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## LIVE BORDERS PERFORMANCE REPORT 2018 – 19

### (ANNUAL SUMMARY AND DATA FOR QUARTER'S 3 & 4 2018/19)

#### **Report by Executive Director**

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#### **Executive Committee**

**20 August 2019**

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

- 1.1 **This report presents a high level summary of Live Borders' performance during 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.
- 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 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 (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:

Contract Outcomes	Live Borders Strategic Goals					
	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	X					
Enhanced learning opportunities	X					
Increased economic benefits to the Scottish Borders	X	X	X			
Enhanced partnerships, pathways and access	X	X	X	X	X	
Stronger communities	X	X	X	X	X	
Increasingly effective operations	X	X	X	X	X	X

- 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; these measures are 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.

## 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), actual performance, quarterly performance compared to the same time last year. The 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 the year included:

**Active Membership:** Strong performance continues throughout the year with growth of 9% over the 12 month period. This has been supported by the move to 12-month membership contracts and refurbishment of 4 of gyms in late 2018.

**Other sports membership:** There is a mix of membership types covered in this category. The introduction of a successful hockey development programme has contributed greatly to the increase. In addition, growth of 15% in the gymnastics and mini programme has been seen over the year.

**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.

- 4.3 Key challenges during the year included:

**Participants involved in multiple activity:** this was a new indicator to show Live Borders’ ability to engage participants across the services. While this remains a key focus of our marketing activity, the measure currently looks at the data we hold for One Club and Library membership as this is the data held for unique participants. GDPR also had an impact on our ability to push promotional materials, as individual positive consent is required. No individual data is recorded for visits to other services, e.g. Museums, Harestanes, and Towermill. As we develop our online capacity, we may review this. Meantime we will continue to drive our marketing activity and seek to develop and engage new audiences.

**Staff participation in sport activity:** We are not capturing staff participation in any other area of the business, or staff engagement in the 50 day challenge and step count challenge. Staff engagement is a key focus of the HR work plan in 2019/20 and we will seek to develop meaningful indicators as part of this process that starts with a staff engagement survey.

**Energy consumption:** A disappointing increase in consumption. An organisation wide focus on energy consumption is required to ensure greater control. This will ensure unnecessary energy consumption is minimised. As part of this focus, internal energy monitoring systems put in place which will enhance the organisation's ability to manage energy usage more effectively and investment, through the Non Domestic Energy Efficient Fund will start in 2019/20.

## 5 FINANCIAL PERFORMANCE

- 5.1 **Earned income as a % of turnover:** Strong growth in membership income and increasing income from events were positive and balanced the underperforming budget areas of swimming and pitch hire.
- 5.2 **Surplus/Deficit:** Services supported by the Service Provision Agreement were £46k behind budget in the full year, with income from other activities (Trifitness) supporting this work. The operational position was behind budget, as a result of some very challenging income targets set in 2018/19. However, the delay in implementation of job evaluation and one-off funding in 2018/19 has allowed us to return a surplus. The surplus allows us to meet our reserves policy.  
Staffing was managed within budget for commercial services with the under-spend largely in Managed Services (£47k/2% of budget) as a result of vacancies.
- 5.3 Overheads were significantly overspent on utilities (£112k/12% of budget), partly as a result of changing contract but consumption was high across a number of sites. Plans are in place to improve analysis (see 4.3) and usage in the new year through capital spend, actively managing pool plant, and staff engagement including starting a "green team" to drive more sustainable behaviour across all areas of the business.
- 5.4 While income is below budget, it has improved (£300k) from prior year. Income in our facility hire has been challenging as our events programmes embeds and we reach new markets (25% behind budget target of £238k).  
Learn 2 numbers have fallen across all sites (7% behind target number and 6% behind budget), it is anticipated that implementation of the new Scottish Swimming framework will reverse this trend. Pool admissions in 2018-19 were 17% higher than previous year at 354k, a 51k increase.
- 5.5 A good performance was achieved against our donations income which increased from £4k to £30k, this was largely due to the work in our museum service to proactively engage with customers and promote our charitable status.

## **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**

(a) 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 continuing to the local economy. By monitoring performance on a regular basis, and across a number of key areas, the Joint Officer 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**

(a) n/a.

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

(a) 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, Communications and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.

**Approved by**

**Name** ..... **Signature** .....

**Philip Barr, Executive Director**

**Author(s)**

Name	Designation and Contact Number
Linda Ross	Director of Business Development, Live Borders

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

**Previous Minute Reference:** Executive Committee, 8 March 2016; Performance Report- Executive Committee Feb 12, 2019

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

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