

**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:** Leisure and Library type services remain in a recovery phase. LA advise that performance information is in line with expectations and user survey data. Associated income levels were and continue to be adversely impacted. LA were able to offset the impact of reduced income from core services by diversifying into other temporary area of service which had the benefit of alternative income streams and / or offset existing costs.
- **Participation:** LA report that Leisure participation rates are strong in the context of national and sector averages (75%) at approximately 90% of pre-pandemic levels. Library performance information indicate an increasing usage however figures remain below pre-pandemic levels. Digital usage of library type services has seen significant growth with substantial increases in on-line borrowing. LA report that event type activity and associated audience participation rates are significantly reduced. This position is reflective of the wider event market.
- **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 they continue with implementing sector plan proposals and priorities for change. As with the vast majority of services, plans continue to be reviewed and where appropriate updated to ensure priorities support key objectives. 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 activity;
- Re-purposing facilities to support Council building rationalisation programmes.
- Where appropriate digitalisation of customer interface protocols
- Securing long term partnership agreement with Sportscotland in respect of Active Schools programme
- Increased focus on LA's contribution to Health and Well-being agenda and social prescribing.

THE SERVICES / PERFORMANCE MANAGEMENT

SERVICE SPECIFICATION

- 4.6 LA is responsible for delivering leisure, library, halls, community centres, community learning and development services, community lettings, museum, archives, 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 2022 and audited accounts will be submitted by August 31st 2022.

PERFORMANCE REPORT

- 4.8 Performance information shows positive trends across a number of services and overall LA is deemed to be performing above current sector average rates. Active Schools and Community Learning and Development services are performing well, the latter have receiving in year positive HMIE inspection reports. The 2022 annual report clearly highlights the positive impact of services and LA's commitment to returning and improving upon previous levels of performance.

It should be noted that in some specific circumstances changing customer behaviour and user trends may result in alternative performance measures being introduced and / or proposals for amendments to service specification obligations.

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 approach in combination with diversification activity has allowed the company to offset loss of self-generated income. LA have not requested any additional funds, a position which is significantly different across Scottish Local Authorities where there was a £120 million in year shortfall being reported with an number of Councils providing additional funding to offset funding gaps. LA further advise that the in year position (22-23) whilst challenging is anticipated to breakeven. The

financial position will continue to be reviewed by LA and Commercial Services. Proposals and options are being prepared to address an agreed 3% reduction to the 23/24 annual services

SCHEDULED DEVIATIONS

- 4.10 Against a background of national imposed restrictions and recovery from the pandemic 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. Like many organisations, liveArgyll did encounter some short term disruption as a result of Covid Absence however this did not materially impact overall service delivery.

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 moving forward a significant focus will be placed on the Health and Well-being agenda, specifically ensuring that LA is recognised as a significant contributing partner to wider health outcomes. LA are keen to promote a culture of investment in Leisure, but also encompassing services such as Community Learning and Libraries as key contributors to information and support for physical and mental health and well-being.

A health and wellbeing scoping and engagement exercise is currently taking place in partnership with Macmillan and HSCP. This will inform the development of a multi-agency business case to implement an Argyll wide, co-produced health and wellbeing service. The aspiration is for a clear, consistent and comprehensive fully funded pathway into newly developed and existing services to maintain and improve the health and wellbeing of Argyll and Bute residents.

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 previous 2 years, LA has adapted well and good progress continues to be made.

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
- 6.8 Climate Change - None

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