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Building Standards Manager  
Inverclyde Council  
(by email)

(copy to: Head of Service)

Our ref: A15405491  
21 September 2016

Dear Building Standards Manager

## 1. BUILDING STANDARDS VERIFICATION PERFORMANCE FRAMEWORK

Scottish Ministers committed to review the performance of local authorities as verifiers in the lead up to the next appointment period from May 2017. Kevin Stewart, Minister for Local Government and Housing, has responsibility for Building Standards and is awaiting the findings of the review which is expected to be completed in October this year.

In February Scottish Ministers wrote to your local authority to provide an update on your building standards verification performance. This covered the key performance outcomes in the performance framework over 2014-15 (Q1-Q4) and part 2015-16 (Q1 and Q2).

Further analysis has been carried out to take in 2015-16 (Q3 and Q4) using the same criteria for the red/amber/green (RAG) ratings to allow progress to be seen. As previously, there is a mixed picture across Scotland. Many authorities are performing well, however there are a number of others with performance issues particularly over lengthy turnaround times.

The Scotland-wide picture is included in **Annexes A and B**. Feedback on your local authority's performance is included in **Annex C**. The format is similar to that used in the February letter and the same RAG marking criteria has been used, see **Annex D**.

You will know that the performance framework is being reviewed and draft proposals for the next appointment period have been circulated for comment. This will be discussed at the next BSD/LABSS working group on 6 October, with the intention of finalising it for the all local authority event in Stirling on 27 October.

I would take this opportunity to thank you for inputting into this. An important aspect is the development of performance targets and the performance figures reported by local authorities will inform these.

## 2. VERIFICATION OPERATING FRAMEWORK (FOR 2017) – KEY FUNCTIONS

Scottish Ministers propose to introduce a **Verification Operating Framework** as part of the May 2017 verifier appointments and wish to know the current position of local authorities.

The Building (Scotland) Act 2003 and associated legislation set out the role of verifiers in the Scottish building standards system. Their primary function is to protect the public interest by providing an independent check of applications for building warrant to construct or demolish buildings, to provide services, fittings or equipment in buildings, or to convert buildings. This includes checking during the design phase before granting a building warrant and checking during the construction phase before accepting a completion certificate.

Verifiers are appointed by Scottish Ministers under section 7(1)(a) of the Act. Regulation 30 of the Building (Procedures) (Scotland) Regulations 2004 requires that, before making an appointment of a verifier, the considerations to which Scottish Ministers shall have regard to shall include –

- Qualifications;
- Competence;
- Accountability to the public; and
- Impartiality.

Verifiers are expected to operate under the Building Standards Verification Performance Framework which covers three perspectives –

- Professional Expertise and Technical Processes;
- Quality Customer Experience; and
- Operational and Financial Efficiency.

There are three cross-cutting themes of Public Interest, Continuous Improvement and Partnership Working. The framework is supported by a range of key performance outcomes.

The **Verification Operating Framework** will cover the **key verification functions** that you operate to and will be familiar. The functions cover the following aspects –

- Integrity and operational resilience
- Building Warrant and Completion Certificate processing
- Maintaining records

## 3. NEXT STEPS

Please complete **Annex E – Operating Framework – Self-assessment** with your RAG rating for each function, including any related comments, particularly if amber or red, or where you have performance issues.

Please return to [buildingstandards@gov.scot](mailto:buildingstandards@gov.scot) by **Friday 7 October 2016**.

Also please include “**Operating Framework – Inverclyde Council – RAG self-assessment**” in the subject line of your email.

