

Scottish Government
Re-Audit
of
Highland Council's
Building Standards Service

30 June – 2 July 2010

INTRODUCTION

1. This audit report covers the operation of Highland Council's Building Standards Service (the Service) in carrying out its verification function.
2. The new Scottish building standards system came into force on 1 May 2005 and the 32 Scottish local authorities have been appointed as sole verifiers for their respective geographical areas for a period of 6 years. The Scottish Government's Building Standards Division (BSD) has been appointed to audit the Scottish verifiers approved under Section 7(1) of the Building (Scotland) Act 2003.
3. The Scottish verifiers have agreed with the BSD a balanced scorecard of five perspectives. These are: public interest, private customer, internal business, continuous improvement and finance. For each perspective the Scottish verifiers will individually identify their own actions and supporting information.
4. The audit process consisted of:
 - a. The Service's submission of a balanced scorecard incorporating five perspectives;
 - b. The Service's submission of evidence to support the balanced scorecard;
 - c. BSD review of the balanced scorecard and supporting evidence; and
 - d. BSD on-site assessment including interviews with key staff, inspection of administration systems and random sampling.
5. The Service was originally audited in October 2007. At that time the Service scored cause for concern and serious cause for concern across all five perspectives. Consequently Scottish Ministers invited the Service to develop and institute an improvement plan and asked BSD to monitor progress against it. BSD has since undertaken two interim audits to assess progress against the improvement plan. These interim audits were undertaken in 2008 and 2009 and both found considerable positive movement against the plan. To satisfy Scottish Ministers that sufficient progress had been made a final full audit was to be undertaken in 2010. The on-site audit took place in Inverness on 1 and 2 July 2010. The audit team also visited other local offices within the Service's network. These were Kingussie (30 June 2010), Inverness and Dingwall (2 July 2010).
6. Standardised commentary and marking will be applied to each section of the balanced scorecard. The BSD assesses the verifier's balanced scorecard against the evidence provided. The appropriateness or otherwise of the actions and supporting information have not been assessed.

7. The markings will be:

Excellent	-	Major strengths
Good	-	Strengths outweigh weakness
Satisfactory	-	Strengths balance weakness
Cause for concern	-	Weaknesses outweigh strengths
Serious cause for concern	-	Major weakness

8. Any discrepancies or areas of disagreement on matters of fact have been agreed with the verifier and further explanation provided as required.
9. The audit report will detail the findings of the investigation. If any of the five areas is graded 'serious cause for concern', or two or more gives 'cause for concern', a follow-up audit will be undertaken within three months. The follow-up audit may be conducted by a different team depending on availability. However, it is expected that immediate corrective action will be taken on any area graded 'serious cause for concern'. If one area gives 'cause for concern' a follow-up audit will be undertaken within six months. The timing of any follow up audit inspection and action points will be agreed in advance.

	Action by verifier	Follow-up audit
Any of the five areas is graded 'serious cause for concern'	Immediate	Within 3 months
Two or more areas give 'cause for concern'	Within 1 month	Within 3 months
One area gives 'cause for concern'	Within 3 months	Within 6 months

10. The following information describes the Service:

The Highland Council Building Standards Service is managed by the Planning and Development Service which has its base at Council Headquarters, Glenurquhart Road, Inverness. The Director, the Head of Planning and Building Standards and the Building Standards Manager are based at this location.

The Building Standards Service is led by the Head of Planning and Building Standards. The Building Standards team is managed by the Building Standards Manager who in turn is supported by 3 Building Standards Team Leaders each responsible for a defined operational area comprising: -

- Caithness, Sutherland and Easter Ross (CSER)
- Ross, Skye and Lochaber (RSL)

- Inverness incorporating Nairn and Badenoch & Strathspey (INBS)

There are 7 area offices strategically located in the towns and city where the biggest number of people live and work. The offices provide a vital rural and urban service to a population of approximately 217,000 and cover 10,500 square miles from Dalwhinnie in the south to Thurso in the north (a distance of approximately 170 miles) and from Nairn in the east to Portree in the west (a distance of 130 miles).

The Building Standards Service operates with decentralised service delivery. The day to day management of the 7 area offices is the responsibility of the Principal Building Standards Surveyor who has delegated authority and responsibility to deal with all Building Standards operations including taking enforcement action where unauthorised building operations are being carried out or where defective or dangerous building incidents occur.

