

## **ITEM No ...10.....**

**REPORT TO:** CITY GOVERNANCE COMMITTEE – 19 FEBRUARY 2024

**REPORT ON:** LEISURE & CULTURE DUNDEE - PERFORMANCE AND IMPACT REPORT FOR 2022-23

**REPORT BY:** CHIEF EXECUTIVE AND MANAGING DIRECTOR OF LEISURE & CULTURE DUNDEE

**REPORT NO:** 51-2024

### **1. PURPOSE OF REPORT**

To provide the annual report for financial year 2022-23 setting out financial and performance information on Leisure & Culture Dundee to meet the guidance on Following the Public Pound.

### **2. RECOMMENDATIONS**

It is recommended that Committee note the attendance performance across the range of services undertaken by Leisure & Culture Dundee in section 5 and in more detail in Appendix 1.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 In 2022-23 the Council paid a management fee to Leisure & Culture Dundee of £8,476,000. In addition to this, the Council also provided additional revenue support of £1,298,974 to offset lost income due to the COVID-19 pandemic (the agreed additional revenue support budget for the year was £2,618,217). Leisure & Culture Dundee also absorbed the additional cost of the 2022-23 pay award of £703,560. The gross turnover (unaudited) for Leisure & Culture Dundee for the same financial year was £17,045,468. The Management Fee and additional revenue support is 57% of the turnover.
- 3.2 There are further fees paid to Leisure & Culture Dundee by Dundee City Council of £1,149,761 for a variety of other services (see section 4.5).
- 3.3 The Council also provides circa £7.3m to support property and buildings maintenance, IT and support costs, and loan charges in relation to facilities managed by Leisure & Culture Dundee.
- 3.4 As a Scottish Charitable Incorporated Organisation (SCIO) the Scottish Government provides relief of rates to Dundee City Council for the properties operated by Leisure & Culture Dundee, the value of which for 2022-2023 was £3,116,626.
- 3.5 During 2022-2023, Leisure & Culture Dundee raised £1.391m (£1.554m in 2021/22) to support programmes and services provided in Dundee from Sport Scotland (Active Schools included in para 3.2 above), and Macmillan, EventScotland, Creative Scotland, various trusts and private sector sponsorship.
- 3.6 The closure of Olympia for remedial works was expected to have a financial impact on Leisure & Culture Dundee in financial years 2022/23 and 2023/24, but any gap would be offset by staff redeployment and vacancies and anticipated additional income at other leisure facilities throughout the city. It has now reopened on 18 December 2023.
- 3.7 In October 2022 the Council agreed to authorise the Chief Executive to issue a letter of comfort to Leisure and Culture Dundee confirming the Council's continuing financial support in financial year 2022/23 and for a period of at least 12 months beyond the date of the signing of Leisure and Culture Dundee's 2021/22 accounts whilst setting out an expectation that from 2023/24 Leisure and Culture Dundee will operate with a balanced budget (Article III of the minute of Policy and Resources Committee on 31 October 2022 refers). Leisure and Culture Dundee have been provided with additional financial support of £2.914m over the past two years to mitigate the impact of Covid 19 with the expectation that this support will cease this year. The

expected cost of financial support to LACD for 2023/24 of £1.586m will be met from Covid earmarked reserves. To provide certainty, stability and time for Leisure and Culture Dundee to develop a balanced budget from 2024/25 onwards the Council further agreed (Article VI of the minute of the meeting of City Governance on 21 August 2023 refers) to extend this support to 31 March 2024. It was further agreed on City Governance meeting on 4 December 2023 that the Chief Executive was authorised to extend the support to LACD to 30 June 2024 should this be necessary.