Yours faithfully



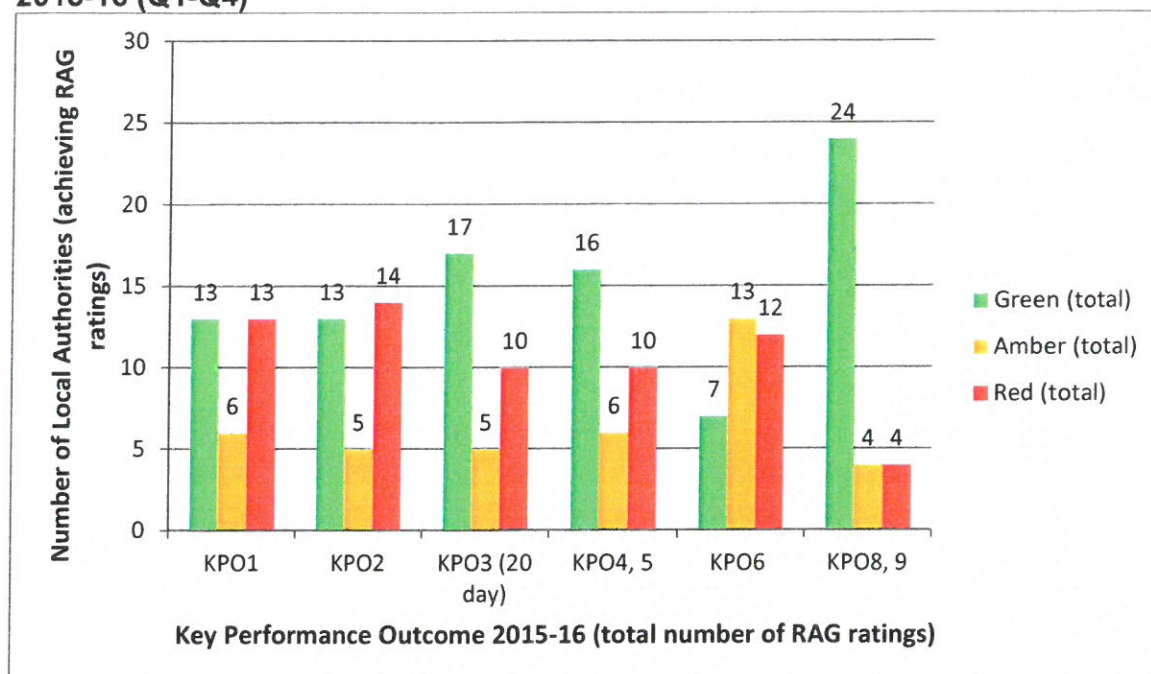
**Jonathan Astwood**

## SCOTLAND-WIDE PERFORMANCE UP TO END MARCH 2016

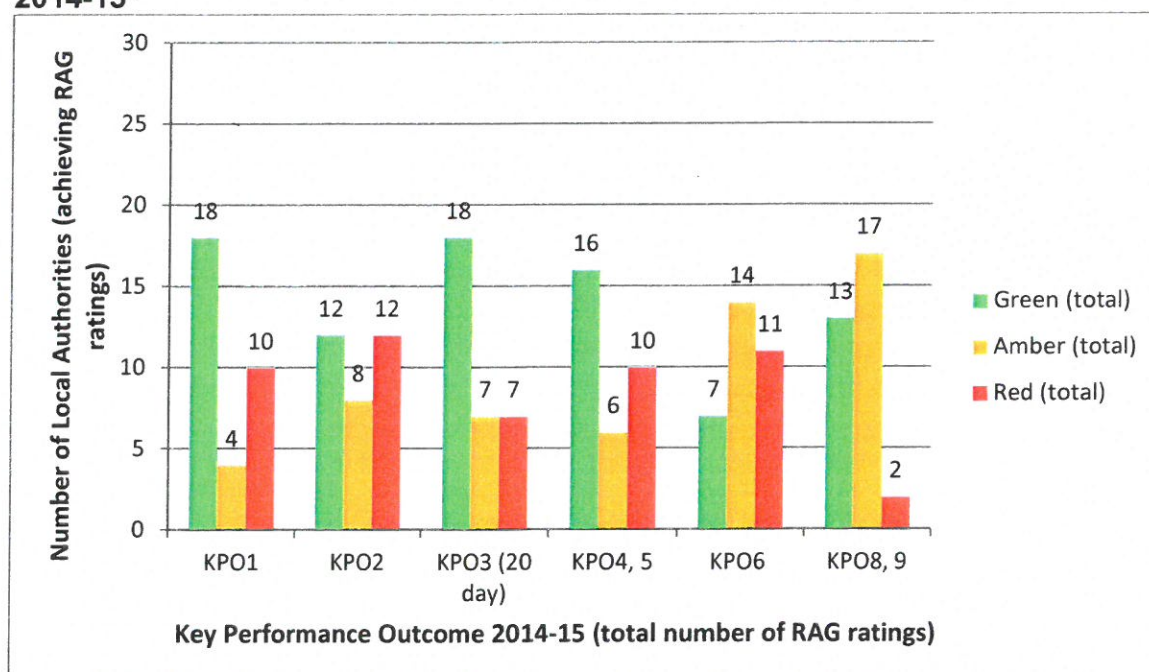
<b>KPO1 – Year-on-year reduction in the average time taken to grant a building warrant</b>
The average time to get a building warrant has varied between local authorities and has been increasing (i.e. taking longer to grant a building warrant). This is made up of the time taken by the verifier and the time taken by the applicant. The quarterly reporting regime was updated from April 2014 to allow local authorities to provide this breakdown. The number of local authorities providing a breakdown has increased to 15.
<b>KPO2 – Increased quality of assessment and compliance during the construction process</b>
The successful achievement of construction, compliance and notification plans (CCNPs) by both the relevant person and the verifier has varied significantly across local authorities. As with KPO1 the quarterly reporting regime was updated from April 2014 to allow local authorities to provide breakdowns for verifier performance and relevant person performance. The number of local authorities providing a breakdown has increased to 13.
<b>KPO3 – Increased commitment to meeting customer expectations</b>
The % of first reports issued within 20 days has varied between local authorities and has been decreasing slightly (i.e. taking longer to issue a first report). This may be as a result of the additional applications submitted prior to October 2015 regulation changes.
<b>KPO4 – Adherence to service commitments of a National Customer Charter</b>
Customer charters, in place for many years, have been updated to the national format under the framework. Most local authorities are making charters clearly available to their customers via their website.
<b>KPO5 – Improvement of the customer experience</b>
The Scottish Government has run the Scotland-wide verification customer survey twice, in 2014 and 2015. The overall 2015 satisfaction rating dropped slightly from 7.5 to 7.1. The rating for each local authority and for consortium groups varied, with over half of local authority seeing their ratings drop. The next survey for 2016 is planned to be run in October 2016.
<b>KPO6 – Financial governance</b>
Verification staff costs have been consistent while verification fee income has varied quarter on quarter. Fee income in Q2 increased significantly, due to applications submitted pre-2015 changes. Scotland-wide fee income for 2015-16 was 185% of verification staff costs (2013-14: 151%). However there have been significant variations between local authorities from less than 100% (no surplus) to more than 200% (significant surplus).
<b>KPO7 – Improved partnership working underpinned by engagement with a National Customer Forum</b>
The National Forum has still to be formally set up. However the aim of the outcome to bring together key stakeholders in the construction industry has been met through strategic liaison groups, departmental working groups and short term cross industry groups for specific technical or procedural issues. This approach has been shown to underpin greater consistency and provide workable solutions.
<b>KPO8 – Development of an adherence to objectives outlined in balanced scorecard</b>
Balanced scorecards have been in place for many years and the format was updated under the current framework. Most local authorities are making scorecards clearly available to their customers via their website and updating them when necessary.
<b>KPO9 – Commitment to continuous improvement</b>
Reporting on continuous improvement was simplified from April 2014 with only the summary continuous improvement plan (CIP) having to be submitted quarterly. Local authorities are generally submitting their summary CIP within deadlines.

