

Live Borders Strategic Review

Interim Report – 9th June 2023

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Executive Summary

Across all Local Authorities, and their relevant Trusts, there has been significant budgetary challenges, with resultant reduction in available finances, and for many, including Scottish Borders Council, a resulting reduction in the management fee paid to the Trust. Further, there are critical challenges around increasing energy costs, rising minimum wage, and the impact that the cost-of-living crisis is having on service users and customers. In addition, the consumption of sports, leisure and culture has changed in nature for many people following the Covid-19 pandemic, and with the changes in technology.

The cumulative result of the above, is that Live Borders and Scottish Borders Council cannot continue to deliver their Culture, Sports, and Leisure provision sustainability in its current form without increasing the levels of investment. This furthers re-enforces the previous work around Service Redesign (2021) and the Kit Campbell 2011 report, both of which strongly pointed to the burden of the aging and broad physical estate.

Scottish Borders Council and Live Borders have commenced a review into the strategic direction of the Trust, its facilities and services, and its formal arrangements with the Council. The review comes at a time of unprecedented financial pressures on Live Borders as well across the entire leisure sector, due to high inflation, fast rising energy costs, a changing picture of service usage post pandemic, an ageing property portfolio and the need to work towards Net Zero targets.

This document provides an Interim Report at the completion of the first phase of the work – namely:

- The undertaking of a desktop review – assessing previous reports, works and strategies.
- The undertaking of sector specific benchmarking – around the current situation and challenges faced by trusts nationally.
- The delivery of phase one engagement activities:
 - Elected Member engagement workshops
 - Live Borders Board Member engagement
 - Live Borders Senior Staff empathy workshops
 - Live Borders Companywide staff survey
 - SBC & LB Staff Facility and Services Survey – As sample of the general public

Informed by the activities above, this report provides a summary of the challenges facing the Trust, the Trusts current performance, market benchmarking, and the summary of the engagement activities.

Most relevant to the review process, this interim report recognises the following key emerging themes, and proposes appropriate phase 2 activities to further engage and refine urgent recommendations. These are further detailed in this report.

Emerging Themes

- Operational Themes
 - Opening Hours
 - Booking Systems
 - Staff Levels
 - Staff & Board - Recruitment, Retention & Training
 - Management & Decision Making
 - Marketing & Promotion
- Strategic Themes
 - Perceived Facility Quality
 - Property Rationalisation
 - Innovation
 - Impact of Energy & Cost of Living

- Forward Thinking Investment – Hubs

Proposed Phase Two Activities

- Visual Facility Audit
- Online Public Survey
- Community Engagement Workshops
- Key Stakeholder Discussions
- School and Young People Engagement

Introduction & Background

Aim & Scope of The Review

The Local Government and Planning (Scotland) Act 1982 - revised in 2016 - states “a local authority shall ensure that there is adequate provision of facilities for the inhabitants of their area for recreational, sporting, cultural and social activities”. In order to effectively deliver a range of Sports, Cultural and Leisure Services, Scottish Borders Council created Live Borders in 2016 as an Arm’s Length External Organisation (ALEO), operating to deliver the relevant facilities and services in line with a Service Provision Agreement. Notwithstanding the findings of the 2017 Barclay report, this governance model, common across Scotland, allows savings and efficiencies around rates, staff structures and external funding, as well as greater focus and flexibility within the sector.

Scottish Borders Council and Live Borders, in partnership, are responsible for delivering a broad range of valued culture, sport and leisure and community services across the Scottish Borders. Recognising the challenges facing the Council and the Trust, it was agreed that a joint review would be undertaken in relation to the funding and strategic direction of activities and services.

The scope of the joint strategic includes:

- Reviewing and developing our shared strategic vision.
- Reviewing the scope and range of services provided through the partnership.
- Reviewing how, and where, services are delivered by progressing work on Service Redesign as set out in a joint report to Council in June 2021.
- Reviewing our joint working arrangements.
- Updating and agreeing our Service Provision Agreement in line with the above.
- Undertaking building energy surveys of Live Borders Swimming Pools and facilities.

Live Borders

The Live Borders Trust arrangements were originally established in 2003 (with the formation of Borders Sports and Leisure Trust). The services delivered have been expanded over the years, including the addition of Cultural and Community services in 2016, community sports provision at a number of high school campuses and the addition of the Great Tapestry of Scotland in 2020. They are the culture, sport, and leisure charity trust for the Scottish Borders, with a central commitment to make communities healthier, happier, and stronger.

Currently, Live Borders delivers a wide range of services and facilities across the region, including:

- Active Schools
- Archives
- Arts & Creativity
- Community Access to School Facilities
- Concerts & Live Events
- Community Centres
- Leisure Centres & Gyms
- Museums & Galleries
- School Holiday Programmes
- Sports Development
- Swimming Pools
- Synthetic Pitches
- Town Halls
- Visitor Attractions (including the Great Tapestry of Scotland)

The Trust currently receives an annual management fee from Scottish Borders Council to deliver this range of services in line with the 2016 service provision agreement. In addition, a further payment is agreed with the Scottish Borders Council to meet the operating deficit of the Great Tapestry of Scotland.

Through bookings, memberships and other commercial activity, the Trust currently has a turnover of £10.775m (FY2022/23). As a result of unprecedented financial challenges, further financial support has been

provided by the Council, and the proposed reduction in management fee has been reversed for 2023/24 pending this review.

Benefits of A Trust

The development of Arm's Length Organisations such as leisure Trusts has been a common process and undertaking across Scotland and the rest of the UK recognising several potentials benefits and savings for a local authority.

- Rates Relief** – Where a local authority pre-Barclay has created and arm's length organisation with charitable status(Trust) to manage and operate the council's leisure facilities and services, the Trust will receive exemption from paying the Non-Domestic rates on the buildings it manages. For Scottish Borders this achieves **an annual year-on-year saving of £1.3 million**. The following table shows the current rates saving as a direct result of operating buildings through a Trust.

Teviotdale Leisure Centre	Teviotdale Leisure Centre	£155,890
Gytes Leisure Centre	Gytes Leisure Centre	£103,911
Great Tapestry of Scotland		£90,652
Eyemouth Leisure Centre	Eyemouth Leisure Centre	£55,544
Galashiels Swimming Pool	Galashiels Swimming Pool	£53,972
Kelso Swimming Pool	Kelso Swimming Pool	£45,990
Peebles Swimming Pool	Peebles Swimming Pool	£44,202
Heart of Hawick - Operations	Heart of Hawick - Operations	£42,255
Selkirk Leisure Centre	Selkirk Leisure Centre	£39,858
Halls - Tait Hall, Kelso	Halls - Tait Hall, Kelso	£38,836
Halls - Victoria Hall, Selkirk	Halls - Victoria Hall, Selkirk	£38,836
Halls - Town Hall, Hawick	Halls - Town Hall, Hawick	£32,410
Community Centres - Langlee, Galashiels	Community Centres - Langlee, Galashiels	£32,277
Heritage Hub	Heritage Hub	£32,193
Museums - Hawick Museum	Museums - Hawick Museum	£31,938
Libraries - North Bridge Street, Hawick	Libraries - North Bridge Street, Hawick	£29,631
Hawick 3G/2G Pitches	Hawick 3G/2G Pitches	£28,872
Melrose 3G	Melrose 3G	£28,872
Community Centres - Focus Centre, Galashiels	Community Centres - Focus Centre, Galashiels	£27,594
Museums - Borders Textile Townhouse, Hawick	Museums - Borders Textile Townhouse, Hawick	£26,317
Halls - Volunteer Hall, Galashiels	Halls - Volunteer Hall, Galashiels	£23,904
Libraries - Admin Library HQ	Admin	£21,663
Queens Leisure Centre	Queens Leisure Centre	£20,916
Community Centres - Abbey Row, Kelso	Community Centres - Abbey Row, Kelso	£20,443
Halls - Old Gala House, Galashiels	Halls - Old Gala House, Galashiels	£19,920
Jim Clark Museum (Project)		£19,173
Libraries - Lawyers Brae, Galashiels	Libraries - Lawyers Brae, Galashiels	£18,924
Community Centres - Eyemouth	Community Centres - Eyemouth	£15,936
Halls - Memorial Hall, Innerleithen	Halls - Memorial Hall, Innerleithen	£15,861
Tweedbank Bowling Centre	Tweedbank Bowling Centre	£15,563
Museums - Castle Jail, Jedburgh	Museums - Castle Jail, Jedburgh	£15,314
Community Centres - Southfield, Duns	Community Centres - Southfield, Duns	£15,264

Halls - Town Hall, Jedburgh Halls - Town Hall, Jedburgh	£15,189
Libraries - Chambers Institute, Peebles Libraries - Chambers Institute, Peebles	£13,073
Community Centres - Tweedbank Community Centres - Tweedbank	£12,201
Museums - Mary Queen of Scots, Jedburgh Museums - Mary Queen of Scots, Jedburgh	£11,454
Libraries - Ettrick Terrace, Selkirk Libraries - Ettrick Terrace, Selkirk	£10,109
Community Centres - Argus Centre, Selkirk Community Centres - Argus Centre, Selkirk	£9,761
Halls - Public Hall, Stow Halls - Public Hall, Stow	£8,615
Libraries - Market Square, Melrose Libraries - Market Square, Melrose	£8,516
Halls - Ormiston Hall, Melrose Halls - Ormiston Hall, Melrose	£8,317
Heart of Hawick - Café Heart of Hawick - Café	£7,819
Halls - Burgh Hall, Peebles Halls - Burgh Hall, Peebles	£7,719
Community Centres - Newtown Community Wing Community Centres - Newtown Community Wing	£7,221
Museums - Municipal Buildings, Selkirk Museums - Municipal Buildings, Selkirk	£6,723
Halls - Corn Exchange, Melrose Halls - Corn Exchange, Melrose	£6,325
Museums - Coldstream Museum Museums - Coldstream Museum	£6,175
Museums - Halliwells House, Selkirk Museums - Halliwells House, Selkirk	£5,926
Halls - Public Hall, Lauder Halls - Public Hall, Lauder	£5,279
Selkirk Caravan Park Selkirk Caravan Park	£4,482
Halls - Graham Institute, West Linton Halls - Graham Institute, West Linton	£3,685
Community Centres - Newcastleton No. 8 Centre Community Centres - Newcastleton No. 8 Centre	£3,088
Museums - Sir Walter Scott's Courtroom, Selkirk Museums - Sir Walter Scott's Courtroom, Selkirk	£2,988
Libraries - Manse Road, Eyemouth Libraries - Manse Road, Eyemouth	£2,839
Eyemouth Studio	£2,191
Museums - St Ronan's Wells, Innerleithen Museums - St Ronan's Wells, Innerleithen	£747
	£1,373,368

- **Cost & Management Efficiency** - By establishing an arms-length organisation, local authorities can introduce more streamlined and efficient management structures, which may lead to cost savings in terms of administrative overheads and staffing. Often, a Trust can implement more effective procurement processes and negotiate better deals for goods and services, resulting in potential cost savings.

Further, the Trust's dedicated management team can focus on financial management, revenue generation, and cost control measures, leading to improved financial efficiency.

- **Access to Funding and Investment** - An arms-length organisation may have greater flexibility in accessing external funding and investment opportunities compared to a local authority. This can include securing grants, sponsorships, and partnerships, which can contribute to financial savings by reducing reliance on public funds.

The Trust can explore revenue-generating opportunities through commercial ventures, such as facility rentals, partnerships with private operators, or sponsorship arrangements, generating additional income for the Trust and reducing the burden on the local authority's budget.

- **Increased Operational Flexibility** - An arms-length organisation can operate with greater flexibility and agility compared to a local authority, allowing for more efficient decision-making processes and

adaptability to changing circumstances. This flexibility can lead to operational improvements, cost savings through innovative service delivery models, and the ability to respond to community needs more effectively.

Whilst the Barclay Review (2017) suggested that ALEOs should be subject to non-domestic rates, as they were seen as providing unfair competition to private sector businesses, the Scottish Government expressed caution about imposing rates on ALEOs, as it could impact the delivery of essential services and hinder community participation in sport and leisure activities. As a result, the Scottish Government has retained the rates relief for existing Trusts, however notes that new ALEO's will not be provided with the same financial benefit, and as such Scottish Borders Council will not have a further opportunity to benefit from the development of a new Trust.

Key Previous Work

In undertaking this study, there is recognition of several previous reports undertaken in relation to Live Border, and their services and facilities. These reports have been considered as part of this work, to provide context around recommendations and proposals.

Kit Campbell Report

In 2010 Kit Campbell Associates completed a Sports Facilities Strategy for the Council. This was a significant report, however a key message within it needs to be reiterated as the Council and Live Borders move towards the future service delivery plan. The Report states:

"We therefore conclude that the Borders needs substantially to re-invent its pattern of provision. It can adopt one of two mutually exclusive strategic directions:

- (1) Continue with the Status Quo:** two key factors have driven the planning of sports provision in the Borders. The first is the determination of local communities to stand up for their own interests, sometimes while taking little or no notice of wider considerations.

Given the state of sports provision in the Borders, and the looming severe constraints on public expenditure, the approach currently undertaken is no longer tenable and will simply impoverish everyone as the Council is forced to manage decline in its major built sports provision.

- (2) Think strategically:** this means concentrating on getting the big decisions right and adopting a set of policies that will guide all subsequent decisions. The Council is already committed to this approach and should make a conscious decision to move away from "It's ay been".