#### **4. BACKGROUND**

- 4.1 Reference is made to Article VII of the minute of the Policy and Resources Committee of 7 December 2015, (report 425-2015), where approval was given for updating the Council's guidance on Following the Public Pound. As the Council provides substantial funding to Leisure & Culture Dundee to deliver a range of services on its behalf, an annual report is brought to Committee and made publicly available to ensure scrutiny and accountability.
- 4.2 Leisure & Culture Dundee is a Scottish Charitable Incorporated Organisation established in 2011 with responsibility for delivery of the following services on behalf of Dundee City Council:
- Library and Information Services
  - Cultural Services
  - Leisure and Sports Services
- 4.3 Leisure & Culture Dundee is a key partner and in the joint City Plan and Council Plan Progress Report (Article III of the minute of the Policy and Resources Committee of 23 August 2021, Report 211-2021 refers) progress was noted on 11 priority actions and 4 Council Key Performance Indicators where Leisure & Culture Dundee are responsible for delivery. Leisure & Culture Dundee are also essential to the delivery of the City Council's Physical Activity Strategy adopted at the Policy and Resources Committee 31 October 2016 (Report 345-2016, Article III of the minute refers) and the Cultural Strategy 2015-2025 (Article VI of the minute of the meeting of the Policy and Resources Committee on 12 January 2015, report 7-2015 refers).
- 4.4 In addition to its three core service areas listed above, Leisure & Culture Dundee is funded to deliver or oversee a variety of initiatives and agreements on behalf of the Council and Dundee Partnership e.g. Active Schools, Outdoor Education, the School Library Service.
- 4.5 An Annual Report is also submitted to the Office of the Scottish Charity Regulator, and each service produces an annual report, copies of which are available through Dundee's Public Libraries or online at <http://www.leisureandculturaldundee.com/who-we-are>. This report is ahead of that timetable and is based on monitoring information shared with the Council for 2022/23.
- 4.6 The Chief Executive and Director of Leisure & Culture Dundee are working on a review of the agreements in place between the Council and Leisure & Culture Dundee to bring forward any necessary amendments. This will include updating the service levels agreements and refreshing the performance management framework.

#### **5. PERFORMANCE DATA AND HIGHLIGHTS FOR 2022/23**

- 5.1 The following performance highlights are taken from the public service obligation report (as described in the agreement between the Council and Leisure & Culture Dundee) in Appendix 1, which gives a comparison with the previous year and includes the statutory performance indicators included in the Local Government Benchmarking Framework.
- 5.2 The table gives a summary of the total number of attendances/visits to facilities operated by Leisure & Culture Dundee on behalf of the City Council during 2022/23 compared to 2021/22 and also 2019/2020 (Pre-Pandemic). In person attendance has increased significantly and showing recovery from the restrictions caused by the pandemic. However, to show there is still some way to go to recover to pre COVID levels, the second % Change column gives the

comparison between the latest year compared with the pre Covid year of 2019 – 2020. Museums and Leisure and Sport activity have almost recovered to pre-covid levels.

<b>In Person Attendance</b>	<b>2019/20</b>	<b>2021/22</b>	<b>2022/23</b>	<b>% Change 2022/23 on previous year</b>	<b>% Change 2022/23 on pre-Covid year (2019/20)</b>
Library	997,467	244,702	517,463	111%	-48%
Museums	215,596	104,644	178,956	71%	-17%
Halls/venues	270,175	172,310	134,814	-22%	-50%
Leisure & Sport	1,523,035	1,064,620	1,356,431	27%	-11%
Active Schools	229,424	74,974	124,073	65%	-46%
Wildlife Centre	73,757	85,233	77,827	-9%	6%
<b>TOTAL</b>	<b>3,309,454</b>	<b>1,746,483</b>	<b>2,389,564</b>	<b>37%</b>	<b>-28%</b>
<b>Digital Products</b>					
Library	45,288	124,829	159,410	29%	252%
Culture	371,257	1,351,514	495,318	-63%	33%
<b>TOTAL</b>	<b>416,545</b>	<b>1,476,343</b>	<b>159,410</b>	<b>-89%</b>	<b>-62%</b>