In the financial year 2009/10 the Building Standards service: -

- Approved 3219 applications for Building Warrant which represented a downturn of 5% from the previous year
- Accepted 2602 Completion Certificates
- Received £1.7m in Building Warrant fee income. This represents a 13% reduction of fee income from the previous year and;
- Approved work for the Highland economy to a value of £250m

The structure of the service is as below: -

<p style="text-align: center;"><u>Building Standards Structure</u></p> <p style="text-align: center;">Richard Hartland Head of Planning and Building Standards </p> <p style="text-align: center;">Glenn Campbell Building Standards Manager </p>		
Frank Doherty - Buildings Standards Team Leader - Caithness, Sutherland and Easter Ross (CSER)	Ian Patience – Buildings Standards Team Leader - Ross, Skye and Lochaber (RSL)	Angus MacGruer – Buildings Standards Team Leader - Inverness, Nairn and B & S (INBS)
<p style="text-align: center;"><u>Caithness</u> –</p> <p>Barry Reid - Principal Building Standards Surveyor Neil Davison – Building Standards Surveyor (BSS) Vacancy - Building Standards Inspector (post frozen)</p>	<p style="text-align: center;"><u>Ross</u> –</p> <p>*Tony Miller – Building Standards Surveyor (acting PBSS) *Scott Ramsay – BSS Craig McClymont – Trainee BSS</p>	<p style="text-align: center;"><u>Inverness</u> –</p> <p>Vacancy – Principal Building Standards Surveyor (post frozen) *Alasdair Murray – BSS (acting PBSS) *Scott Willox – BSS (acting PBSS) *Nigel Kemp – BSS Paul Heggie – BSS Graham Irvine – BSS John Glendinning – BSS Donald McIver – Building Standards Inspector (acting BSS) Vacancy - Building Standards Inspector (post frozen)</p>
<p style="text-align: center;"><u>Sutherland and Easter Ross</u></p> <p>Sheila Tomelty – Principal Building Standards Surveyor David Johnston - BSS William Brass – Trainee BSS Lois Chambers - Trainee BSS</p>	<p style="text-align: center;"><u>Lochaber</u> –</p> <p>Tony Edge - Principal BSS Keith Hoole – BSS Donald Donnelly – Trainee BSS</p>	
	<p style="text-align: center;"><u>Skye</u> –</p> <p>Roddy MacKinnon – Principal BSS David Hancock – Trainee BSS</p>	<p style="text-align: center;"><u>Nairn</u> – (sub-office to Inv)</p> <p>Eddie Grant – Principal BSS</p>
		<p style="text-align: center;"><u>Badenoch & Strathspey</u> –</p> <p>John Dougherty – Principal BSS *Andrew Scott – BSS</p>
<p>* Previously designated Senior Building Standards Surveyor - designation under review</p>		

PERSPECTIVE 1 – Public Interest

Verifiers will have in place risk management protocols which will determine the management of work on building warrants and completion certificates.

Actions intended to be taken by verifier:

Protocol Improvement

- Carry out an Annual Protocol effectiveness review. Develop new protocols
- Develop a suite of protocols in line with continuous improvement strategy

Improve Workload Delivery

- Review area workload patterns and pressures Re-distribute workloads ensuring performance targets are achieved
- Maintain an effective BS structure with clear management lines of responsibility
- Business support practices and processes investigated to ensure consistency and quality control

Policies

- The Protocol and Policy team ensures consistent interpretation of the regulations

Bench Marking and Peer Review

- Northern Authorities Consortium for Verifier Peer Group Reviews and Benchmarking
- Service Level Agreements (SLA).

Improved Outsource Contractor Management

- Outsource work to external BS contractors when workloads and staffing pressures demand

UNiform

- Building Standards Register UNI-form
-

Audit Findings

1.1 The Highland Council Building Standards Service (the Service) is managed by the Building Standards Manager (BSM) and is part of the Planning and Development Service. It is structured into three teams – Caithness, Sutherland and Easter Ross; Ross, Lochaber, and Skye; and Inverness, Nairn and Badenoch and Strathspey. All three teams are headed by Area Team Leaders (ATLs) who operate through 7 offices across the large Highland region. Each office has a Principal Building Standards Surveyor and benefit from a range of technical and administrative presence. Administration support is provided as part of the central administration resource and work closely with the Service.