Within its theme of Developing facility provision and community access, the SHAPE strategy states that the Council should abandon its implicit policy of ensuring that each of the main settlements has its own indoor sports provision and aim to deliver a network of strategically sited facilities over the next decade."

We fully endorse the findings of the Kit Campbell Report and elected members now need to further endorse that the Status Quo is not an option, and that rationalisation of facilities will be part of future service delivery.

Service Redesign Work

The Service Redesign work is rooted in the Fit for 2024 Programme as agreed by the Council in February 2019, and the Live Borders Strategy (2018-2023). The Service Redesign report set out the challenges and opportunities facing both SBC's Customer Advice and Support Service (CASS) and Live Borders in aligning services with rapidly changing customer needs and expectations.

This report was drafted jointly with Live Borders as the Council's Strategic Partner in the delivery of Culture and Sport services. The report recognised that both organisations face many of the same challenges in terms of how services are developed and sustained at a time of unprecedented change and also recognises the interconnectedness of both current service delivery arrangements and future redesign opportunities.

The case for service redesign is built around 8 shared redesign principles:

- Community Engagement and Participation
- Meeting customer needs and expectations
- Improving and simplifying services and service access
- Sustainability
- Equality of access
- Alignment with local and national strategy
- Making the most of investment – including external Place-Based funding opportunities
- Sustainable recovery following the Covid-19 pandemic

This report concluded a number of recommendations around Service Redesign across the various services offered by Live Borders, including the idea of concentrating activity, investment, and footfall in community hubs where possible.

Live Borders Strategic Plan 2018-2023

The 2018-2023 Strategic Plan sought to map the direction of travel for Live Borders following its initial years of operation. The plan highlighted the organisations strengths (their people, the spread of services and locations, and the breadth of culture assets) and noted challenges (in particular the ageing estate, the wide portfolio of activity, service delivery obligations, and their promotion of charitable status). At a strategic level, this plan identified the key context within which the organisation was working. Recognising the importance of health, wellbeing, community safety, neighbourhood, and community. This strategy highlighted the alignment with key policies and organisations such as Active Scotland, Creative Scotland, and the Community Planning Partnerships.

Situational Assessment – Live Borders

Key Performance Indicators

The following key highlights are from the report of Live Border's 2022-23 performance as presented to the Council in May 2023.

- Throughout the previous 12-months, memberships have remained a significant challenge both in terms of the volume of members and member retention (e.g.) the 'One Club' membership which covers gym, swim & classes ended the year down on target and at only 66% of pre-pandemic membership levels. Learn 2 membership (swimming tuition) grew steadily throughout 2022/23 but is 20% below target and down on pre-pandemic levels. This has not been helped by the prolonged closure of Peebles Swimming Pool.
- Teviotdale Leisure Centre and Gala Swimming Pool performed well, but as outlined above, the unpredictability of external cost factors remains a significant challenge – as does the upkeep, refurbishment and replacement plant requirements in our leisure centres and swimming pools. The facilities we operate are aged and require significant capital investment.
- Active Schools continues to show strong performance with good engagement across clusters in extracurricular delivery; and Sports Development participation rates are now back above pre-pandemic levels.

- The Library service is recovering well, with physical visitors steadily increasing and visitors using our digital resources increasing significantly. Museums visits are strong and the use of our Halls estate has been positive.
- The Live Borders Marketing Team has focused on working with services to maximise customer engagement, and conversion. The Libraries marketing campaign continues to deliver, particularly in digital services. A new Live Borders app is planned for Q1 2023/24 which will broaden marketing reach.
- A Fundraising Officer has been recruited to ensure that the business can continue to source and secure external funding opportunities such as Scottish Government Chronic Pain funding.

The following table outlines the Trust performance in 2022/23 against the Key Service Indicators. Further detail around a number of Key Service Indicators (KSIs) are provided around a number of services in Appendix One.

Key Service Indicator	Actual	Target	RAG
KSI 1A: Sports Participation	1,076,000	1,108,879	Green
KSI 1B: Cultural Participation	368,677	269,435	Green
KSI 2: Sports Membership	2,283	2,566	Yellow
KSI 3: Learn2 Membership	2,009	2,508	Red
KSI 4: Other Membership (Sport)	310	490	Red
KSI 5: Library Membership	10,719	12,500	Yellow
KSI 6: Health Referrals	582	600	Green
KSI 8: Income (as % of turnover)	43%	45%	Green
KSI 9: Staff Costs (as % total income less mgt fee)	132%	138%	Green
KSI 10: External Funding	£ 261,000.00	£ 117,000.00	Green
KSI 11: Donations	£ 74,000.00	£ 69,000.00	Green
KSI 13: Net Promotor Score (NPS)	30	45	Red
KSI 14: Staff trained in customer excellence	78%	90%	Yellow
KSI 15: Retention of members	49%	80%	Red
KSI 16: Communicate charitable objectives	77%	70%	Green
KSI 18: Staff absence rate	2.30%	4%	Green
KSI 19: Staff turnover rate	4.20%	12.70%	Green
KSI 20: Number of volunteers	2,210	1,755	Green
KSI 22: Financial surplus / deficit	£ (574,000.00)	£ (816,000.00)	Green
			Yellow

KSI 23: Cost per attendance Sport	£	9.37	£	8.55	
KSI 24: Cost per attendance Libraries	£	3.75	£	6.01	
KSI 25: Cost per attendance Museums	£	15.68	£	16.45	

Challenges Facing The Trust

Discussions with the senior management and Board at Live Borders have noted the serious position that the Trust faces, with the current operational set up critically unsustainable. Without substantial changes to the income or the costs facing the organisation, **it is predicted that available funds and existing reserves will run out within the next financial year.**

The following summary of challenges (both internal and external) provide an understanding of the Trust's position.

External Challenges

Like many organisations, both in the public and private sectors, Live Borders faces a perfect storm of external challenges over which they have no control. Each of these challenges has impact on the customer base, and the organisation, impacting on both the income and expenditure of the business.

Energy Costs – Just as households are facing the challenges around rapidly increasing energy costs, leisure trusts face the same volatile pricing market, without the security of price caps or support. In particular, facilities that have high energy use – i.e. Swimming Pools are facing substantial increases in energy overheads to heat and operate 6 swimming pools.

Cost of Living – Nationally, the public are facing an increase in cost of living, comprising increases in food, energy bills, mortgages costs and fuel. As a result, many individuals and households are forced to make decisions on spending, acknowledging a significant reduction on disposable income, and the ability to spend on leisure. Where savings need to be made, many people are cancelling memberships and subscriptions, and looking to lower cost or free activities in relation to leisure and exercise. In addition, the capacity for customer to provide additional revenue in catering, retail and add on sales has reduced.

Interest Rates – The last few months has seen a significant increase in interest rates, and whilst these have steadied out, they are forecasted to remain higher than previous years for some time. The result of this is twofold – firstly, customers are faced with increases in their mortgage prices, and tighter household budgets, and second, local authorities, trusts and organisations are faced with higher borrowing costs, and therefore reduced capital for investment across facilities.

Minimum & National Living Wage – Increases in the minimum and national living wage have increased the cost of front-line staffing across all sectors, with sports, leisure, and culture organisations requiring to meet the costs in the context of reduced income. Further to the increase in costs, these increases have resulted in lower differentials between the lower and higher bands of wages across industries, reducing the attractiveness of middle management and skilled roles. In addition, the reduction in differentials increases competition in the employment section with similar rates of pay available across local supermarkets, shops etc.

Trending Towards Net Zero – All organisations have a duty to target carbon net zero across their operations. This has become an increasing priority across society, and with the Scottish Government leading on progress, there will be greater legislative requirements in the coming years. As such, any development, improvement, and investment in Live Borders' facilities will require to focus on improved energy efficiency, reduced emissions, and limiting the environmental impact. Whilst this may also benefit the Trust in terms of energy costs, the capital cost associated is significant, relating to the older buildings within the Trust's managed property portfolio.

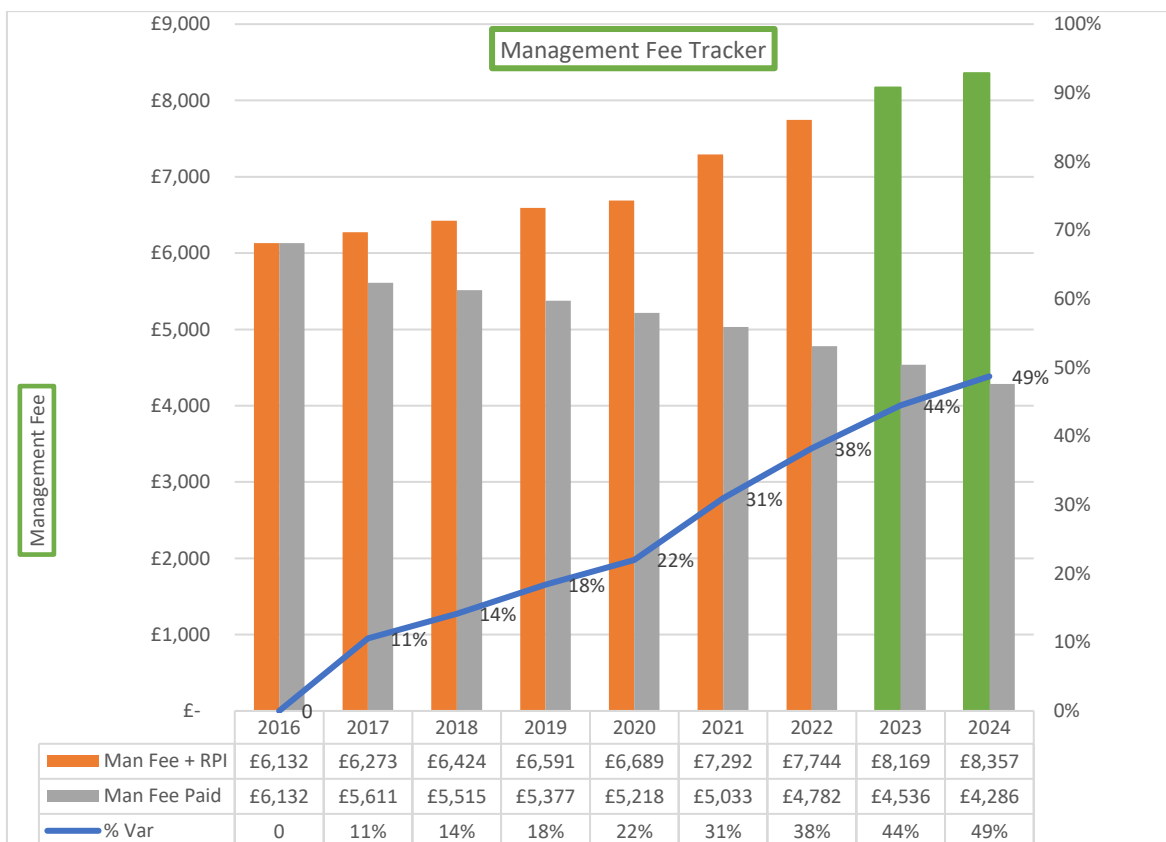
Commercial Competition – With a particular focus on the sports, leisure and fitness offering, the community engagement and discussions with the Trust has identified an increase in commercial competition with larger branded gyms, and smaller local organisations increasing the offering available to customers. With limited resources to invest and improve some of the gym spaces across the current buildings, there is a risk of losing customers to “newer” and more up to date facilities elsewhere.

Internet Use & Technology – Internet access and the availability of information, including tablet, phone and streaming services continues to impact the popularity of traditional information services including libraries. Figures for the years leading up to the pandemic demonstrate a decline in library attendance, offset with an increase in the electronic library services. Further – the engagement demonstrates a desire towards effective online booking systems and customer service channels. This trend creates a need to consider the functions of physical services such as libraries, service points etc.

Budgetary Challenges

All of the above challenges have significant impacts on both the income and expenditure streams within Live Borders, ultimately reducing the financial sustainability of the organisation. The acceleration of many of these challenges in the recent months has now put the Trust on an unsustainable footing – in particular around the cost of energy, and whilst additional funds have been provided by Scottish Borders Council to alleviate this, the challenge is ongoing, and a review of the existing relationship and funding should be considered to ensure the required services can continue to be offered.

The graph below highlights the Management Fee paid by Scottish Borders Council, acknowledging a year- on-year reduction mapped against what the fee would be paid if RPI was applied annually.



Facility & Estate Challenges

From the assessment of previous reports, and through feedback from the recent engagement activity, there is evidence that the Trust is managing a property portfolio in decline. Noting the state of repair, and required investment within some properties, there is a real need to consider the Trusts ability to operate its services and activities more effectively and efficiently. This will include reviewing what facilities are no longer fit for purpose and what their future might be. The Council as landlord has a key role to play in this process.

Consultation with the senior staff, board trustees, and the local elected members has suggested that this should be a primary concern of the review moving forward, noting also that the previous studies made similar recommendations to reduce the overall number of leisure buildings, however no action has thus far been taken in this regard.

Whilst there is a desire to retain the services and activities offered by the Trust, the second phase of this work must critically assess where property rationalisation is essential, what options exist for less than fit for purpose buildings, and where options might be created for moving services to more shared spaces, and 'under one roof' offerings such as Hubs.

In developing a longer-term strategy – the development of local hubs, and the identification of best value investment in facilities should ensure that the public is best serviced across sports, culture, and leisure, whilst creating a more sustainable footing from which the Trust, and the Council, can prosper.

