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## **LIVE BORDERS – JOINT STRATEGIC REVIEW OF SPORT, LEISURE AND CULTURAL SERVICES AND FACILITIES REPORT**

**Report by Director – Resilient Communities**

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### **SCOTTISH BORDERS COUNCIL**

**23 November 2023**

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

- 1.1. This report sets out a proposal for Scottish Borders Council and Live Borders to deliver high quality sport, leisure and cultural services, now and into the future, through a high performing and financially sustainable partnership, to be achieved by reviewing existing governance and reporting arrangements and undertaking a proposed 12-month joint transformational change programme.**
- 1.2. Scottish Borders Council and Live Borders agreed to commission a Joint Strategic Review in March 2023, with the aim of strengthening and improving both the partnership and service delivery arrangements to ensure that they are sustainable in the long term and meet the needs of Borders service users. The proposed joint transformational change programme broadly follows the recommendations received from the external consultants commissioned to deliver the review.
- 1.3. This report sets out the process and governance followed by the consultants throughout the review, which was delivered in two phases. A Joint Steering Group based on the existing Executive/Board Liaison Group with additional representatives from both organisations oversaw the delivery of the review; supported by a Joint Working Group made up of the consultants and officers from both organisations. An Interim Report was presented to the Joint Steering Group after Phase One identifying key operational and strategic themes and guiding the delivery of Phase Two and the creation of the consultants' final independent report.
- 1.4. Both the consultants, this report and Live Borders acknowledge that the status quo in terms of services, facilities and funding is not sustainable. Both organisations accept that work must be progressed

to ensure the future sustainability of our sport, leisure and cultural services, provided in the Scottish Borders.

- 1.5. This report details each of the consultants' twenty-six recommendations and five additional pieces of work identified; and includes additional explanatory narrative. Some recommendations have been strengthened to support both organisations' commitment to reaching the goals as set out above.
- 1.6. A 12-month joint transformational change programme is proposed to implement the consolidated set of recommendations; review existing governance arrangements and create a new Service Provision Agreement; and create a new Performance Management Framework.
- 1.7. Recognising the level of work required is significant, this report acknowledges that appropriate resource and additional financial support will be required to support the transformational change programme.
- 1.8. To ensure that this critical work is progressed at pace it is proposed that the existing Executive/Board Liaison Group is expanded with additional representatives from both organisations to oversee delivery of the proposed 12-month joint transformational change programme, supported by the Joint Officers Group.
- 1.9. Council will be updated on the progress being made with the transformational change programme on a regular basis via reporting at key points during the programme with the first update expected around the end of Quarter 4 2023/24.

## **2 RECOMMENDATIONS**

### **2.1 I recommend that the Committee:-**

- (a) notes the independent consultants' report, findings and recommendations – as set out in Appendix 3; and**
- (b) agrees the consolidated set of recommendations, detailed in Column D "Recommendation to Council" of Appendix 1; and**
- (c) notes the joint transformational change programme and indicative timeline as set out in Appendix 2; and**
- (d) agrees to strengthen its strategic partnership with Live Borders, through revised governance arrangements, Service Provision Agreement and Performance Monitoring Framework; and**
- (e) agrees the existing Executive/Board Liaison Group is expanded with additional representatives from both organisations to oversee delivery of the proposed 12-month joint transformational change programme, supported by the Joint Officers Group; and**
- (f) agrees that Council is further updated on the proposed joint transformational change programme at key points, with the first update expected around the end of Quarter 4 2023/24.**

### 3 BACKGROUND

- 3.1 In partnership, Scottish Borders Council and Live Borders are responsible for delivering a broad range of valued culture, sport and leisure and community services in towns and communities across the Scottish Borders (see Appendix 4).
- 3.2 This includes Active Communities, Arts and Creativity, Health Development, Sport Development and Events, Active Schools, Library Services, Museums, Galleries and Archives. Live Borders further brings a range of cultural and creative events to the Borders including theatre, live music and comedy, cinema and an extensive variety of workshops and exhibitions. These are provided from a total of 30 sport and leisure facilities, including six swimming pools; and 23 cultural facilities, including libraries and museums, in addition to providing 10 community centres and 12 town halls. A number of digital services are also provided, particularly associated with library services, such as BorrowBox and Pressreader.
- 3.3 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 schools and the addition of the Great Tapestry of Scotland Visitor Centre in 2020.
- 3.4 Over the same period, the economic and social environment has also changed significantly, particularly over the last few years with the pandemic, constraints on public funding, changing needs and aspirations of communities, inflation, increasing energy costs and the drive for Net Zero by 2045.
- 3.5 An ageing property estate is also becoming increasingly costly to maintain and is affecting service delivery and finances. Many of the Council-owned facilities require significant investment or replacement if they are to continue to operate.
- 3.6 These challenges come on the back of pre-existing challenges in the form of changing patterns of customer behaviour and changes to the way people consume and access services. As a result, the partnership continues to face a number of challenges, although there is also recognition of some opportunities to do things differently and increase access/usage.
- 3.7 In March 2023, as a result of these challenges and recognising continuing financial pressures, Council
  - 3.7.1 provided Live Borders with additional financial support of £550k
  - 3.7.2 removed the planned reduction in management fee for 2023/24, thus providing further support to the trust of £246k

3.7.3 agreed a Joint Strategic Review be commissioned with the aim of strengthening and improving both the partnership and service delivery arrangements to ensure that they are sustainable in the long term and meet the needs of Borders service users.