1.2 The Service has formalised risk-based management protocols for dealing with building warrant applications and completion certificate submissions. They are based on complexity of work and competency of surveyors and are embedded into the culture of the Service. These protocols are dynamic and the Service reviews and improves them when a need arises, with the backstop of regular review points

throughout the year. To support this, the Service has created a Protocol Working Group that involves a range of staff. This Group reviews the scope for protocols and develops them to ensure a consistent approach is taken across the verification area. A range of protocols have been introduced including: site inspections; non-certified electrical work and alternative solutions. The protocols have been developed in consultation with staff by using the Council's 'Sharepoint' system (this system is further covered in the Internal Business perspective), allowing all staff to be involved and comment. The development of this suite of protocols underpins the Service's aim to provide a consistent and predictable service to its customers and it also supports its continuous improvement agenda. Protocols are accessible to customers and stakeholders via the Highland Council website, as well as through the area office network by request.

1.3 Building warrant applications and completion certificate submissions are allocated by management at each office across the region. All work is allocated transparently, on an assessed competency basis. To support consistency in delivered service a range of monitoring activity is in place. For example, experienced Building Standards Surveyors (BSS) will have 5% of their work checked, while new trainees will have 100% checked. All members of staff have clear knowledge of how they can progress up the competency levels and their training and development ties into their personal aspirations. Processes are in place to assess performance and development needs.

1.4 The Service has to operate over a very large geographical area and the Building Standards Manager (BSM) and his senior management team clearly understand the challenges of operating a dispersed Service. They have put in place mechanisms both to support service delivery to customers and ensure that staff workloads are fair, transparent and consistent. The BSM has set up workload management procedures that have now broken down old artificial geographical barriers ensuring that pressure points are smoothed out by moving resources and workload around the network. This new flexible approach has had two clear benefits: firstly it provides a more consistent and predictable service to customers and secondly, it ensures that staff are not overloaded. This has clearly had a positive impact on team working and improvements in staff morale, enthusiasm and confidence.

1.5 The Service has a good mix of personnel and this is structured to meet the demands of the Highland region. The BSM is based at the Council HQ at Inverness but spends some time at local area offices, particularly Kingussie. His ATLs work from offices dispersed across the network. In each individual office the Principal Building Standards Surveyor (PBSS) supports localised management – this management structure with clear lines of authority again brings a consistent approach to Service delivery. The Service is further supported through excellent communication strategies and these are highlighted in the Internal Business perspective.

1.6 The Service undertakes benchmarking through the Northern Authorities Consortium Group. The Service has recently built on the benefits they have seen from their internal Sharepoint site to develop a Consortium wide Sharepoint communication site. This will hopefully bring greater communication, involvement

and wider technical consistency to support the consortium customer base. The Northern Authorities Consortium is also used for peer review and this arrangement has worked well. Another area of benchmarking includes Grampian Building Standards Liaison Group and the Service is now considering wider opportunities.

1.7 The Service has in previous years struggled to attract staff to the area. Therefore, to maintain staffing levels they have introduced a very successful 'grow your own' policy and now have a number of trainee Building Standards Surveyors within the Service. These trainees are assisted by structured training through further education courses and in-house coaching and mentoring. Again due to previous difficulties in attracting staff the BSM has a number of technical consultants he can call upon to help process work in times of high demand. These technical consultants have clear guidelines in place to ensure they adopt the consistent approach of the Service and their work is monitored in line with their competency level.

- Strong risk assessment protocols, for both building warrant applications and completion certificate submissions, are in place and are applied consistently
- Excellent management of building warrant applications across area offices
- Protocol Working Group established to drive consistency of approach
- All staff are aware of levels of risk and competency
- Staff competencies and complexity of work are used for determining levels of supervision
- Excellent management structure developed to support all staff

OVERALL MARKING – EXCELLENT

PERSPECTIVE 2 – Private Customer

Verifiers will have in place by 30 September 2006 the principles of a customer charter which encompasses areas such as:

- *guidance to stakeholders,*
- *accessibility of service,*
- *measurable performance targets,*
- *customer views.*

Actions intended to be taken by verifier:

Customer Service Improvement

- Develop a Customer Service Strategy by: - understanding our customer needs and expectations
- A new suite of Key Performance Indicators have been established and published monthly on THC website
- Develop and publish Customer Charter
- Guidance documents and information availability
- Customer clinics and workshops on changes to regulations
- To ensure consistency of assessment of applications and provide a speedier response time to the customer develop a “specialist team” of BS surveyors for dealing with major or complex developments
- Customer Service Excellence – The Government Standard. Public Service Improvement Framework (PSIF)

Benchmarking

- Use of external Business Consultants to improve whole team building; customer care and management training

Audit Findings

2.1 The Service has an established Customer Charter in place which is clearly accessible on the Highland Council website as well as being available in local offices on request. The Charter has recently been reviewed but the Service intends to consult with a range of customers in focus group discussions prior to further review. The Customer Charter is concise, user friendly and meets the requirements of this perspective. One of its strengths is its link to Service performance data, also clearly published on the website. Future reviews need to ensure that customers are provided with clear information about procedures for formal complaints as well as comment. The Service is also considering how it might incorporate information about its ongoing surveys and the opportunities provided to customers to provide feedback through a short web-based form.

2.2 To further support and enhance its relationship with customers the Service has produced and promoted its ‘Building Standards Customer Care Strategy’. The driver for this strategy was to remedy the issues identified in the 2007 audit. The strategy is a very positive document that provides to staff, partners and other stakeholders a clear view of what customer care means. It highlights ways in which the customer experience should be enhanced, referring to a range of standards that include provision of:

- High quality advice, knowledge and customer experience
- Consistency of service delivery
- Consistency of service commitment
- Empathy, sympathy and personal engagement

This strategy articulates a clear commitment to customers and it thus demonstrates extremely good practice.

2.3 The Service now regularly meets its key performance targets (KPIs). Previously, these were rarely met (these are part of a wider set of KPIs). They are:

- KPI 1 – first response to building warrant;
- KPI 2 – first response to completion certificate; and
- KPI 3 – time to issue building warrant.

Details are published on their website showing monthly figures and trends. The Service has, through Focus Group activity, asked its customers about the appropriateness or otherwise of its current suite of KPIs. Moving from a previous position of frequent complaints about delays, the Service has welcomed customers' expression of satisfaction with current performance levels and targets. However, it is committed to continually improving performance and it aims to improve and stretch the target for first response time to building warrant application by 3% year on year, introducing a backstop time that all first responses must meet. All KPI targets are regularly reviewed and performance is discussed on a regular basis both at team and management team levels (this is discussed further in Internal Business).

2.4 A good range of guidance material is available to all. These guidance documents are promoted to customers particularly clearly on the Service website and they are also available at Service receptions by request. The promotion of Guidance would be further enhanced by creating a list that includes all available guidance and protocols so that visiting customers without computer access can readily see what they need to ask for. All guidance documents are reviewed at regular intervals and updated as necessary. The Service has an excellent website that provides extremely clear and easy navigation for customers to use.

2.5 The Service now hold Focus Groups with a range of customers. These have been well supported and initially mainly focussed in on performance issues but discussion has now shifted towards more technical issues given the clear Service improvement in performance. The Service's staff augment these sessions by holding technical clinics afterwards to support stakeholders' interpretation of the technical regulations. Workshops are also now held regularly across the network eg the 'Forward Planning Workshop' at Dingwall which looked at a whole range of activity including legislation and procedures. To further enhance the quality of the Service, a dynamic questionnaire is available via the website. Monthly analysis is undertaken and results are promoted to customers on-line. Feedback forms have also been issued with completion certificates and the Service is considering other forms of surveying customers, for example through telephone interviews, to improve the response rate and ensure representativeness.

2.6 To help segment the Service and to recognise that there are different customer needs the Service has developed a number of Specialist Teams to help support major or complex applications for example residential care homes and Dounreay. Specialist Teams are made up from a mix of staff which allows more junior colleagues the opportunity to develop their skill set. The Specialist Team approach has been welcomed by both staff and customers as it brings synergy to the building warrant process and helps to ensure improved efficiency and effectiveness for the customer.

2.7 Improvement tools such as Public Service Improvement Framework (PSIF) and Customer Service Excellence (CSE) are discussed under the Continuous Improvement perspective.