Market Assessment – Context & Benchmarking

The Community Empowerment (Scotland) Act 2015 places a duty on local authorities to promote the well-being of their communities, including facilitating access to and participation in sport and physical activity. It encourages local authorities to work collaboratively with community bodies and stakeholders to enhance the provision of leisure facilities and services.

The Public Health etc. (Scotland) Act 2008 aims to improve public health and well-being, including promoting physical activity and healthy lifestyles. It empowers local authorities to develop and implement strategies to promote physical activity and reduce health inequalities.

Association for Public Service Excellence (APSE) State of The Market Survey 2021

APSE conducted an online survey between August and September 2021 in which a series of questions were asked covering a range of issues of interest to those officers, managers, and councillors responsible for Sports and Leisure services. Some of the key findings of this report are listed below:

- 83% expect the workload of the leisure section to increase over the next 12 months.
- 38% of note that staff absence levels are 'slightly above average' or 'too high'.
- 74% have difficulty recruiting lifeguards.
- 73% of respondents with difficulty recruiting instructors
- 31% of respondents with difficulty recruiting technical / managerial staff
- 55% expecting the leisure budget to either decrease or decrease substantially.
- 50% of respondents expecting reductions in Council subsidy
- 38% of respondents expecting reductions in management
- 33% of respondents expecting reduced opening hours
- 44% of respondents expect that income from charges will increase, with 30% thinking it will stay the same and 26% expecting it to decrease.
- 43% of respondents expect that funding from Health & Wellbeing boards will increase, 52% think it will stay the same, and 5% think it will decrease.
- 39% expect that funding from GP Commissioning will increase, with 50% thinking it will stay the same, and 11% expecting this to decrease.

- 15% expect their funding from direct council budget to increase, 28% expect this to stay the same and 57% expect their direct council budget to decrease.
- 62% of respondents have been commissioned by their local Health Board to provide GP referral services, 44% to provide exercise programmes, 34% to provide weight loss programmes, 8% to provide pupil weight and measurement services and 2% to provide day care services.

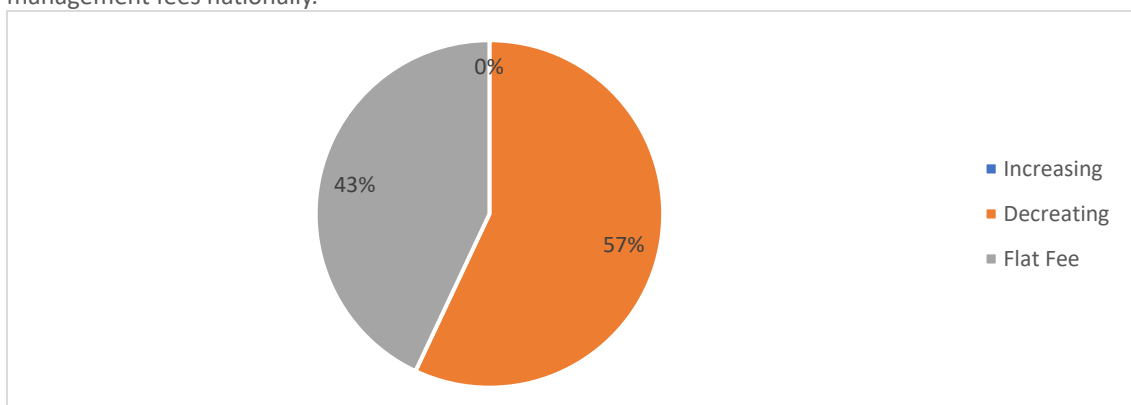
Members were also questioned around potential growth opportunities, and areas where services might be decreased. The key feedback is noted in the table below:

Growth Opportunities (Increasing Demand)	Services for Reduction (Declining Demand)
<ul style="list-style-type: none"> • Online exercise classes and using digital platforms. • Targeted delivery of 'hard to reach' groups. • Swimming lessons • Fitness and gym membership • Commissioned public health interventions. • COVID recovery (e.g., long COVID) • Support for weight loss • Community connecting services. • Non-traditional fitness classes • Gymnastics and cycling 	<ul style="list-style-type: none"> • Indoor sports hall activities and sports outreach activities • Subsidised activities for the retired / disabled. • Traditional gym usage • Café closures or with reduced opening hours • Reductions in staffing in favour of automated booking and payments • Personal training • Areas running at large deficits such as football and swimming. • Older, unused, and poorly maintained sites

Responding members were asked to outline their top three pressures for the current financial year, these are noted below:

1. **People & Pay** - inflation was the most common pressure referenced by members. Others also highlighted recruitment and retention of staff. The other aspect mentioned was the impact of price increases on customers and uncertainty over customer behaviour, with changing patterns since Covid and impacted by the cost of living.
2. **Increased Operating Costs** - This includes utilities (mentioned by 33% of members), general increases in supplies (40% increase in pool chemical prices as an example), as well as maintenance costs for ageing facilities. The management fees are no longer enough to fully support service delivery with increasing levels of deficit, loss of reserves and challenges in the recovery of income streams post-Covid, particularly trading and events and lets.
3. **Strategic Planning** - The fiscal cliff edge is in sight for some members and the point at which services become unsustainable is approaching. There is an urgent need to develop plans to reshape services for future anticipated reductions and to work with local authorities to strategically plan.

Across Scotland (from the APSE State of the Market Report) the following chart shows the situation around management fees nationally.



Community Leisure UK – Scotland

Based on feedback from members in March 2023, Community Leisure UK recognised that the landscape in Scotland is increasingly challenging, with many of the risks previously highlighted now credible and impacting on Trusts and services.

In particular, the report notes the following key statistics and findings:

- For 2023-24, 50% of members who receive a management fee from their Authority have received a flat fee, which represents a real terms reduction. The remaining 50% have received a reduction in their management fee ranging from 5% to 33%.
- The majority of Covid and cost of living additional support for trusts has stopped, making the reduction in local authority funding more acute than reductions in management fees alone.
- The impact of the increase (9.7%) in the National Living Wage is challenging for Trusts as for many this will apply to a large proportion of frontline staff - approximately 60-70% of the workforce.
- The living wage increase will, in turn, impact pay awards for other salary bands, reducing the differentials and increasing challenges around staff recruitment, retention and satisfaction.
- Many Trusts are implementing reductions in opening hours across libraries, museums, and swimming pools.
- There have also been some facility closures across the country, including community halls, school libraries, a small museum over winter months, a leisure centre and community pool.
- Most Trusts indicated that there are other facilities and services that are subject to review and dependent on financial pressures and discussions with local authorities, there will likely be further closures this financial year.

Local Government in Scotland Overview 2023 - Prepared by Audit Scotland

A report on the Current Landscape for Leisure and Culture Charities in Scotland (November 2022) by Community Leisure UK noted:

“Services were severely affected by the pandemic and future risks are significant. The impact on these services was severe in 2020/21 and into 2021/22 as many facilities closed in accordance with Scottish Government guidelines.

This impact can be seen in lower attendances and increased costs per visit: leisure services and museums saw a partial recovery in 2021/22 but library services saw little rebound. With little resilience in these services owing to long-term funding reductions, future challenges are significant.

A recent survey of leisure trusts suggests a high risk of closures as a result of inflationary cost pressures.”

	Trusts in Scotland Based on 84% return rate	Live Borders
Financial pressures 2023/24-Management Fee	50% had a flat management fee and the other 50% reduction in Management Fee ranging from 5%-33%	CPI at March 2023 was 10.1%. A flat management fee is equivalent to a reduction.
Pay Awards impact of the increase (9.7%) in the National Living Wage	52% of Trusts are meeting these increases 48% are offering 0% - 10% but averaging a 3%-5%	In April 2023/24 Live Borders paid all staff an increase of £1,929. For someone on a salary of £9.90, this increased their salary to an equivalent of the Scottish Living Wage of £10.90. This resulted in a range of pay-rise percentages from 10.1% for

		Grade 1 employees (142 in total) up to 2.2% for Grade 15 employees (1 in total).
Increased operating and utilities costs	Although some local authorities (42%) pay for utilities for their leisure and culture providers, the remaining 58% of members are fully exposed to the variation in energy prices.	Live Borders operates 60 plus buildings including 6 swimming pools (Staffing costs + cost of sales + overheads) was 20% higher for 2022/23 than in 2021/22. A monetary increase of £1.92m
Facilities closure	Most members indicated that there are other facilities and services that are subject to review and dependent on financial pressures and discussions with local authorities, there will likely be further closures this financial year 63% of members are in discussions and planning around the impact of closures	Live Borders recognise that facility closure may be an undertaking that is required to ensure future sustainability. This works commences a joint review between Live Borders and Scottish Borders Council through which any facility rationalisation may be considered. Live Borders has authority or control to close any facility. SBC, as landlord has responsibility and control for decisions on closures.
Customer return rates	Returns have been steadily increasing, with most members reporting 80-90% as compared with pre-Covid figures	For full year 2019/20 (note, the pandemic did have an impact in the final month of the year – March 2020), full year figures were: Sport Participation = 1,261,559 Sports Members (DD) = 3,320 Member Retention = 79% For full year 2022/23: Sport Participation = 1,076,000 Sports Members (DD) = 2,283 Member Retention = 49% Sports Participation: 15% down Sports Members: 31% down

Comparable Examples

Scottish Borders

The challenges facing Live Borders are not exclusive to the Trust in the context of community, leisure, and culture in the Scottish Borders. Within the current financial year (2022/23), financial pressures have had a significant impact on the operating models of all three leisure trusts in the Borders – including Berwickshire Recreation Educational Sports Trust (BREST) and Jedburgh Leisure Facilities Trust (JLFT), which operate the single sites of Duns Swimming Pool and the Jedburgh swimming pool respectively.

Aberdeen City Council

Sport Aberdeen is the ALEO delivering sports and leisure services on behalf of the City Council. Within the last three-to-four-months, Sport Aberdeen has closed facilities in the city due to the pressures faced – in particular from the reducing Council funding. The Trust has taken the decision to close and eventually demolish the Beach Leisure Centre, and Bucksburn Sports Centre, with the Chair of the trust noting:

“Given the scale of financial challenge, coupled with energy price increases, it was made clear that in the event of a significant funding reduction we would be unable to sustain all the services and facilities we operate.”

West Lothian Council

Xcite West Lothian are the ALEO who deliver services on behalf of West Lothian Council. In recent months, due to a number of factors, the Council have decided that three Swimming Pools require to be closed. Four venues, including Xcite Armadale, Xcite Broxburn Swimming Pool, Xcite Livingston and Howden Park Centre, all face closure. West Lothian Leisure has put forward the plans to the Council, in an attempt to address the £1.75m budget shortfall it faces.

The proposals in West Lothian have been met with fierce public opposition, in particular with a perception that limited consultation was conducted on the matter.

Recent press article (<https://www.edinburghlive.co.uk/news/angry-west-lothian-public-challenges-27080706>)

Inverclyde Council

Councillors in Inverclyde have recently agreed a schedule of cuts (circa £4million) with direct proposed impact on sports, culture and leisure in the region. Pending consultation, a number of key considerations around Inverclyde Leisure include the potential closures of some leisure and community facilities and reduced opening times. The full savings proposals, if taken, would mean the loss of 23 jobs and total savings of £712,000. These include:

- The closure of Greenock Sports Centre, Port Glasgow Swimming Pool and Ravenscraig Stadium.
- The closure of the indoor bowling centre and relocation of the strength shed from Greenock Sports Centre
- Reduced opening hours of the Gourock outdoor pool (operating only during summer holidays, on a single shift basis)

Perth and Kinross Council

Live Active are the ALEO operating leisure on behalf of Perth and Kinross Council. Early in 2023 it was announced that the financial pressures may result in the closure of the Trust operated Swimming Pool at the Dewar Centre in Perth.

The Council recognised the expense of operating the facilities and agreed funding of £350,000 and £360,000 respectively in order to keep both facilities fully open during 2023/24, however the future of these sites past 2024 remains uncertain.

Phase One Engagement

Overview & Methodology

From initial discussions around this work, it was agreed that the engagement elements will be delivered in two phases:

- **Phase One:** Engagement of Live Borders and Scottish Borders Council staff
- **Phase Two:** Engagement of Service and Facility Users, Customers, and General Public

The rationale for this phasing centred around several key considerations, namely:

- The nature of the financial and operational pressures on which this work is based dictates the need for an early interpretation and understanding of service delivery issues, challenges, and constraints in order to inform any immediate actions and to plan the community wide engagement required to inform a future strategy.
- The phase one engagement should allow for a quick return on understanding the challenges and in information gathering and provide sufficient feedback for drafting an interim report. This report may support temporary solutions or immediate decisions that protect the Trust's position and help to ensure sustainability.
- The interim results of the first phase of engagement will provide key themes and ideas around which to frame the wider public engagement. Feedback from all relevant staff will allow the second phase to be based in the realms of "feasible" and support the consultants, the Council, and the Trust to ensure that aspirations are not raised where resources may be limited.
- Whilst the internal parties and staff will be engaged on that basis, they will also be users and non-users as defined in the public stakeholder list, and so can be asked questions on this basis to give an initial understanding on the "public view"

This report summarises the findings of the **Phase One** engagement programmes, namely:

- The Elected Member Engagement Workshops
- The Live Borders Trustee Workshops & Written Feedback
- The Live Borders Senior Staff Empathy Workshops
- The Survey of Live Borders Staff
- The Survey of Live Borders & Scottish Borders Council Staff (*as a sample of the general population*)

Integrated Impact Assessment (IIA)

At the outset of this work, an Integrated Impact Assessment has been completed – it was not anticipated that the proposals recommended will of themselves eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity between people who share a characteristic (age, disability, gender re-assignment, trans/transgender identity, marriage or civil partnership, pregnancy and maternity, race groups, religion or belief, sex-gender identity, and sexual orientation) and those who do not, and foster good relations between people who share a characteristic and those who do not.