3.8 The proposed scope of the Joint Strategic Review included:

- i. Reviewing and developing our shared strategic vision.
- ii. Reviewing the scope and range of services provided through the partnership.
- iii. 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.
- iv. Reviewing our joint working arrangements.
- v. Updating and agreeing our Service Provision Agreement in line with the above.
- vi. Undertaking building energy surveys of Live Borders Swimming Pools and other facilities.

## **4 JOINT STRATEGIC REVIEW & RECOMMENDATIONS**

4.1 The Joint Strategic Review was led by independent consultants Alan Jones Associates with a focus on the quality, quantity, accessibility, affordability and ongoing sustainability of our sport, leisure and cultural services and facilities delivered by Live Borders.

4.2 A Joint Steering Group was established, based on the existing Executive/Board Liaison Group – with additional representatives from both organisations to oversee the delivery of the review and its outcomes by the consultants. This group was further supported by a joint working group comprising officers from both organisations, as well as representation from Alan Jones Associates.

4.3 There is continuing work taking place, via the Joint Steering Group, relating to the Great Tapestry of Scotland and any further recommendations will be incorporated into the transformational change programme and the revised Service Provision Agreement.

4.4 The review was delivered by the consultants in two phases, with an Interim Report (included in Appendix 3 of this report) presented to the Joint Steering Group after Phase One; identifying key operational and strategic themes; and shaping the next phase of work.

4.4.1 Phase One consisted of engagement with Scottish Borders Council and Live Borders staff through a series of workshops and online questionnaires.

- 4.4.2 Phase Two engaged with service and facility users, customers and the public through a series of nine Community Engagement Workshops, an online questionnaire (public, and secondary school pupils) completed by more than 6,500 people and a facility audit.
- 4.5 In concluding their review, the consultants presented their independent report, appendices and recommendations to the Joint Steering Group. These are included at Appendix 3 to this report.
- 4.6 Twenty-six recommendations under three broad categories (property, operational and income generation) along with five further pieces of work were set out by the consultants; and are included in Appendix 1 of this report.
- 4.7 Through constructive discussions between SBC and Live Borders, and following the consultants' internal presentation of their report, both organisations have amended some recommendations (as detailed in Appendix 1 of this report) either by widening the scope of the original recommendation; or amalgamating similar recommendations into a common piece of work. All amendments made reinforce both organisations' commitment to the delivery of the proposed transformational change programme and the aim to reach a financially sustainable position.
- 4.8 Most recommendations are either for Live Borders to progress or; for SBC and Live Borders to progress jointly.
- 4.9 In addition, the Joint Steering Group agreed to continue progressing the following:
- 4.9.1 Governance and Service Provision Agreements– our collective governance (client and contractor) arrangements have evolved over time and need to be reviewed and revised to ensure that they are fit for purpose and meet the needs of all stakeholders. In particular, the main Service Provision Agreement was drafted in 2016 and needs to be updated and aligned to a shared vision and future service delivery arrangements.
- 4.9.2 Performance Management Framework – Linked to the above, there is a need to review current performance information to ensure that governance groups are able to monitor the Service Provision Agreement, follow decision making, ensure that services are aligned with community needs, and fit with the Council Plan and administration policy. This also enables the promotion of positive news and helps to address potential misconceptions through transparency and clear accountability.

## **5 NEXT STEPS**

- 5.1 Whilst the consultants' report provides a clear direction of travel and identifies further pieces of work for the Council, Live Borders and our communities; it also makes clear that the status quo in terms of service, facilities and funding is not sustainable. Transformational work must be progressed to ensure that our sport, leisure and cultural services and facilities can be improved. This in turn ensures the health and wellbeing of our residents is supported and services are delivered on a sustainable footing for the next decade and beyond.
- 5.2 Building on the independent report and its recommendations it is proposed that the Council commits to strengthen its strategic partnership with Live Borders, through revised governance arrangements, Service Provision Agreement and Performance Monitoring Framework; and embarking on a joint transformational change programme, as set out in the roadmap at Appendix 2. The roadmap shows how the recommendations could be delivered over the next 12 months to ensure an efficient, effective and high performing partnership with a service delivery model via Live Borders which is financially sustainable.
- 5.3 The level of work identified is significant and officers are considering how best to prioritise and resource this. What is clear is that there will require to be a transition from the current position to a new Service Provision Agreement which is aligned to key strategic plans. Appropriate financial support will be required from the Council during the transition period to fund additional resource as well as helping to meet some of the financial challenges Live Borders are facing. It is essential that officers from both organisations work closely together through the Joint Officers Group to ensure that all possible actions are taken to mitigate financial pressures and that appropriate transition plans are in place running parallel to the programme of work which is currently being shaped.
- 5.4 Throughout the transformational change programme every opportunity should be taken to align with the Scottish Borders Council's Digital Strategy (approved in February 2021) that set out a vision for the Council to become the UK's first smart connected rural region, supporting better outcomes for everyone who lives and works in the Borders.
- 5.5 Recognising that many of the challenges and opportunities are not unique, with scope to learn from other trusts, local authorities and best practice; and given the importance of these services to our communities, and the need to sustain their future, research is already underway to identify learning from elsewhere.
- 5.6 It is proposed that the existing Executive/Board Liaison Group as defined in the current Service Provision Agreement is expanded with additional representatives from both organisations to oversee the delivery of the joint transformational change programme

