMENTS

- 4.12 In addition to the monitoring and reporting requirements above LA report that there are a number of other developments coming forward in 2021 across all service areas including but not limited to:
- Undertaking the management and operation of Community Learning and Development service on behalf of the Council from June 30th 2021.
 - Working with NHS partners with continuing support in Vaccine and Testing programmes across Argyll;
 - Supporting Council and Third Sector partners with the community response to Covid19 pandemic.
 - Continue to work a range of partners in respect of utilising venues making these true community hubs.
 - Introduction of a virtual fitness class membership; and
 - Further expansion of their highly successful borrow-box service (digital book lending).

- 4.13 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 are deemed fit for purpose. Given the extra-ordinary operating circumstances of 2022, LA has adapted well and robust recovery plans are in place.

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:
6.5.3 Islands – None
6.6. Risk – as outlined in body or report above
6.7 Customer Service - None

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