However, support to Live Borders and the proposed review will assist residents, both those who identify as belonging to an equality group and those who do not, to continue accessing high quality culture, leisure and recreation facilities and service across the Borders.

Moving forward, the existing IIA has been managed as a live document that will be reviewed as an ongoing brief. This will help to shape and inform further community wide engagement, to ensure the most effective reach, and ultimately to allow the Trust and the Council to demonstrate accessibility and transparency in all elements of the process and outputs.

Elected Member Engagement

The involvement of the Elected Members was identified as key to this work, with a need to engage them throughout the process. As part of the Phase One activities, three Elected Member sessions were held, with 28 members in attendance (from a full roll of 34 members).

The Members were further informed of the review and the project, appraised of the current challenges, then invited to provide feedback and comment around the following key questions:

- What are the biggest challenges currently facing in the Trust?
- How do you think these could be resolved or improved?
- What do you see as barriers to improving or developing services or facilities?
- Do you see any opportunities where Live Borders can improve customer service or offerings in the services and facilities that they offer?
- Do you see any opportunities where Live Borders can improve efficiency and effectiveness in the services and facilities?
- How would you review the Service Provision Agreement? In your view, what changes are needed?

The feedback from the Elected Members has been compiled in a separate report, but the following key themes / points are highlighted:

- Live Borders could be better represented in Community Engagement and local events.
- Many of the issues provided to members are basic and can be easily resolved.
- There are always concerns in the community about facilities or services being taken away.
- Rurality and transport can be an issue in some wards with regards to accessing services and facilities, and as such one size does not fit all.
- All consultation requires to engage non users as well as users as this project moves forward.
- There is a perception of us and them between SBC and LB
- The majority of complaints are around booking systems and opening hours.
- There is a clear need for repairs in properties.
- There is perception that quality is declining but costs are increasing.
- LB could be more innovative.
- The formal reviewing process for the Council has not always been consistent.
- LB could improve its promotion – selling the non-financial successes and achievements more widely.
- Tourism is a key opportunity for Live Borders (and the region in general)
- The scale of the existing estate is unsustainable.
- There is a challenge to manage community expectations but ensure that adequate consultation and involvement is in place throughout any change or strategy development.

Live Borders Trustee Engagement

To engage the Board of Trustees, two engagement sessions were held over MS Teams, with the remaining Trustees providing their feedback by written response. Similar to the Elected Member sessions, those in attendance were appraised of the project brief, and the perceived challenges, before entering discussions around the questions above.

The feedback from Trustees has been collated as a separate report, but the following themes and key points are highlighted:

- Trustees are uncomfortable in the knowledge that the organisation is not financially sustainable – in particular around the legislative need to report to OSCR, and their responsibilities as Trustees.
- The finances are the single biggest challenge facing the Trust
- The management fee from SBC has decreased in real terms year on year, yet the operations and cost of delivery has increased considerably.

- Energy costs have created the most critical recent challenge in relation to the above.
- The Trust struggles to recruit as it cannot attract the relevant level of expertise at a management / director level.
- There is a need to be more output led in relation to the relationship with the Council – and it should be agreed what services relate to the funding (and where cuts in services should be met when funding is cut)
- There needs to be a better relationship between SBC and Live Borders
- There requires to be better recognition of the benefits – financial and otherwise – of the trust and its activities.
- Decision making is challenging – around the speed at which it can be done.
- Facilities will need to be improved or upgraded to meet Environmental targets and aims.
- At the moment it is difficult for the organisation to improve or develop services as there is a major capacity problem
- The Trust is contracted to deliver services and have limited ability to enhance / close / merge services.
- Tourism and Events are both areas for growth and opportunities to innovate the business.
- The importance of an Impact Assessment is key should there be proposed closures of buildings and / or services.

Live Borders Senior Management Engagement

Two Engagement sessions were held via MS Teams on Thursday 13th April & Thursday 20th April 2023 across which 14 senior managers from Live Borders were in attendance. Following discussion around the purpose of the review, and assurance that the attendees could speak freely on a non-attributable basis, feedback was provided around the 5 key questions below.

- What are the biggest challenges you currently face in the Trust and how do you think these could be resolved or improved?
- What are the biggest barriers to improving or developing services or facilities?
- Do you see any opportunities where LB can improve customer service or offerings in the services and facilities that you offer?
- Do you see any opportunities where LB can improve efficiency and effectiveness in your service delivery?
- How would you review the Service Provision Agreement (SPA). In your view what changes are needed.

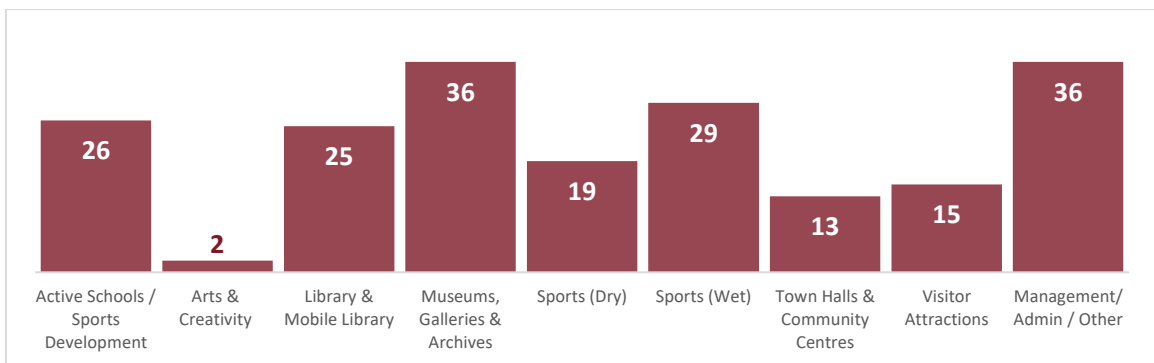
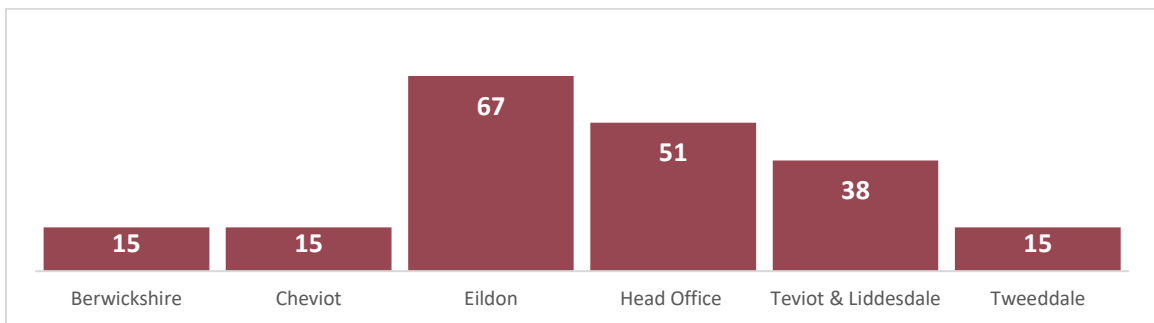
The feedback from these engagement sessions are provided in a separate report, but the following themes and key points are highlighted:

- The key challenges facing the trust relate to the finance, the facility condition, the need for a strategy, and issues around staffing.
- There is increased competition across the leisure sector, particularly around gyms and fitness space.
- Existing IT systems are cumbersome and inconsistent across services and facilities.
- Live Borders could better what it does, its charitable status, and its breadth of activities.
- There is a need to allow Live Borders the autonomy for quicker decision making and greater operational agility.
- Managers are currently filling the gaps in lower-level staffing, which is a barrier to strategically developing the business.
- Live Borders requires to improve and invest in most of the estate, which is aging and creates challenges around maintenance.
- Greater joined up thinking around new facilities, campus projects and investment would allow more efficient service overall.
- Live Borders could be more efficient in the purchase of retail stock across the company – currently siloed and contained within many peoples' roles.

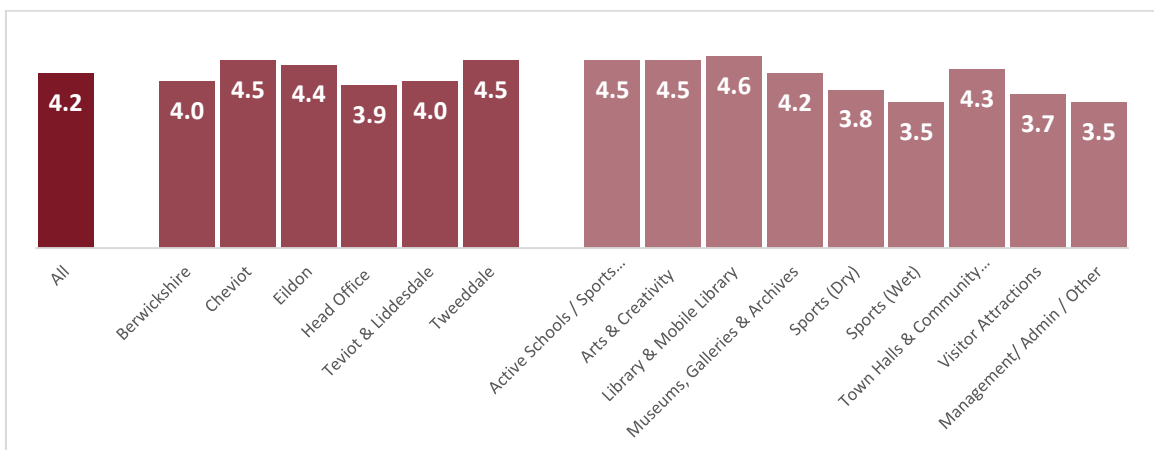
- The Service Provision Agreement (SPA) is out of date and needs revisited – alongside the Schedules that are appended to the SPA. The current SPA schedules, updated in 2016 only make mention of cultural services and facilities, but make no mention of sport facilities/services, swimming, active schools or sports development.
- There is duplication of Community resource (e.g.) within SBC, Live Borders and in the communities themselves. Both in terms of buildings and staff resource.

Survey of Live Borders Staff

An electronic survey was issued to all members of Live Borders staff, with managers tasked to encourage participation across all services. The survey was completed by 212 members of Live Borders staff – which represents a response rate of around 50%. The following shows the spread of responses by both locality, and service / function:



Recognising Live Borders aim to provide an environment where staff feel proud of what they do, respondents were asked to rate **how proud they feel** from 1 to 5 where 5 was the highest. The results, and relevant locality and service breakdown are shown below:



The staff were asked to provide feedback around the following questions.

- What are the three biggest barriers or challenges in your role to delivering high quality service to the public?
- What can Live Borders do and/or what changes would you make to improve these challenges?
- What would help to increase participation numbers / footfall in your service or facility?
- What is the most common positive public feedback you receive?
- What is the most common public complaint or concern you receive?

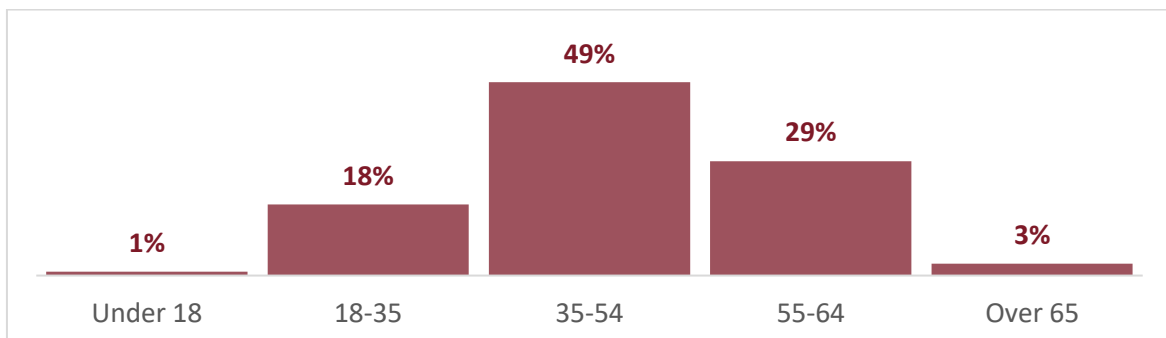
Whilst the detailed feedback has been collated in a separate report, the following key themes and points are highlighted:

- Challenges faced by the staff primarily focused on lack of resources, lack of time, workload, and poor-quality facilities.
- Issues and concerns were raised around internal communications, and the lead time around initiatives, incentives, and promotions.
- There was a need within sport and leisure to identify or attract more volunteers across services.
- Staff highlighted booking systems, cleanliness, and poor facilities as key complaints being raised by customers.
- Inadequate WIFI was noted in regard to library services and town halls / community centres.
- Events were seen as a key opportunity across a wide range of facilities and services.
- Opening hours were mentioned on many occasions in relation to both customer complaints, and to suggestions around service improvement.
- Staff fed back around the lack of investment in the buildings, with many reaffirming that the scale of the physical estate was too big to sustain.
- Many respondents requested better advertising of the Trust, its successes, and activities.
- Tourism was also seen as an underserved resource in terms of footfall and revenue.
- Museums and visitor attraction staff suggested better working relationships with local schools.
- Staff also raised concerns around recruitment and retention challenges.

