

LIVE ARGYLL – MONITORING AND PERFORMANCE REPORT

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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.

**2.0 RECOMMENDATIONS**

It is recommended that:

- 2.1 The Community Services Committee is asked to consider the contents of this report together with the Live Argyll Annual Report 2023/24 attached at Appendix 1.

**LIVE ARGYLL – MONITORING AND PERFORMANCE REPORTING - UPDATE 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 The Community Services Committee is asked to consider the contents of this report together with the Live Argyll Annual Report 2023/24 attached at Appendix 1.

**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 continue to performing well. LA advise that performance information is in line with expectations and comparable sector data. Income levels have seen considerable growth which has allowed for an agreed reduction to annual services payments as well as absorbing significant unfunded cost pressures and importantly has allowed the continuation of full service specification obligations.
- **Participation:** LA report that Leisure participation rates are strong in the context of national and sector averages. Leisure membership levels are above pre-pandemic levels across all areas in which facilities are located. Helensburgh leisure centre is showing sustained membership and usage rates and is performing in the top quartile in terms of penetration rates. Across all demographics the programme of activities in place is deemed to be addressing local needs.
- Library performance information indicate small growth across the board however more specifically Digital usage of library type services has seen sustained growth with increases in on-line borrowing. LA previously reported that event type activity and associated audience participation rates was significantly reduced. Whilst this year has seen a moderate improvement, the overall position remains flat which is unfortunately is reflective of the wider event market.
- Active Schools, Community Learning and Community letting services are also showing strong participation levels in line with forecast, target and where appropriate comparable indicators.
- **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
- Continued focus on LA's contribution to Health and Well-being agenda.

## **THE SERVICES / PERFORMANCE MANAGEMENT**

### **SERVICE SPECIFICATION**

- 4.6 LA is responsible for delivering leisure, library, halls, community centres, community learning 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 June 2024 and audited accounts will be submitted by December 31st 2024.

### **PERFORMANCE REPORT**

- 4.8 Performance information shows positive trends across a range of services and overall LA is deemed to be performing above current sector average rates. Leisure Memberships rates and associated income level have seen sustained growth in no small part due to their underlying pricing model. Libraries, Active Schools and Community Learning services are performing well, the latter have received another positive HMIE inspection reports. The 2023/24 annual report clearly highlights the positive impact of services and LA's commitment to continuous performance improvement.

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. LiveArgyll annual services payments has reduced year on year and the greater portion of their

costs are now covered by self-generated income. Over the last 3 financial years self-generated income levels have risen from £2.3m to a projected £4m in 24/25.. This has allowed the company to absorb significant payroll inflationary pressures and also re-invest in facilities and equipment without placing any additional requests on the Council. LA further advise that the in- year position (24-25) is anticipated to breakeven at budgeted pay award levels (3%). The financial position will continue to be reviewed by LA and Commercial Services. This is a positive outcome give the 10% reduction applied to the 24/25 annual services payments.

## **SCHEDULED DEVIATIONS**

4.10 LiveArgyll have fulfilled the significant majority of service specification obligations. Where deviations exists, these have been ad-hoc and primarily due to unavoidable or extra-ordinary circumstances out-with their control. It is therefore considered that LA have fulfilled their service delivery obligations. Like many organisations, where maintenance is required, this can result in short term service disruption however it is deemed that overall 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.

## **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. LA continue to perform extremely well. The specific reporting and monitoring requirements are deemed fit for purpose. Given the cost of living crisis and other operating circumstances of, LA has adapted well and excellent 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 – Agreement constituting Live Argyll provides for Council part funding Live Argyll
- 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
- 6.9 The Rights of the Child (UNCRC) - None

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**APPENDICES**

Appendix 1 – Live Argyll Annual Report 2023-2024