2.8 The BSM and his Management Team, after the 2007 audit, recognised that customer engagement was not a strength so collectively they agreed to engage the services of a private management consultant who would support them on this and other issues. This decision has been pivotal in the development of the Service's rapid customer engagement strategy. They can now clearly identify their customer base, tailor services accordingly and can put in place measures to meet customer needs and expectations, thus considerably driving forward customer satisfaction.

- Clear and concise Customer Charter in place
- Good range of guidance documents in place
- Suite of KPIs in place (tested against customer expectation)
- Excellent Building Standards Customer Care Strategy produced and promoted
- Focus Groups established which are further supported by technical clinics and workshops
- Dynamic questionnaire with monthly analysis
- Development of Specialist Teams to support large or complex building warrant applications

OVERALL MARKING - GOOD

PERSPECTIVE 3 – Internal Business

Verifiers will have prepared a formal plan for the internal business perspective for the financial year 2006-2007 by 30 September 2005.

Actions intended to be taken by the verifier:

Training and Development

- People coaching skills, Customer service training, Managing change, Customer Service coaching, objective setting & PDP coaching
- Develop and implement a competency based training and development scheme for staff.

Performance Management/ objectives settings

- Review staff structure linking succession planning and Personal Development Plans (PDPs)

UNI-form

- Streamline the verification process to include a process mapping exercise of the back office support service

Business Plan

- Building Standards Service Plan 2010 - 13 published and linked to strategic objectives and aligning with Corporate Plan and 'Strengthening the Highlands'

Communication Strategy

- Promote the use of Sharepoint as a means of communicating with staff and stakeholders. Have in place a Communication Strategy review
- Improve communication in area office network
- Investigate amendments to Regulations for 2010. Develop internal training workshops

Personal Development Planning

- Undertake staff Personal Development Reviews aligning with the P & D Service Plan and Corporate initiatives

KPI Review

- A suite of 9 KPIs (3 external and 6 internal) is established External KPIs are published on the web and reported to Head of Service monthly and Committee quarterly

Audit Findings

3.1 The Service has a formal Building Standards Business Plan. This ties into higher level Council plans and links into both the Service's balanced scorecard and its Improvement Plan to support its Continuous Improvement agenda. The Business Plan is a clear document that places focus on how the Service is going to achieve its tactical and operational goals to March 2013. The plan is a dynamic working document that forms the basis of everyday activity and it is regularly reviewed and updated. The plan covers many areas including:

- Service structure
- Note of updates to plan
- Market and Service demand

- Performance measures
- Short to long term vision

3.2 One of the key strengths to the Service is the strong leadership which was clearly visible during the audit. It starts at the top of the organisation with Elected Members and senior Council Officers, with the Head of Service, the BSM and the Area Team Leaders all actively engaged in developing a strong performance culture that was committed to meeting customer needs and, where possible, their expectations. The development of this culture is supported by the business structure and internal business processes that have been implemented since October 2007.

3.3 Given the challenges that the dispersed office network brings the Management Team has introduced excellent communication at all levels. These include a comprehensive variety of meetings:

- Regular Management meetings
- Quarterly Area Team level meetings
- Weekly Office Team meetings

Meetings are recorded and all staff has access to the information which is both discussed at team meetings and logged on to the Service's shared on-line filing space to facilitate shared access and avoidance of duplicate storage. The BSM engenders an open and inclusive approach to communication which is welcomed by his colleagues at all levels of the Service.

3.3 Standing items are discussed at the various levels of meeting for example the Management Team meeting will always review performance against KPIs and use local knowledge to manage workflows across the network to ensure that targets are met and workloads are fair.

3.4 Perhaps one of the most significant achievements has been the Service's development (2008) and use of a centralised desktop IT system that allows users to exchange ideas in real time and share files. Given the geographical challenges of the region this has provided an excellent platform to drive consistency of service and to provide instant communication across the whole service, regardless of location. For example if a member of staff has a technical issue they can place their query on Sharepoint and within minutes colleagues are responding to help resolve the difficulty. This is invaluable especially for those in the smallest offices who may otherwise be isolated, meeting colleagues infrequently. The Policy Working Group picks up these discussion threads and, if appropriate, develops policies that formally resolve differences of opinion and drive consistency in approach through ensuring that only the most up-to-date policy document is in use by the whole team. The software is also used to promote the management communication of information for example all meeting agenda and notes are made available through the system. It is also the platform for holding management information regarding performance against KPIs. The use of software to overcome geographical challenges is an excellent approach and the Service should consider promoting its achievements more widely, both within the Council and externally.