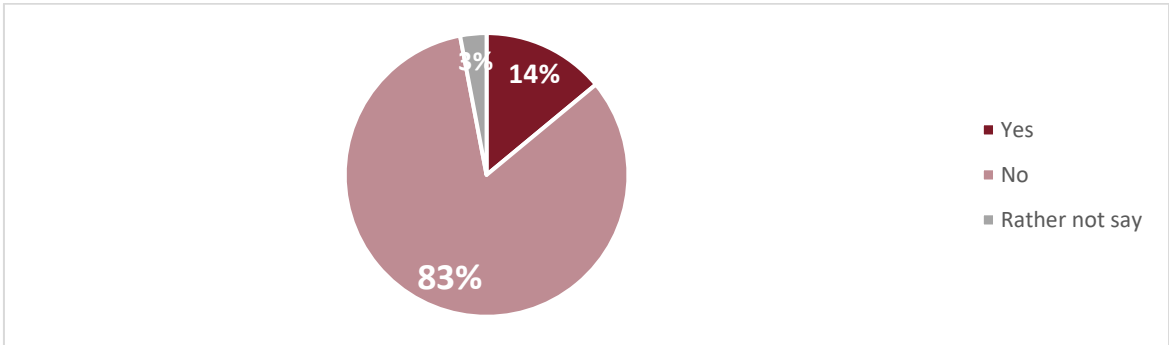
Services & Facility Survey

An electronic survey distributed to both Live Borders and Scottish Borders Council staff sought the views of respondents as users or non-users of all services, facilities, and functions within Live Borders' remit.

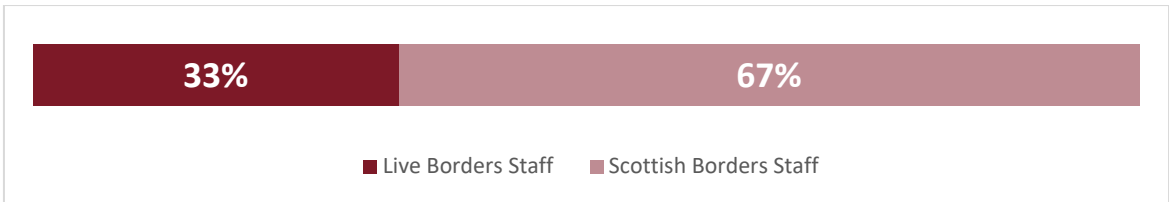
The survey was completed by 644 respondents, with the age breakdown shown below:



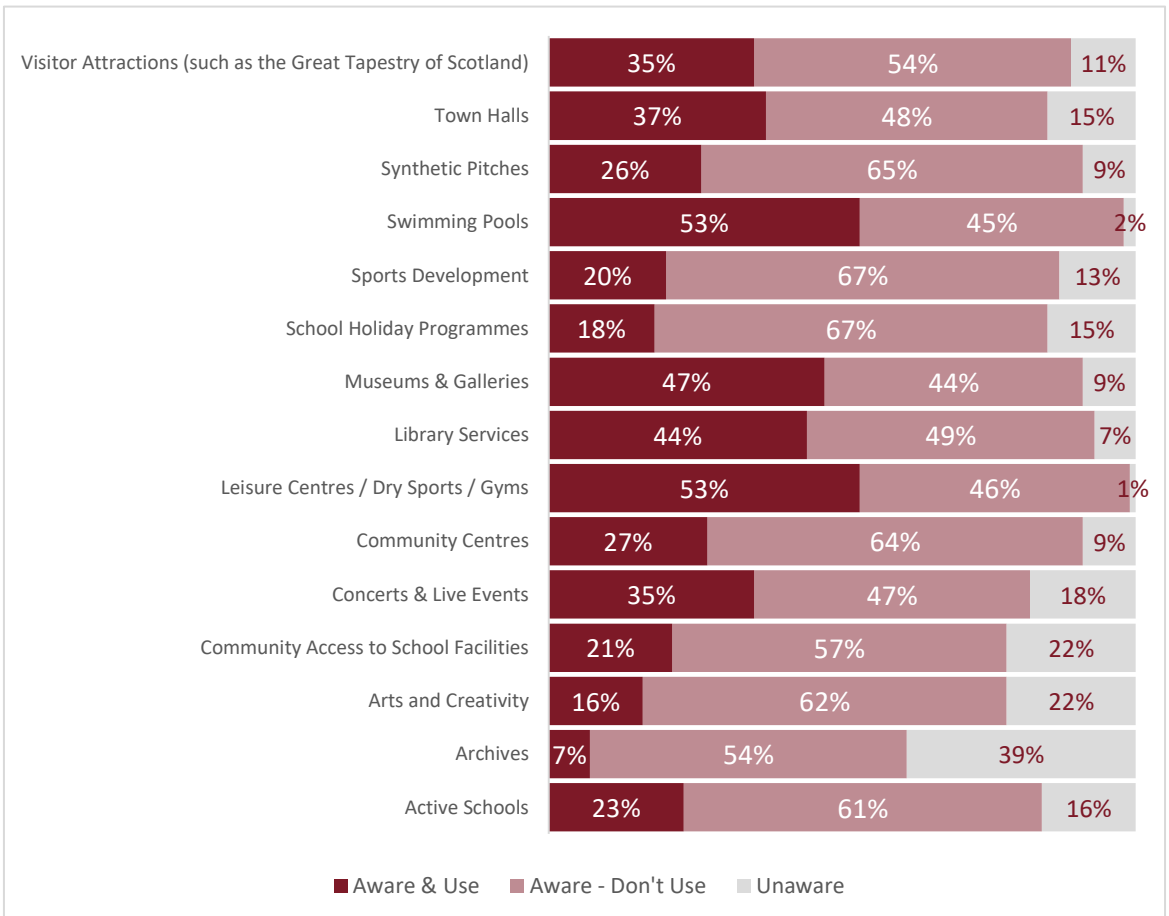
When asked if the respondents, or anyone in their family considered themselves as having a disability – 14% indicated that they did.



To direct the relevant questions (between this survey, and the additional staff questions) respondents were asked to indicate which organisation they worked for. The results are shown below:



Respondents were asked whether they were aware that Live Borders operated the following facilities and services, with the results shown below*



**Respondents who are employed by Live Borders have been omitted from this result in order to provide a more realistic sample of the general public's understanding.*

From the above, it is clear that there is relatively high public awareness of most facilities and services, in particular, sports, swimming pools, holiday programmes, museums and galleries, community centres, concerns and events, and active school.

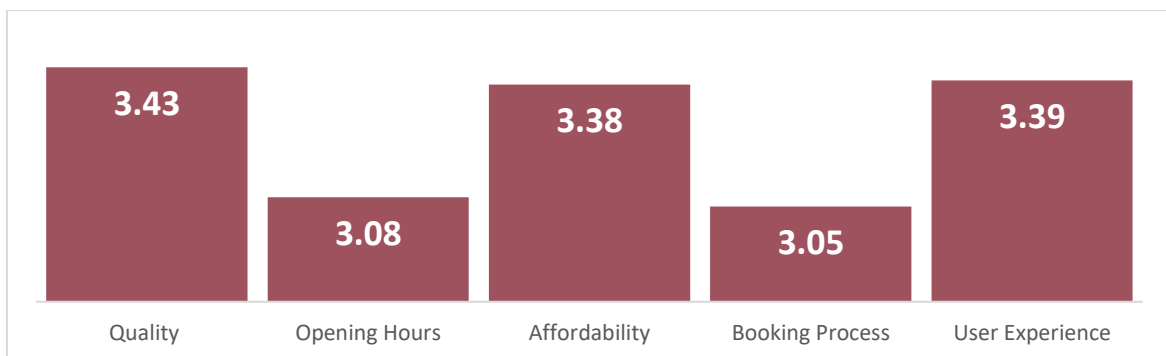
For archives, arts & creativity, and community access to school estate, the awareness is moderately lower, but feedback through the engagement process suggests that the lack of awareness is not around the existence of the service, rather the ownership and management structure i.e. the fact that it is provided and operated by Live Borders.

The results of this question demonstrate that there is not a significant issue around the public's awareness that these services and facilities exist. Nor that the Public are unaware of Live Borders as an organisation.

Part of this engagement sought to measure the public perception of each service – focusing on the Quality, Quantity, Affordability, and Accessibility. The summary results of these questions are shown below (measuring responses on a 1-5 Likert scale):

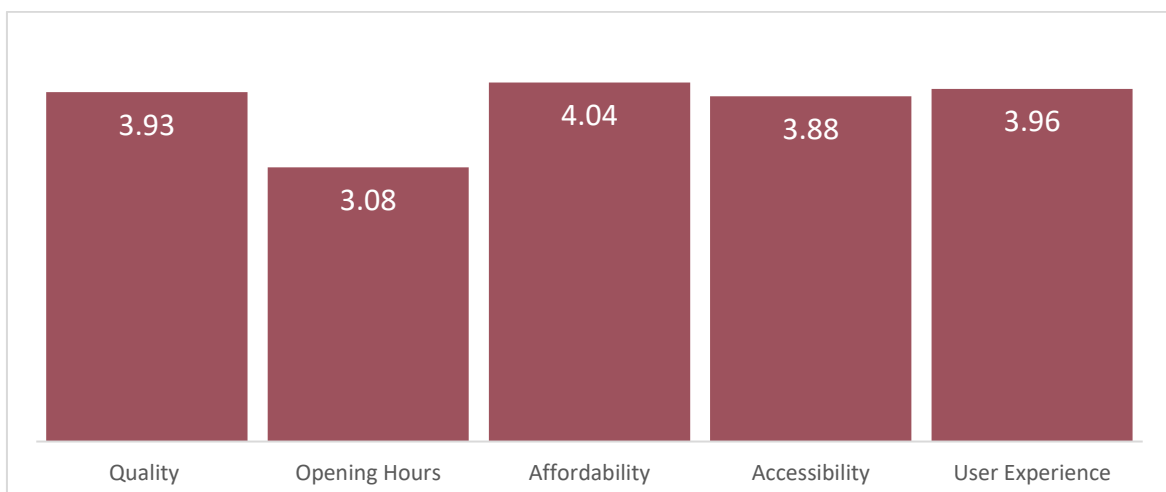
Sport & Leisure

As shown below, the overall ratings were lower than other services, with the Opening Hours and the Booking Process highlighted as the lowest rating aspects.



Library Services

In general, the overall ratings were higher than other services, with the exception being the average rating of the libraries opening hours.



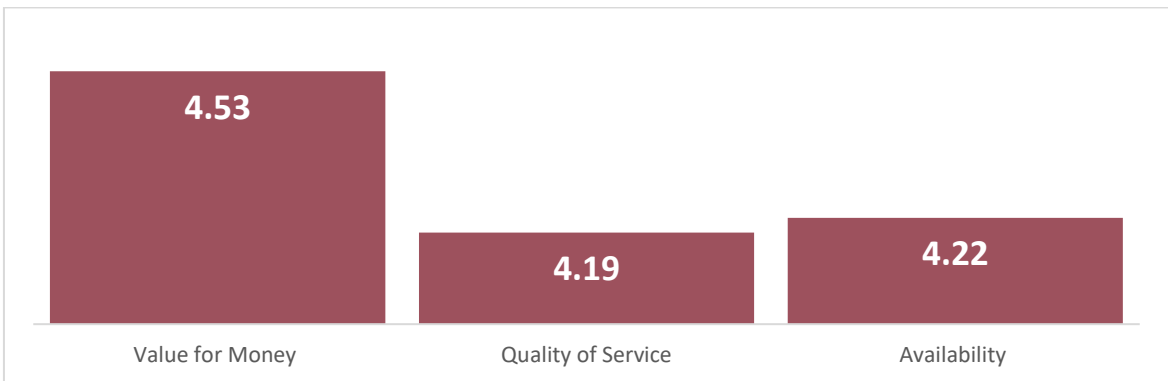
Mobile Library Services

Here the overall ratings were fairly average compared to other services, noting that the locations and availability were scored low.



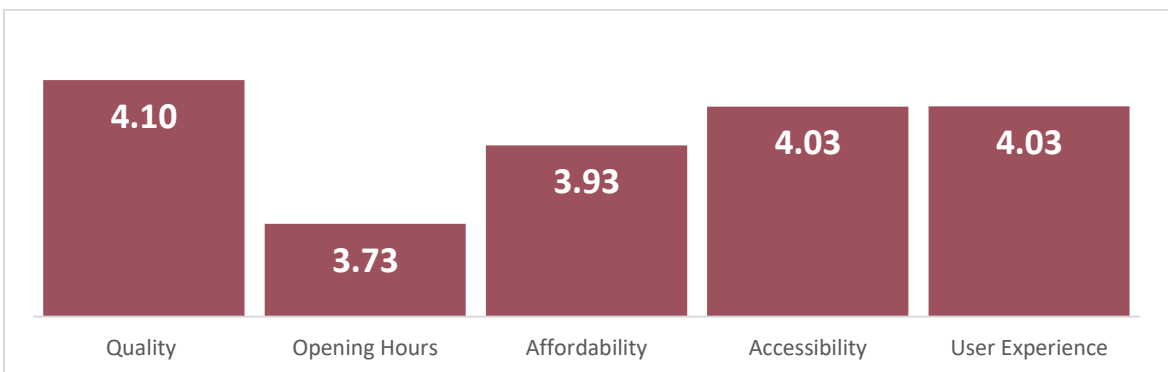
Digital Library Services & Resources

In general, the overall ratings were higher than other services across the three metrics.