## SCOTLAND-WIDE PERFORMANCE – BREAKDOWN OF RAG RATINGS

## 2015-16 (Q1-Q4)



## 2014-15\*



	2014-15*		2015-16	
Scotland-wide	RAG Totals	%	RAG Totals	%
Green	84	44%	90	47%
Amber	56	29%	39	20%
Red	52	27%	63	33%
<b>Total =</b>	<b>192</b>	<b>100%</b>	<b>192</b>	<b>100%</b>

\* 2014-15 includes 1<sup>st</sup> half 2015-16 (Q1 and Q2) as reported in February 2016

## VERIFICATION PERFORMANCE – AT END MARCH 2016 (2015-16)

Name of local authority verifier:	<b>Inverclyde Council</b>
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The feedback below on your performance covers the range of performance outcomes set out in the Building Standards Verification: Key Performance Outcomes Handbook. This framework was introduced as part of the re-appointment of verifiers from May 2011.

The Red, Amber, Green ratings are based on the evidence provided within the quarterly returns and looks at quarter on quarter performance and comparisons to the Scotland-wide picture. Where no information or insufficient evidence has been provided, a 'red' marking has been allocated.

2015-16 covers the year to end March 2016. 2014-15 covers the analysis to end September 2015.

KPO	Performance Outcome	RAG rating 2014-15	RAG rating 2015-16	SG Comments <ul style="list-style-type: none"> <li>2014-15 – up to end September 2015</li> <li>2015-16 – up to end March 2016</li> </ul>
1	Year-on-year reduction in the average time taken to grant a building warrant	Amber	Amber	<p>The average time to grant a building warrant has been generally consistent quarter on quarter. The times have been generally slightly above the national averages.</p> <p><b>RAG = Amber</b></p> <p>Local authority has provided a breakdown of time taken by verifier.</p> <p><b>RAG = Green</b></p>
2	Increased quality of assessment and compliance during the construction process	Amber	Red	<p>The % of CCNPs fully achieved has varied quarter on quarter from around 4% to 59%. They have been generally below the national averages.</p> <p><b>RAG = Red</b></p> <p>Local authority has provided a breakdown of CCNPs fully achieved by relevant person or by verifier.</p> <p><b>RAG = Green</b></p>
3	Increased commitment to meeting customer expectations	Green	Green	<p>The % of first reports issued within 20 days has been consistently high (up to 100%). They have been significantly higher than the national averages.</p> <p>Local authority has not provided customer agreements.</p>
4, 5	Adherence to service commitments of a National Customer Charter	Green	Green	<p>Customer charter published on local authority website. Last update specified October 2015.</p> <p>The 2015 customer survey indicates a higher overall satisfaction rating for your service (7.8) than your 2014 rating (3.6).</p>

