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## **Live Borders Performance Report, Q2 2018 - 19**

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### **Report by Executive Director**

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### **Executive Committee**

**12 February 2019**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 **This report presents a high level summary of Live Borders' performance during Quarter 2 of 2018/19, with details contained within Appendices 1 and 2.**
- 1.2 On 1 April 2016, a new Integrated Culture and Sport Trust, Live Borders, was established. As part of the Service Provision Agreement (the contract), SBC developed a Performance Management Framework to ensure effective oversight of the work of the Integrated Trust, ensuring that six key outcomes were being addressed. A set of performance indicators were developed at this time and have been used to report performance to Executive Committee during 2016/17 and 2017/18, in August and February.
- 1.3 During 2018, Live Borders developed and agreed a new Strategic Plan, with a vision and 6 strategic goals. Underpinning this is a revised set of performance indicators. As a result, a new format for performance reporting has been established and is presented at **Appendices 1 and 2.**
- 1.4 Section 4 summarises the key successes and challenges during Q2 2018/19 and the work being done to either maintain or improve performance. Section 5 summarises financial performance.
- 1.5 The information contained within the appendices will be made available on [SBC's website](#), ensuring that the duty to report publicly and demonstrate Best Value is met.

#### **2 RECOMMENDATIONS**

- 2.1 **I recommend that the Executive Committee:-**
  - (a) Notes the changes that have been made to Live Borders' performance reporting;
  - (b) Notes Live Borders' performance and the action being taken to maintain or improve performance.

### 3 BACKGROUND

3.1 On 1 April 2016, a new Integrated Culture and Sport Trust, Live Borders, was established. As part of the Service Provision Agreement (the contract), SBC developed a Performance Management Framework to ensure effective oversight of the work of the Integrated Trust, ensuring that six key outcomes were being addressed. Within this Framework, a set of performance measures were proposed under each outcome and have been used to report performance for 2016/17 and 2017/18 (reports can be accessed on [SBC's website](#)).

3.2 During 2018, Live Borders developed a [new strategic plan](#) for the period 2018 – 2023 which was approved by their Board in February 2018. The Strategy contains a new vision (*"Everyone living in, working in, and visiting the Borders will be healthier, happier and stronger"*) and 6 strategic goals that are aligned to the outcomes specified in the contract:

- i. Expand levels of participation
- ii. Grow earned income
- iii. Develop plural funding streams
- iv. Build on reputation for great customer service
- v. Create a sustainable charity
- vi. Nurture staff to be proud of what they do

The table below shows how the Strategic Plan goals will assist Live Borders in working towards the 6 outcomes in the contract with SBC:

|   | <b>Live Borders Strategic Goals</b> |                    |                                |                  |                              |   |
|---|-------------------------------------|--------------------|--------------------------------|------------------|------------------------------|---|
| <b>Contract Outcomes</b>                            | Expand levels of participation      | Grow earned income | Develop plural funding streams | Build Reputation | Create a sustainable charity | Nurture staff to be proud of what they do |
| Improved mental and physical health and wellbeing   | <b>X</b>                            |                    |                                |                  |                              |   |
| Enhanced learning opportunities                     | <b>X</b>                            |                    |                                |                  |                              |   |
| Increased economic benefits to the Scottish Borders | <b>X</b>                            | <b>X</b>           | <b>X</b>                       |                  |                              |   |
| Enhanced partnerships, pathways and access          | <b>X</b>                            | <b>X</b>           | <b>X</b>                       | <b>X</b>         | <b>X</b>                     |   |
| Stronger communities                                | <b>X</b>                            | <b>X</b>           | <b>X</b>                       | <b>X</b>         | <b>X</b>                     |   |
| Increasingly effective operations                   | <b>X</b>                            | <b>X</b>           | <b>X</b>                       | <b>X</b>         | <b>X</b>                     | <b>X</b>                                  |

3.3 A range of Key Strategic Indicators (KSI) has now been developed under the 6 strategic goals, along with a range of financial measures and the first performance report using these measures is presented at **Appendix 1**.

Where possible, comparisons have been made with 2017/18, but a number of indicators are new and therefore no data is available for comparison purposes.

- 3.4 KSI 16 (Communicating our charitable objectives) is a new indicator. It is proposed that Live Borders uses a response to the question "*are you aware that we are a charity?*" in a quarterly independent online survey (already conducted to give the Net Promoter Score, included in performance reporting for 2017/18). It should be recognised, however, that Live Borders is at the very beginning of a process of communicating charitable purpose and as a consequence, a modest target of 60% is proposed.
- 3.5 As reported to the Live Borders Board, Q1 sports participation data was not complete due to a reporting issue within the Gladstone system (used to register and record attendances at all sports centres). The reporting issue has now been resolved and 2017/18 data has been calculated on a comparable basis.

## 4 PERFORMANCE

- 4.1 **Appendix 1** presents a range of information for each of the KSIs including why the indicator is important, a performance gauge (based on set criteria presented within Appendix 1), an annual target (approved by the Board), Q2 actual performance, Q2 compared to the same time last year and a forecast position based on green, amber or red (defined within Appendix 1). Appendix 2 presents a range of case studies to showcase the work being done across Live Borders and the impact that it is having on people's health and well-being in the Scottish Borders.