### 5.3 Leisure & Culture Dundee achievements during 2020/23 include:

- Increased attendance to all leisure and culture premises as recovery from COVID commenced.
- Caird Hall is now moving to full use pre-Covid levels, and event programme continues to expand to attract new audiences.
- The McManus is performing well, with visitor numbers almost back to pre-Covid levels, significantly different to reports from the wider cultural attractions and museum sector.
- A digital strategy is currently being completed to support the service to become more responsive to digital technologies and apply this into organisational culture. This will support creating a digitally upskilled workforce that supports the introduction of advancing technologies into our organisational model.
- Introduced the new membership COMMUNITYFIT which makes the most of existing community facilities which we already have and offer customers a new type of fitness membership that is full-service, affordable, and locally accessible.
- The priorities for Active for Life in 2023 kicked off with a focus to increase referrals getting back to previous pre-Covid levels. A 6-month project plan, working on promotion within the healthcare professionals in the city, has been developed. Active for Life referrals were up 50% in February on January figures.
- Partnership Agreement with sportscotland – agreements have been signed off by sportscotland, Dundee City Council and LACD, confirming the next 4 four years of investment for Active Schools and Community Sports Hubs.
- New partnerships have been entered into with the Community Empowerment team for the Lochee Ward to provide targeted swim access for families and children and has resulted in increased attendances during the year.
- Over the past year, Ancrum Outdoor Centre has moved from strength to strength with more customers than ever before accessing services.

- The Regional Performance Centre has hosted a large number of key national events, local festivals and training sessions.
- Central Library is now a registered 'Data Bank' with the Good Things Foundation, the first in Dundee. Digital Support Volunteers based in the Opportunities department of central library participated in the launch of the initiative and have widely promoted this resource with partners across Dundee.

## **6. POLICY IMPLICATIONS**

- 6.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## **7. CONSULTATIONS**

- 7.1 The Council Leadership Team and Leisure & Culture Dundee's management team have been consulted in the preparation of this report.

## **8. BACKGROUND PAPERS**

None.

GREGORY COLGAN  
CHIEF EXECUTIVE

8 FEBRUARY 2024

JUDY DOBBIE  
MANAGING DIRECTOR LEISURE & CULTURE DUNDEE

## SERVICE AGREEMENT PART 2 - SPECIFICATION OF PSO SERVICES SUMMARY – Reporting Period: 01/04/2021 to 31/03/2022

### Cultural Services

Cultural Services will provide the operation, management development and promotion of the arts, heritage, culture and science services throughout the City. The section will provide access to high quality educational resources and promote inclusion and deliver outreach activities to adults.

Local Government Benchmarking Framework (LGBF)				
	2020-21	2021-22	+/-	%
Cost per visit to museums and galleries (LGBF Family Group Average)	£115.12 (£119.65)	£1.34 (£14.26)	-£113.78 (105.39)	-98.8% (-88%)
% of adults satisfied with museums and galleries	No data	No data		

Attendance Indicators	Actual 2019-20 (Apr-Mar)	Actual 2021-22 (Apr-Mar)	Actual 2022-23 (Apr-Mar)	+/-	%
Total visitors in person	215,596	104,644	178,956	+74,312	+71%
McManus	167,391	88,766	132,891	+44,125	+49.7%
Broughty Castle Museum	42,149	11,008	35,513	+24,505	+222.6%
Mills Observatory	5,601	4,870	7,424	+2,554	+52.4%
Collections Unit / Steeple	455	0	0		
Digital Engagement	371,257	1,351,514	495,318	-856,196	-63%
Halls and Music Development Venues	270,175	172,310	134,814	-37,496	-22%
Caird Hall (per 1,000)	132,113	147,886	103,514	+55,628	+116%
Burgh Hall	5,879	946	3,189	+3,143	+68%
Box Office	123,085	23,478	28,111	+24,663	+71%

### Leisure and Sport Services

Leisure and Sport Services will provide the operation, management and development of indoor and outdoor sports facilities, the development and delivery of sports activities and events directed towards wider participation in sports and the delivery of services focused on social renewal and the needs of young people on behalf of Dundee City Council in the manner following:

1. Leisure Facility Management
2. Sports Development
3. Golf Course Management and Maintenance
4. Camperdown Wildlife Centre Management
5. Active Schools

Local Government Benchmarking Framework (LGBF)				
	2020-21	2021-22	+/-	%
Cost per attendance of sport and leisure facilities (including swimming pools) (LGBF Family Group Average)	£23.47 (£68.69)	£5.61 (£6.81)	-£17.86 (-61.88)	-76.1% (-90.1%)
% of adults satisfied with leisure facilities	71.1%	No Data		