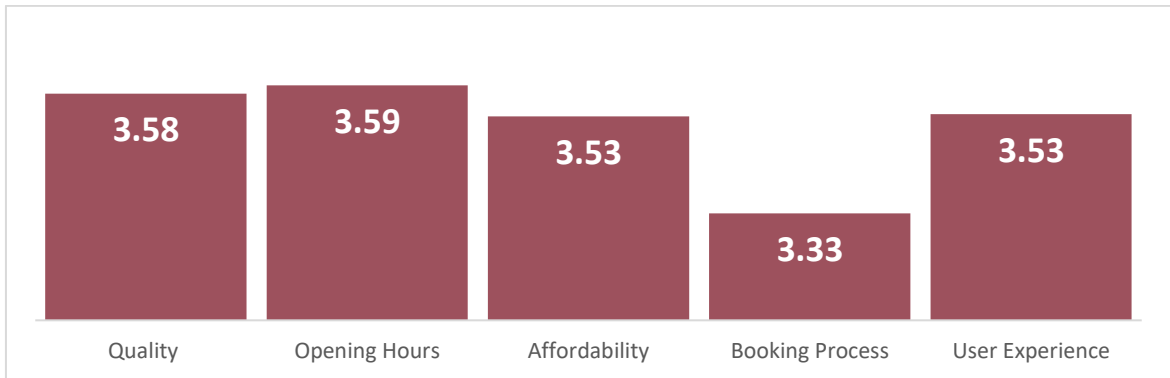
Museums & Visitor Attractions

In general, the overall ratings were higher than other services, however, it is noted that the opening hours scored lower than other metrics.



Town Halls & Community Centres

In general, the overall ratings were lower than average compared to other services. The lowest scoring metric related to the booking processes for these facilities.



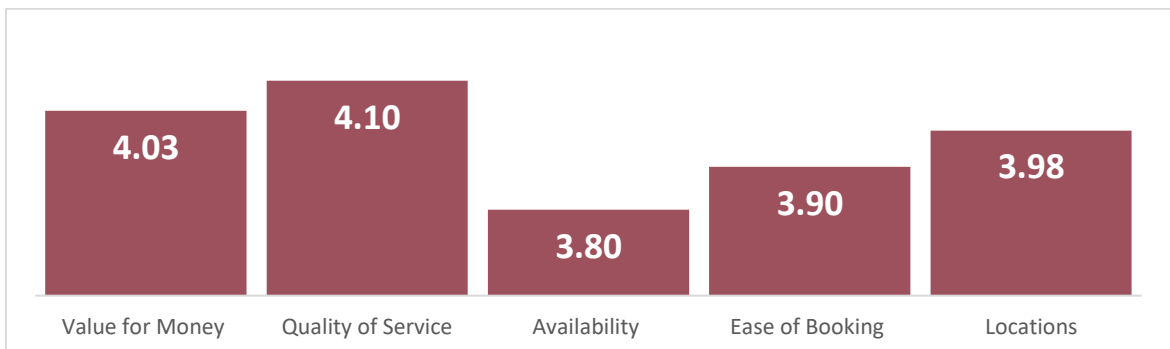
Sports Development Services

In general, the overall ratings were lower than average compared to other services. The lowest scoring metric related to the availability for these services.



Active Schools & Holiday Programmes

In general, the overall ratings were around average compared to other services. The lowest scoring metric related to the availability for these services.



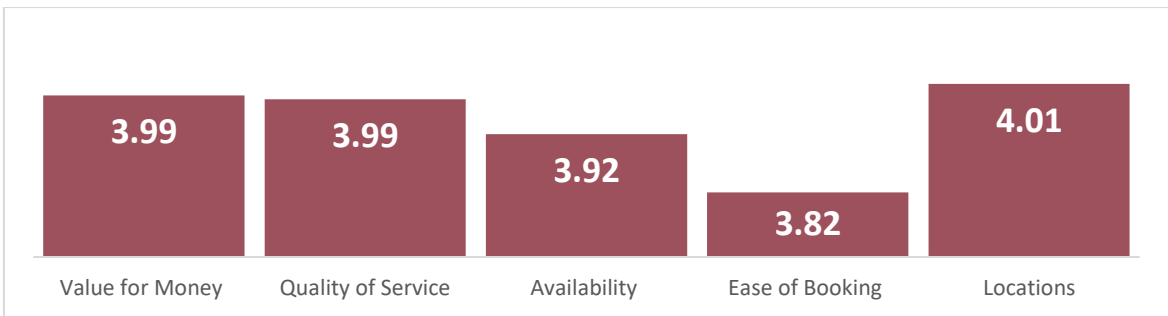
Arts & Creative Activities

Here, the overall ratings were lower than average compared to other services. The lowest scoring metric related to the availability, and ease of booking for these services.



Concerts & Live Events

In general, the overall ratings were around average compared to other services. The lowest scoring metric related to the ease of booking for these services.



Membership

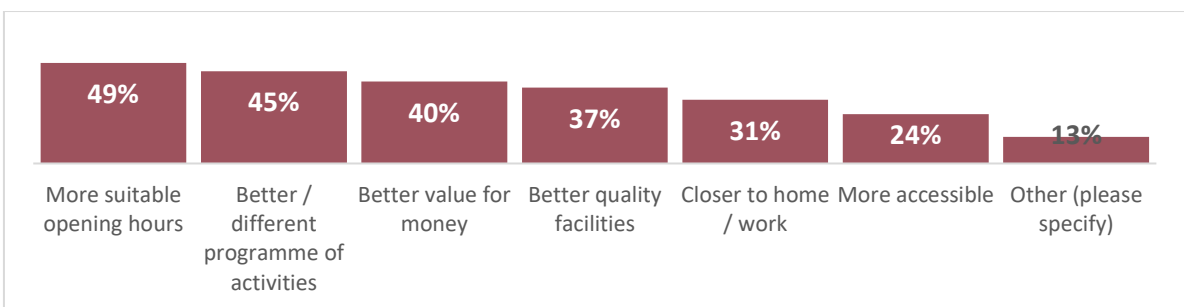
Respondents were asked whether they or their families currently had a Live Border membership, and for those that did, to rate its value for money:

43% of responding sports facilities users have a Live Borders membership

Those with a membership rate it 3/5 for value for money

Competition & Other Providers

Respondents were asked to indicate what led them to choose other providers, with the response shown below:



Further Facility & Service Specific Feedback

Respondents were then given the opportunity to provide feedback around each service that they and their family used, with the results detailed in a separate output report.

Emerging Themes

In reviewing the feedback from the above engagement activities, several key themes were identified which will inform the phase two activity, and the recommendations and strategies that form the outputs of this study. These have been grouped and outlined below.

Operational Themes

Opening Hours

Across all aspects of the engagement work, feedback was provided around limited opening hours. Whilst respondents recognised that this is result of budgetary and operational challenges, it was cited as a barrier to using the services. In particular, comments highlighted a desire for more evening and weekend availability in services – in particular around library, swimming pools, and leisure. This was particularly of note in relation to school hours and working hours which restricted the available time to use the services.

It was also noted that improved weekend opening hours would also benefit tourists and visitors to local areas, in particular around the new caravan park adjacent to the pool in Selkirk, and around opening hours at the Great Tapestry of Scotland.

Booking Systems

Respondents' feedback indicated that the existing booking systems and processes were very poor. Feedback was provided across all engagement activities around issues with the existing systems, the existence of different or multiple systems, and the lack of ease with which they can be used. Suitability for older users, and those who are less IT literate was also cited as a concern.

A number of respondents felt that the booking system, in some places, was a carry-over from Covid-19 processes and mitigations, and that there may now be less need for these. There were comments around the existence of multiple apps and systems for booking sport and leisure, depending on the venues, with resulting confusion.

Booking issues were of particular concern in community centres and town halls, where a lack of continuity was highlighted. There were concerns around the response times, the ease of accessing the relevant person to contact, and a number of occasions where facilities were not open to service an existing booking.

Staff Levels

Both Live Borders staff, and public respondents (SBC Staff Sample) commented on issues around staffing levels, and the quality of staff with regards to customer care. Whilst there were positive comments around staff in specific sites, there were also a number of concerns around the quality-of-service delivery in children's activities.

Both employees and public respondents raised concerns around the limited staffing, and the resulting issues with cleanliness, facility quality, and customer care. Caretaker hours and provision within community centres and town halls was specifically noted.

Specific to sport and leisure, there were a number of comments around the staffing provision to operate both the facility requirements, and the catering offerings on site. It was noted that the staff often cover both of these areas, and are not always able to do so effectively.

Staff & Board - Recruitment, Retention & Training

Feedback from senior managers and the board noted concerns around staff recruitment and retention. In particular, the issues noted in this report around increasing wages, and reducing salary differentials were cited as challenges in recruiting lower levels.

It was also noted that the salary scales at a higher level were less competitive, and so would make recruitment and retention of senior staff more challenging.

Managers also highlighted a need to “work down” in order to complete operational tasks where staffing levels were low. This limited the time which was then available to them to complete the more strategic elements of their role – in essence it was felt that managers were often “firefighting” in this respect.

Staff feedback highlighted a need for greater training and appraisal processes, and a concern around limited succession planning within the organisation.

Management & Decision Making

Staff feedback suggested that there was a lack of empowerment within Live Borders. Comments were provided around the timescales of operational decision-making being too long and limiting, and that greater autonomy at management levels would allow for a more proactive organisation.

There was also a sense that many staff members felt a lack of trust in their work, and that there was a disconnect between the levels of management in the organisations, and between the Trust and Scottish Borders Council. With particular reference to the Service Provision Agreement, there was a desire for both parties to be perceived as a partnership, rather than “us and them”, and a consensus that this strategy and review would contribute to this ethos.

There was clear desire to see greater connection between the Board and the Live Borders staff, which in turn, would improve the perception of trust and communication.

Marketing & Promotion

A number of key themes around the marketing and promotion of the Trust and its services were highlighted through the engagement process, both internally and externally.

Staff feedback highlighted a need for greater lead times around promotions and messaging, allowing the staff to be better placed to support the customer facing elements of any incentive and initiative.

From a user and customer point of view, feedback suggested a lack of awareness around activities within the local facilities – in particular around the museums and visitor attractions. A number of respondents also highlighted that they were unaware of certain Live Borders facilities and services local to them (albeit the awareness feedback in the survey was fairly high).

Higher level feedback suggested that the Trust could be better promoted to elected members. From engaging the elected members there is varied levels of understanding. For some, it appeared that there is a lack of understanding of the financial and non-financial benefits provided to the Council as their service delivery mechanism.

Strategic Themes

Perceived Facility Quality

Feedback across all engagement activities has highlighted issues with the declining condition of all buildings operated by Live Borders. Whilst there are a number of facilities that are deemed in reasonable condition, issues around facility quality, the impact on perceived value, and the need for investment, repairs and modernisation were key themes fed back across all services.

The current condition of facilities was also a key factor in respondents choosing other options and providers, as indicated in the surveys results.

Senior staff and Board engagement highlighted this as a major challenge to the organisation, critical to mapping out the future financial and operational sustainability. This has previously been identified in a number of earlier reports, including those referenced in this study.

Property Rationalisation

Through all high-level engagement (Elected members, Trustees and Senior Managers), there is a clear appreciation that the scale of the existing estate managed and operated by Live Borders is unsustainable. Overall, the Board and Senior Managers recognise a need to investigate how services can be delivered in a reviewed and reduced number of facilities across the region.

There is a consensus that a rationalisation of the existing estate is key to ensuring the sustainability of the organisation, and protecting the services offered to the public.

Innovation

A number of respondents commented on the need to be more forward thinking and innovative, highlighting opportunities in the past that were missed or overlooked. Aligning with the concerns around autonomy and the ability to make decisions, there was a desire to see an organisation that could seek innovative opportunities both commercially, and in how the services are delivered to the community.

Examples were given where suggestions and ideas were brought forward to the Organisation, but these were not taken on board, and it was felt opportunities to grow and improve were missed.

Impact of Energy & Cost of Living

Aligning with the available market information, the senior staff and Board provided clear feedback that the increase in overall operating costs was a key concern for the organisation. All facilities, regardless of their quality, are impacted by the increased energy costs – it is noted that the majority of facilities and building within the Live Borders Estate are limited in terms of energy efficiency. Where high energy use is a factor – in particular – swimming pools – the combination of increasing costs, and inefficient dated plant systems is creating a critical issue around operating costs.

With the increasing cost of living, people are increasingly reviewing the spending, memberships and participation in paid activities. Respondents who use other leisure providers have indicated that price and cost is a key factor in their decision making – often, where the price points may not be significantly varied, the quality of facility on offer places Live Borders lower in perceived value for money.

Forward Thinking Investment – Community Hubs

In engaging with senior managers, board members and Elected Members, there was a number of discussions and points raised around the provision of services within shared facilities in the community. The concept of a community hub model was raised a number of times, and generally supported as an efficient operational consideration to improve efficiencies. Noting the existing campuses and similar projects, the importance of forward thinking and future proofing was highlighted – noting that joined up thinking could allow greater investment in one facility or area, reducing the need for multiple facilities and duplication.

The concept of a Community Hub is already widely recognised in sports and leisure, with a number of examples throughout Scotland also now seeing the integration of library services, contact points, and the wider inclusion of health and community services operating from the same facility. The development of any hub would need to take consideration of appropriate locations, and the breadth of population it may serve. Whilst a hub concept may be strategically beneficial in larger population centres, the Trust would also have to consider how it serves more rural areas and communities, and as such a “one size fits all” approach cannot be taken.