- 4.2 Key successes during Quarter 2 included:

**Sport Active Membership** - strong performance compared to Quarter 2 last year. Live Borders has now moved to 12-month membership contracts to improve customer retention. In Quarter 1, there is historically a dip in membership and some members were lost during the switch over this year (20%) to DFC (the external company who manage Live Borders' 12 month contract terms). Through campaign work and reinvestment (4 refurbished gyms), Live Borders is working hard to secure new members.

**Health Referrals:** There is a clear growth trend in health referral programmes. Awareness amongst health referrers and general public is greater, leading to higher demands. While health referral numbers are increasing, the level of need (approximately 6,000 people in the Borders with diabetes, plus unknown number with long-term health conditions) is significantly higher than the current demand via referrals (157 during Q2) so there is still work to be done.

**Net Promoter Score:** NPS is an indicator that measures the willingness of customers to recommend Live Borders services. It is used as a proxy for gauging overall customer satisfaction and is an index ranging from -100 to +100. Continual improvement to levels of customer service is core to service delivery and can be seen since last quarter, with the target of 34 now being achieved. Positive scores have been achieved across sport facilities, libraries and museums.

#### 4.3 Key challenges during Q2 included:

**Sport Participation:** membership numbers are lower than target, affecting total participation. However, non-member participation is showing a steady performance trend. Quarter 2 weather (July to Sep) was exceptional and was the hottest on record. This has had an impact on “wetside” activity, and combined with a delay in opening the new soft play at Teviotdale Leisure Centre, has resulted in a red indicator for Quarter 2.

**Culture Participation:** overall this is down by 23k visitors compared to the same time year. In 2017/18, Old Gala House had a major touring exhibition “Warhol to Walker American Prints” and associated schools/education project from the British Museum which accounted for higher footfall in 2017-18. The Jim Clark Room closed in May 2018 for redevelopment resulting in a negative impact on visitor numbers. In addition, when Wilton Lodge Park was undergoing development work, visitors to the park area entered the museum. With the park café now open, this audience is not presenting to the museum.

**Participants involved in multiple activity:** this is a new indicator to show Live Borders’ ability to engage participants across the services. This indicator is below target and further work is required around communicating multi-activity and to track this GDPR and the ability to cross-sell services has also had an impact on achieving this target. Further work is required in Quarter 3 to engage users in multi-activity.

**Staff Absence:** The number of long term absences increased this Quarter, however, these have been managed through processes and all have returned to work or left on grounds of capability. Absence continues to be monitored monthly with early appropriate action taken.

**Energy Consumption:** consumption *year to date* is behind target due to unexpectedly high Quarter 1 figures, which has indicated a need for improved awareness amongst staff in relation to energy usage. Quarter 2 performance was much stronger and consumption was 3.5% below target for the Quarter and 8.5% below usage for same Quarter last year. Live Borders has agreed a joint Energy Efficiency Programme with SBC. Data has been gathered and analysed to identify key opportunities and delivery has been planned in 2 phases, between December 2018 and October 2021.

## 5 FINANCIAL PERFORMANCE

5.1 **Earned income as a % of turnover** - Managers continue to strive to generate income and be less reliant on SBC’s management fee. However, it has taken longer than anticipated to penetrate some new markets for income generation in Halls, Harestanes and café provision. Shifting staff focus to earned income is taking longer and also positioning Live Borders in the day/overnight visitor market is at an early stage, a market crucial to growth. Even with these challenges, Live Borders is generating earned income above target, at 49%.

**Surplus/Deficit:** -£97k deficit against target of +£6k. Some decisions on additional earned income and operational changes have proved difficult to achieve operationally. Programmes are now starting to take shape and will be dealt with in future year budget planning. The exceptional summer weather did impact on Live Borders' income. With appointment of a new member of staff, the Halls programming continues to develop, however, it will take time to establish a presence in this market.

## **6 IMPLICATIONS**

### **6.1 Financial**

There are no costs attached to any of the recommendations contained in this report.

### **6.2 Risk and Mitigations**

As specified in the agreed Performance Management Framework, a Live Borders/SBC Joint Officers Group meets quarterly to discuss performance and financial information and agree actions that need to be taken in order to maintain or improve performance. On an ongoing basis, Live Borders uses SBC's agreed approach to identifying and managing risk.

### **6.3 Equalities**

N/A

### **6.4 Acting Sustainably**

The outcomes specified within SBC's contract with Live Borders and the strategic goals within the Live Borders strategic plan are focussed on creating a sustainable Integrated Trust, focused on improving the health and wellbeing of people in the Scottish Borders, as well as contributing to the local economy. By monitoring performance on a regular basis and across a number of key areas, the Joint Officers Group is well placed to ensure future sustainability - socially, economically and environmentally.

### **6.5 Carbon Management**

There are no effects on carbon emissions as a result of the recommendations in this report.

### **6.6 Rural Proofing**

N/A.

### **6.7 Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to be made.

## **7 CONSULTATION**

7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR, the Clerk to the Council and Communications have been consulted and any comments received will be incorporated into the final report.

7.2 Senior Managers within Live Borders have been consulted.

**Approved by**

**Name**  
**Philip Barr, Executive Director**

**Signature .....**

**Author(s)**

| Name          | Designation and Contact Number           |
|---------------|--|
| Sarah Watters | Policy, Performance and Planning Manager |

**Background Papers:** Performance Management Framework for the Integrated Sport and Culture Trust

**Previous Minute Reference:** Executive Committee, 8 March 2016; Performance Report- Executive Committee Sep 4, 2018

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Sarah Watters can also give information on other language translations as well as providing additional copies.

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