Attendance Indicators	Actual 2019-20 (Apr-Mar)	Actual 2021-22 (Apr-Mar)	Actual 2022-23 (Apr-Mar)	+/-	%
<b>All Sports (incl. Pools and Golf)</b>	1,523,035	1,064,219	1,356,030	+291,911	27%
Olympia	463,141	113,671	12,130	-101,541	-89.3%
Lochee	65,316	44,581	95,253	+50,672	+113.6%
Craigie	4,742	14,652	17,490	+2,838	+19.3%
Grove	34,912	24,938	40,351	+15,413	+61.8%
Harris	40,066	20,174	34,065	+13,891	68.8%
St. John's	7,718	23,752	22,793	-959	-4%
St. Paul's	36,674	25,487	53,066	+27,579	+108.2%
Ancrum	33,612	32,537	37,952	+5,415	+16.6%
DIA	132,524	129,320	174,161	+44,841	+34.6%
DISC	218,355	114,449	141,812	+27,363	+23.9%
Douglas	81,800	50,098	84,638	+34,540	+68.9%
Fintry	2,164	4,320	6,260	+1,940	+44.9%
McTaggart	95,118	51,868	64,333	+12,565	+24%
Menzieshill Community Hub	26,877	27,528	50,163	+22,635	+82.2%
Baldragon	26,833	33,584	49,193	+15,609	+46.4%
Craigowl	3,440	7,000	11,190	+4,190	+59.8%
St. Andrew's	1,750	5,180	6,730	+1,550	+29.9%
RPC	154,220	274,402	400,161	+125,759	+45.8%
Development (Health & Wellbeing)	36,098	11,951	10,687	-1,264	-10.5%
Sports Development	30,560	9,556	6,140	-3,416	-35.7%
Golf Rounds Caird 9 Hole	5,965	13,179	8,195	-4,984	-37.8%
Golf Rounds Caird 18 Hole	21,150	31,992	29,267	-2,725	-8.5%
Golf Members	1,192	1,202	1,135	-67	-5.5%
LeisureActive Members	4,842	3,681	3,130	-551	-14.9%
Performance Sport DAPP – Institute of Sport & Exercise*	-	-	401	N/A	N/A
Wildlife Centre	73,757	85,233	77,827	-7,406	-8.6%
Active Schools	229,424	74,974	124,073	+49,099	+65.4%

\* LACD has been responsible for DAPP since 16<sup>th</sup> August 2022.

## Library and Information Services

Library and Information Services will provide the operation, management and development of library and information services throughout the City. This service will provide access to high quality resources for reading and writing as well as high quality information, as well as an access to high quality educational resources. Services provided will promote inclusion and deliver outreach activities to adults, children and families.

Local Government Benchmarking Framework (LGBF)				
	2020-21	2021-22	+/-	%
Cost per visit to libraries (LGBF Family Group Average)	£21.73 (£13.22)	£9.63 (£6.29)	-£12.10 (-6.93)	-55.7% (-47.6%)
% of adults satisfied with libraries	74.3%	No Data		

Attendance Indicators	Actual 2019-20 (Apr-Mar)	Actual 2021-22 (Apr-Mar)	Actual 2022-23 (Apr-Mar)	+/-	%
Library visits per 1,000 of population	6,547	1,639	3,503	+1,864	+113.7%

<b>Attendance Indicators</b>	<b>Actual 2019-20 (Apr-Mar)</b>	<b>Actual 2021-22 (Apr-Mar)</b>	<b>Actual 2022- 23 (Apr-Mar)</b>	<b>+/-</b>	<b>%</b>
Loans of e-books	8,672	12,929	10,286	-2,643	-20.4%
Loans of e-audio books	8,510	11,234	10,884	-350	-3.1%
Loans of e-magazines	13,101	92,997	129,358	+36,361	+39%
Digital literacy sessions	15,005	6,703	8,882	+2,179	+32.5%
Activities promoting reading	3,941	966	3,510	+2,544	+263.3%