Proposed Phase 2 Plan

Facility Audit

One of the key themes emerging out of feedback from phase 1 is that the leisure facilities owned by Scottish Borders Council, and those owned by the Council and leased to Live Borders, are historically in various states of repair/disrepair.

It has been identified that there is an ongoing need to consider which buildings are “fit for purpose” and which should be repurposed/changed/ or disposed of.

We note Appendix 1 of the Committee Report June 17th 2021 “Proposed Service Design Opportunities For Engagement ” which is rooted in both the Fit for 2024 Programme as agreed by Council in February 2019 and the Live Borders Strategy (2019-23). This suggests the future of some of the Property portfolio be reconsidered for

- Investment through co-location to Community Hubs or
- Transfer through Community Asset Transfer or
- Disposal of through sale

In order to provide further independent assessments of the leisure buildings we plan to conduct a visual audit of a selection of these buildings based around the undernoted models and using the Visual audit template below. This should then provide photographic and written evidence of the condition of the leisure portfolio estate on which future decisions can be made.



Second Phase Engagement

In planning the second phase of engagement, the following key tasks are currently proposed:

Activity	Considerations
Public Survey	<p>Continuing from the facility and service survey (undertaken with the LB and SB staff), a more developed survey will be issued around the key themes in this report.</p> <p>The survey will be key in ensuring the messaging to the wider public is honest, direct and transparent. It is noted that the survey provides an</p>

		<p>opportunity to initiate the correct messaging for the public ahead of further activity, and actions that result from this work.</p> <p>This survey will be shared through SBC and LB channels as widely as possible, with options for local media, print media and other promotional channels considered.</p> <p>The survey will seek further feedback around quality, quantity, accessibility, and affordability, but will also look to ascertain the public support around hubs, consolidation, and understand which services and activities are a priority for each region.</p> <p>Where possible, questioning will be locality based, and allow appropriate filtering to assess these results.</p> <p>The survey will also have a reduced number of comment and open-ended questions compared to the phase one work – ensuring the feedback is manageable.</p>
Community Workshops	Peebles Burgh Hall	<p>It is proposed that 9 engagement events will be run, attended by the Consultant team, SBC, and LB managers. These will combine drop in discussion sessions, and scheduled presentations (town hall style).</p> <p>Appropriate printed materials, presentations and comms will be developed – both Borders Wide, and specific to each locality.</p> <p>Messaging and promotion will be key on the lead up to, and during the events. There is a need to ensure upfront honesty with the public, and facilitate conversations around challenging decisions.</p> <p>In addition to the public activities, a stakeholder event in each location will be held with invited key stakeholder representatives. These may include, but are not limited to, business groups, community groups, development trusts, town teams etc.</p>
	Gala Volunteer Hall	
	Kelso Tait Hall	
	Jedburgh Town Hall	
	Hawick Town Hall	
	Selkirk Victoria Hall	
	Eyemouth Community Centre	
	Duns – Southfield Community Centre	
	Coldstream Community Centre (<i>not an LB facility but no suitable alternative</i>)	
Eventbrite Online Workshops		<p>Following format of sessions above, but not location specific – these will be a catch up opportunity for those who cannot attend.</p>
School Engagement / Youth Engagement		<p>A senior pupil survey is proposed as the best way to engage the pupils (secondary aged).</p> <p>There is a need to consider getting this done as soon as the schools return or last week in June or towards the end of August in order to avoid the school holidays but ensure less conflict with busy academic schedules.</p>

Stakeholder Engagement	<p>Continue working with already established reporting groups and mechanisms – Working Group (weekly), Steering Group (monthly)</p> <p>Consideration of ad hoc engagements / conversations as required.</p>
Hard to Reach Groups	<p>Work with identified contacts to ensure representation at events.</p> <p>Work with identified contacts to ensure representation in survey’s respondents.</p> <p>Relevant questions in survey to identify participation levels from those with protected characteristics.</p> <p>Continue to update and review IIA document as a standing agenda item for the Project Working Group.</p>

Interim Recommendations

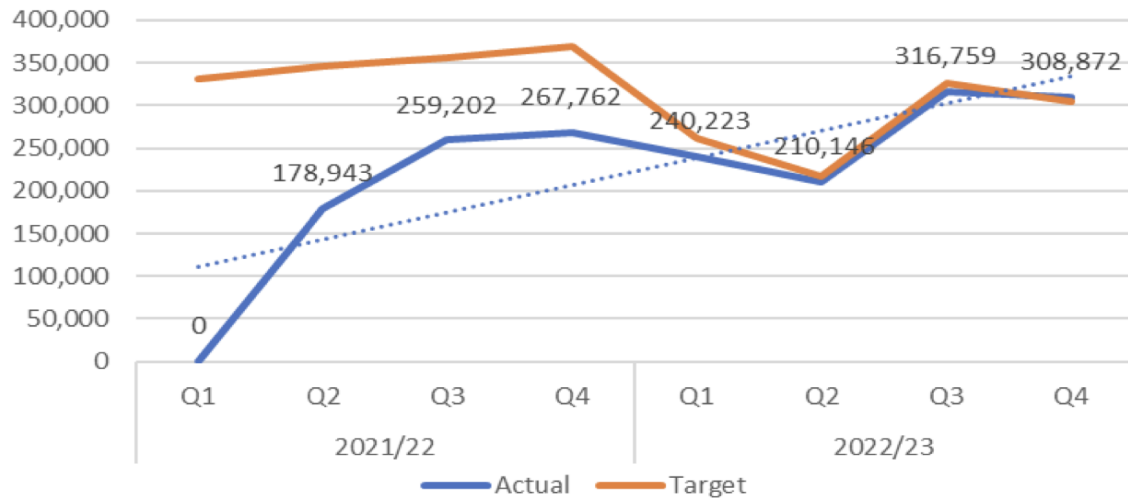
- Approve the Phase Two Community Engagement Plan
 Agree the relevant emerging themes in order to inform the content of the Community Engagement.

Appendices

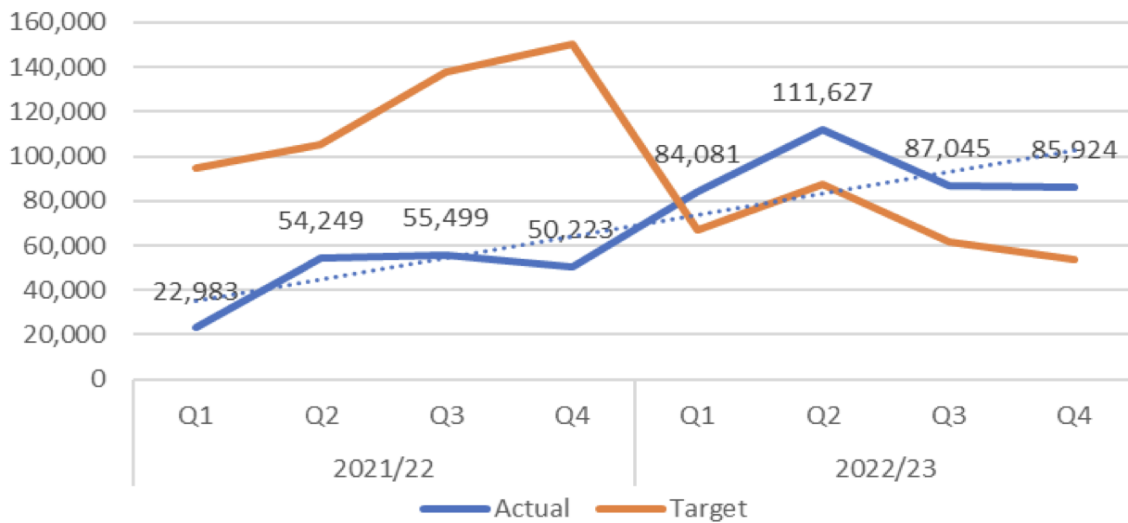
Appendix One: Key Service Indicators – 2022/23

The following summary outlines the Trust's performance against a number of main Key Performance Indicators (KPIs) over 2021-22 and 2022-23.