	Improvement of the customer experience			<p><b>RAG = Green</b></p> <p>Your 2015 rating (7.8) is higher than the national rating (7.1).</p> <p><b>RAG = Green</b></p> <p>Your customer response rate (5.1%) was lower than the national average (15.6%).</p> <p>The number of email addresses supplied by you was higher than the national average.</p> <p>The number of responses was lower than the national average (10 responses).</p> <p><b>RAG = Amber</b></p>
6	Financial governance	Green	Green	<p>The % of fee income measured against verification staff costs has varied quarter on quarter. They have been consistently lower than the national averages.</p> <p>Fee income for quarter four significantly decreased.</p>
7	Improved partnership working underpinned by engagement with a National Customer Forum	Not applicable	Not applicable	
8, 9	Development of an adherence to objectives outlined in balanced scorecard  Commitment to continuous improvement	Green	Green	<p>Balanced scorecard published on local authority website. Last updated July 2016.</p> <p>Quarterly update of continuous improvement plan summary submitted on time.</p>

#### Overall markings (total numbers for red, amber, green)

	2014-15	2015-16
Red	0	1
Amber	2	1
Green	4	4

#### Decision making timescales

		2014-15	2015-16
KPO1	Average time to grant a building warrant	Amber	Amber
KPO3	% of first reports issued within 20 days	Green	Green

## VERIFICATION PERFORMANCE – RAG MARKING CRITERIA

	RAG	MARKING CRITERIA (TO END MARCH 2016)
		<ul style="list-style-type: none"> <li>Averages given for 2015-16 (Q1, Q2, Q3, Q4)</li> <li>Criteria unchanged from analysis up to September 2015 (issued Feb 2016)</li> </ul>
KPO1	Green	Below the national average – < 60 Days (National average = 63 days approx.) Can provide breakdown of verifier time
	Amber	Close to the national average – > or = 60 days and < 65 days Cannot provide breakdown of verifier time
	Red	Above the national average – > or = 65 days
KPO2	Green	Above the national average – > 50% (National average = 46% approx.) Can provide breakdown of relevant person and verifier performance
	Amber	Close to the national average – > 45% and < or = 50% Cannot provide breakdown of relevant person and verifier performance
	Red	Below the national average – < or = 45%
KPO3	Green	Above the national average – > 95% (National average = 88% approx.)
	Amber	Close to the national average – < or = 95 and > 90%
	Red	Below the national average – < or = 90%
KPO4, KPO5	Green	National customer charter published on-line Customer survey rating – above 2014 LA rating Customer survey rating – above 2015 national rating (7.1) Email addresses provided – above 2015 national average (2x ave = significant) Number of responses – above 2015 national average (2x ave = significant)
	Amber	Customer survey rating – within 5% or 0.5 below 2014 LA rating Customer survey rating – within 5% or 0.5 below 2015 national rating (7.1) Email addresses provided – between 2015 national average and 50% average Number of responses – between 2015 national average and 50% average
	Red	National customer charter not clearly published on-line Customer survey rating – more than 5% or 0.5 below 2014 rating Customer survey rating – more than 5% or 0.5 below 2015 national rating (7.1) Email addresses provided – below 50% of 2015 national average (7.1) Number of responses – below 50% of 2015 national average (7.1)
KPO6	Green	% fee income against staff costs – > 120% and < or = 150% <sup>(1)</sup>
	Amber	% fee income against staff costs – > 100% and < or = 120% (-) % fee income against staff costs – > 150% <sup>(1)</sup> and < or = 200% (+)
	Red	% fee income against staff costs – < or = 100% (-) % fee income against staff costs – > 200% (+)
KPO7		Not applicable
KPO8, KPO9	Green	Balanced scorecard published on-line Submission of Summary CIP Q4 2015-16 – on time
	Amber	Submission of Summary CIP Q4 2015-16 – late
	Red	Balanced scorecard not clearly published on-line Submission of Summary CIP Q4 2015-16 – not done

<sup>(1)</sup> Note:

- Average 2015-16(Q1-4) – 185% (based on 4 quarters)
- This includes the spike in applications and fees submitted prior to October 2015 regulation changes.