outlined in Appendix 2 of this report, supported by the Joint Officers Group.

- 5.7 Further updates on progress of the proposed joint transformational change programme will be brought back to Council at key points during the programme, with the first update expected around the end of Quarter 4 2023/34.

## **6 IMPLICATIONS**

### **6.1 Financial**

There are expected to be significant financial implications resulting from the implementation of the recommendations contained within this report and the temporary financial support required by Live Borders in the short term. Live Borders are currently finalising updated financial forecasts for the current year. As the scale of financial implications become clear, officers will report back to Elected Members for approval of additional funding as required; recognising that this must be balanced against other significant financial challenges the Council is currently facing. In March 2023, Members agreed to provide Live Borders with additional financial support of £550k for 2022/23 in addition to the budgeted management fee. It is reasonable to assume that this will be a minimum requirement in the current year to keep the charity solvent.

### **6.2 Risk and Mitigations**

**6.2.1** Without undertaking the proposed recommendations there is a risk that provision of services will need to be reduced, and Live Borders will require a much higher degree of financial support.

**6.2.2** Live Borders current service delivery model is not sustainable, if we do not progress the recommendations, it will not be able to continue to operate in its current form.

**6.2.3** The Council makes significant investments in properties across all localities in the Borders, either through the creation of new assets such as the Learning Estate or through the Property Maintenance Fund which ensure that our assets are maintained in a safe and functioning condition. However, the sheer size of our estate means that this investment is spread too thinly and is not currently enough to sustain the estate and ensure that it remains fit for purpose. There is a risk that with the financial constraints and a growing maintenance backlog that, if we do not progress the recommendations, we will be unable to continue to maintain our properties and that buildings will close by default or there will be an impact upon other services due to budget constraints.

**6.2.4** The proposed joint transformational change programme outlined in Appendix 2 of this report would be expected to establish a risk



register in support of achieving its aims and objectives in line with risk management best practice. Likely risks include unavailability of resource and funding which will impact delivery of the work programme.

**6.2.5** Risk Management is an iterative process and therefore risks (threats and opportunities) associated with those services provided by Live Borders on behalf of the Council will continue to be considered in line with the Council's risk management framework. This will evolve in line with the proposed joint transformational change programme and any changes arising from the update of the Service Provision Agreement.

### **6.3 Integrated Impact Assessment**

**6.3.1** An Integrated Impact Assessment (IIA) template has been completed and updated throughout the development of this strategic review.

**6.3.2** The IIA will be revisited and further expanded throughout the development and implementation of the recommendations.

### **6.4 Sustainable Development Goals**

**6.4.1** The proposed recommendations include measures to enable the Trust to improve its carbon footprint which ties in with UN SD Goal 7 (Ensure access to affordable, reliable, sustainable and modern energy for all). This includes work to undertake energy efficiency surveys of facilities to identify actions to reduce consumption and costs as well as opportunities to reduce the overall property footprint of the joint estate.

**6.4.2** The development of our Sport and Physical Education Strategy; Cultural and Arts Strategy and progressing a proactive social prescribing programme of activities support UN SD Goal 3 (Ensure healthy lives and promote wellbeing for all ages).

### **6.5 Climate Change**

The proposed recommendations will help minimise energy use across the joint estate and assist the Borders to reduce its carbon footprint. Further work with the two other Leisure trusts to de-carbonise their operations through reduced energy usage will provide further benefits.

### **6.6 Rural Proofing**

These recommendations will have a positive effect on Borders communities and ensure high quality culture, leisure and recreation services for the future.

## **6.7 Data Protection Impact Statement**

There are no personal data implications arising from the proposals contained in this report.

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

No changes are required to either the Scheme of Administration or Scheme of Delegation as a result of the proposals in this report.

## **7 Consultation**

- 7.1** The Director of Finance and Procurement, the Director of Corporate Governance, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications are being consulted and Council will be updated on any further comments received at the meeting.

### **Approved by**

**Jenni Craig**

**Director Resilient Communities**

### **Author(s)**

Name	Designation and Contact Number
Avril Marriott	Programme Manager

### **Background Papers:**

30 March 2023, Live Borders – Financial Support and Joint Strategic Review Proposal

17 June 2021, Proposed Service Redesign Opportunities for Engagement

**Previous Minute Reference:** Nil

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

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