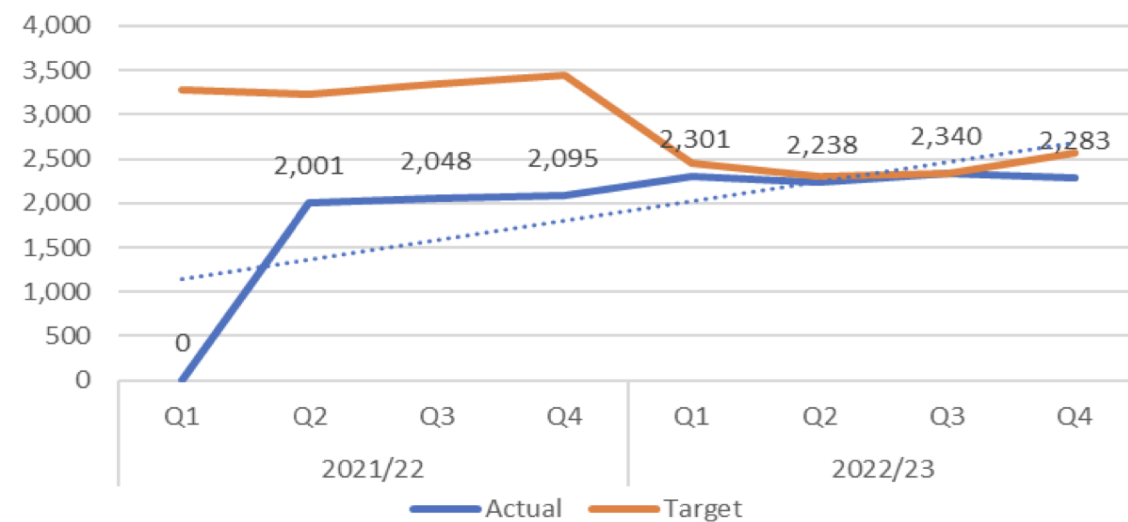
Sports Participation



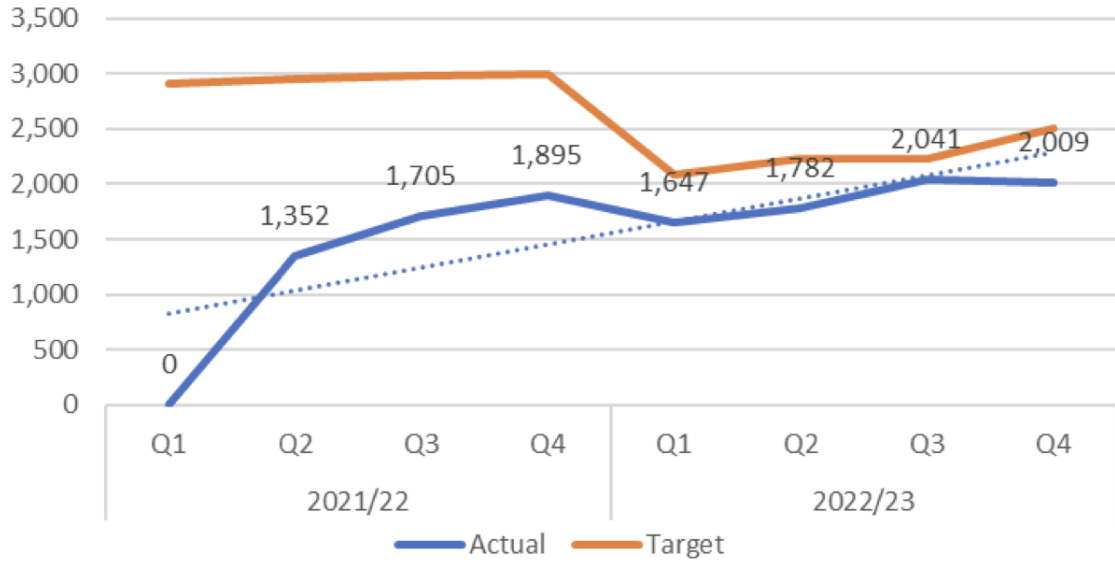
Culture Participation



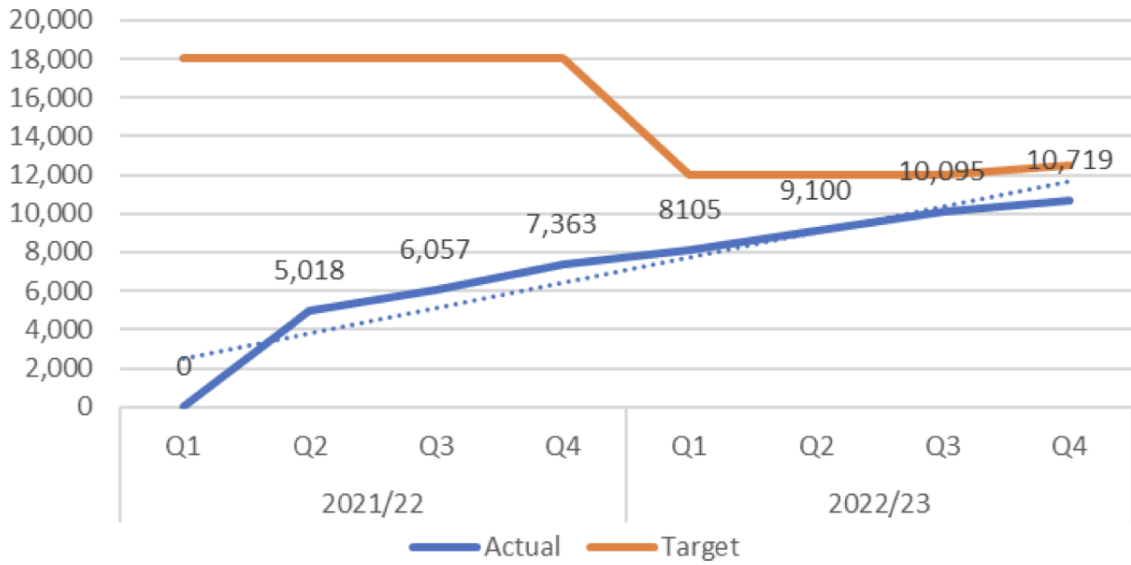
Active Membership



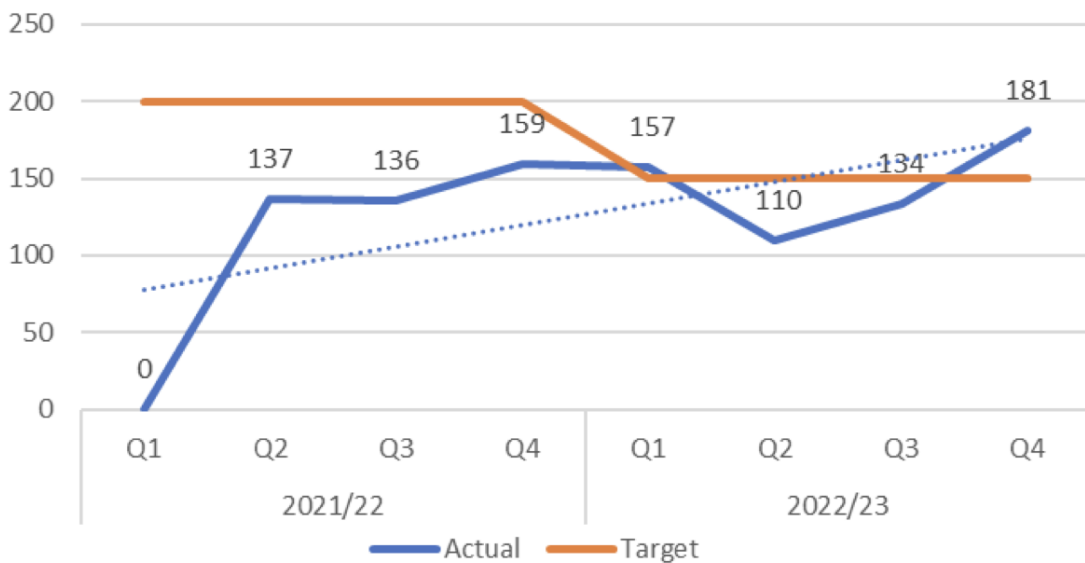
Learn 2 Swim Membership



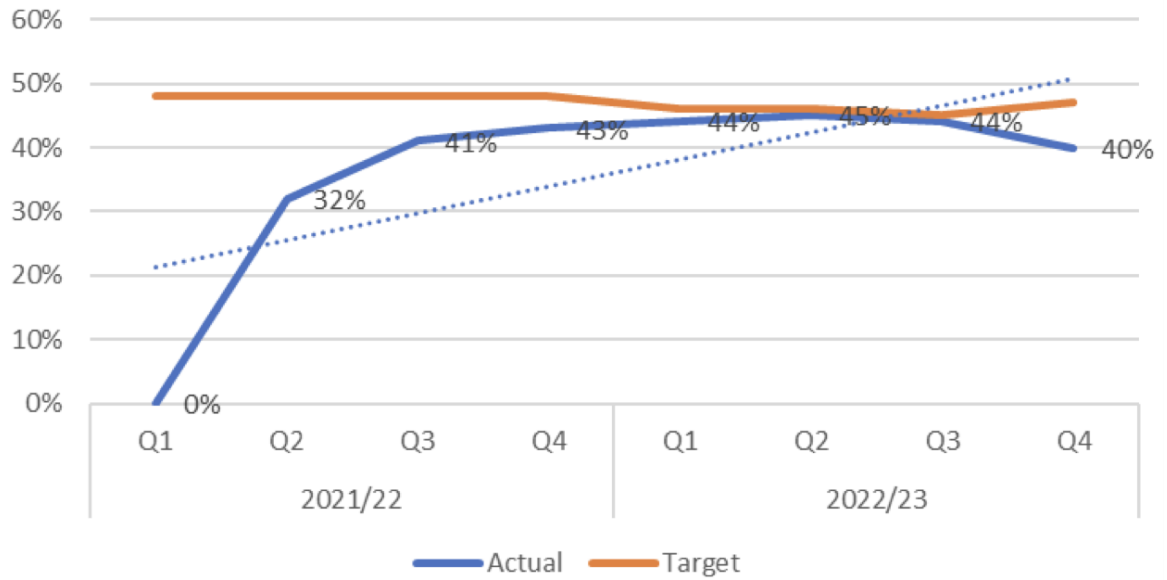
Library Membership



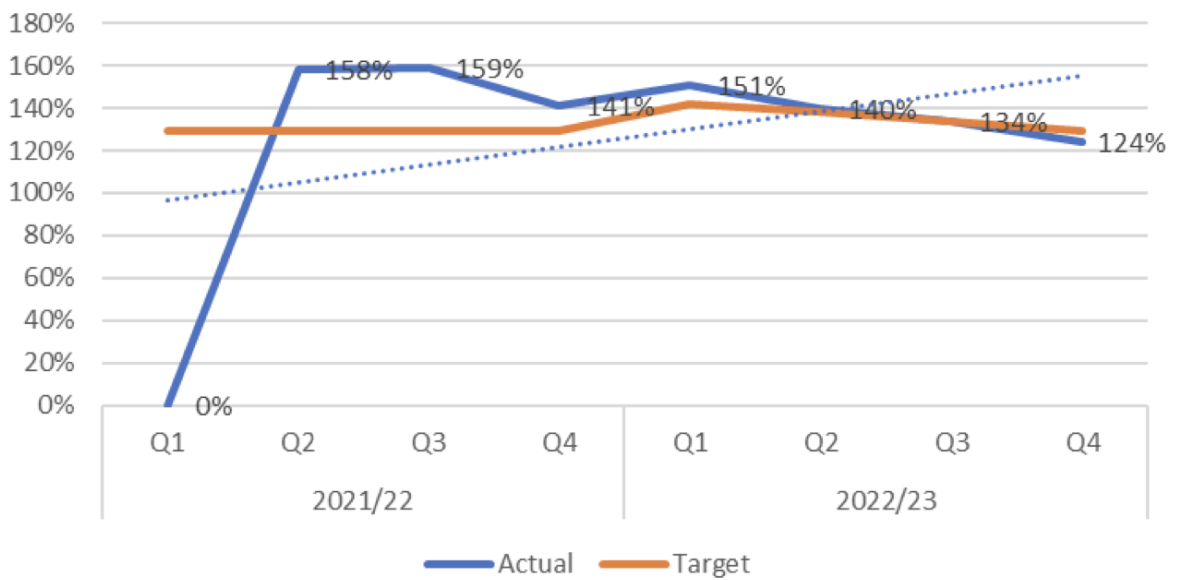
Health Referrals



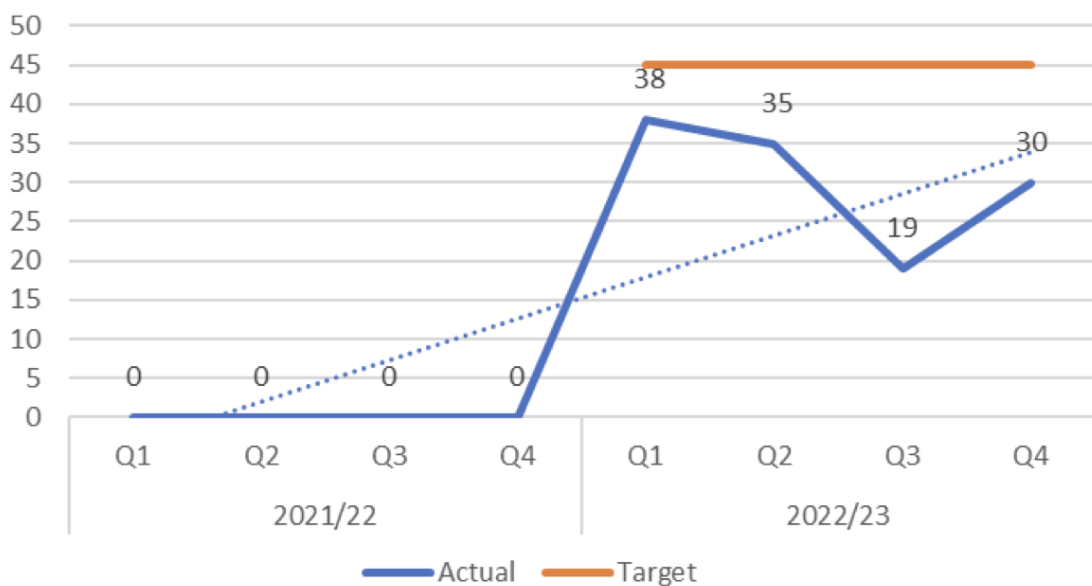
Earned Income As A Percentage of Turnover



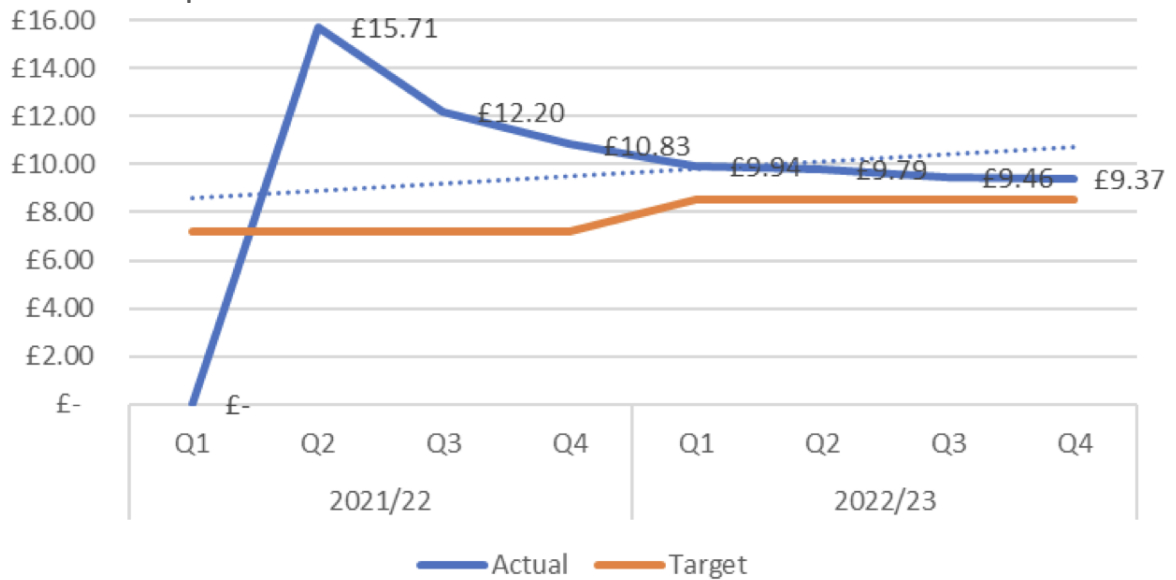
Staff Cost As A Percentage Of Total Income



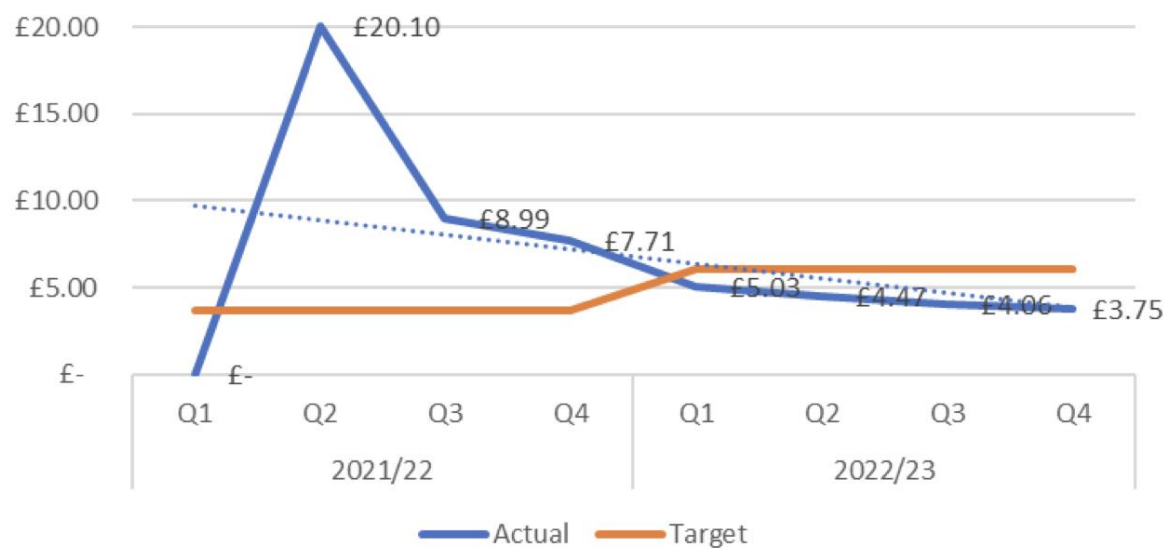
Net Promotor Score



Cost Per Visit – Sports



Cost Per Visit – Libraries



Cost Per Visit – Museums