3.5 Prior to 2007 the Service's use of the UNI-form IT system to support its technical activity was limited. That has radically changed and UNI-form is now fundamental to providing the management tools for delivering the Service. Its utilisation is being maximised and continually developed. The Service has appointed the PBSS from the Skye office as its UNI-form Champion. He has support from each of the areas and each individual office is further supported by an officer who has advanced UNI-form IT skills to help their respective local colleagues. The UNI-form IT system is also fundamental in the day to day running of the Service and provides the Management Team with information to drive the Service in a more strategic, effective and efficient way, thus supporting improved customer responsiveness.

3.6 The Service now benefits from operating in a more structured and systematic way. A good example is the use of performance appraisals and the development of individual personal learning plans (which feed into the Service' Training Plan). Through these processes, individuals receive feedback on their own performance but they also have an opportunity to discuss their professional development so that, progressively, they can undertake more complex work. These supportive processes are welcomed by staff and overall they enhance the skill set and competency level of the Service.

3.7 Succession Planning is also a key issue for the Service. Trainees have been taken into the Service against substantive posts so that retention will be possible once they have completed their professional development. In addition, the Management Team supports colleagues in providing opportunities to get involved in non-technical building standards issues. Examples include:

- Customer engagement activity
- IT developments
- Policy development

These opportunities were clearly evident when group members, including one trainee, presented information about their work to the audit team. These opportunities are important to the Service in that they allow staff to develop and broaden their respective skill sets. They also demonstrate the Service's clear commitment to staff engagement and empowerment. Involvement of staff in non-technical issues also has a benefit of spreading the workload and allowing staff to take ownership of strategic development. The sense of ownership and commitment to developing a strong, customer facing performance culture was clearly evident throughout the audit and staff reported significant improvements in morale since 2007.

- A clear and comprehensive Business Plan is in place, and with the Improvement Plan, which is actively used to drive the Service forward
- Strong senior level leadership evident, including from Elected Members
- Team ownership for service delivery evident across the service, driven and supported by strong Service level leadership
- Excellent communication across the service – supported by appropriate meetings and effective use of ICT
- Structured appraisals and learning & development now in place for all staff
- Clear succession planning in place
- High level of engagement in development of useful management information to drive improvement
- Service supported by enthusiastic and highly motivated staff

OVERALL MARKING – EXCELLENT

PERSPECTIVE 4 – Continuous improvement

Verifiers will have prepared a three-year strategy for 2006-2009 for continuous improvement by 30 September 2005.

Actions intended to be taken by the verifier:

- A 3 year Building Standards Business Plan is published annually and reviewed 6 monthly. Short and Long term objectives developed and reviewed
- A BS Service Improvement Plan has been developed The plan is reviewed and updated quarterly
- Customer Service Excellence – The Government Standard. Public Service Improvement Framework (PSIF)
- Develop Focus Groups and fully engage with our customers
- Maintain Customer Charter; Business Plan and Improvement Plans.
- Public access for Building Standards Register
- Remote Access/Mobile Technology and Home Working
- Benchmark with Northern Liaison Group and Northern Consortium Peer Review Group Partnership working
- Review all plans, policies, protocols and commitments on an annual or twice yearly routine

Audit Finding

4.1 The Service has an Internal Business Plan which clearly links to its Continuous Improvement Plan and incorporates both strategic improvement actions and actions that have been identified through a variety of ongoing review and communication processes (this is covered in the Internal Business perspective)

4.2 Underpinning the Service's improvement planning processes is a strong improvement culture. This is driven by clear and effective leadership, but it is also supported through a notably high level of engagement across the whole staff group. There was considerable consistency in the views expressed by staff based across the network of local offices – they welcomed the changes that had taken place in the structure of the Service, were enthusiastic about improved levels of customer service that they were able to deliver now that workloads were managed more effectively. They were also personally committed to continued service development and improvement. Positive changes seemed to be self-reinforcing and this, together with the apparent level of ownership and commitment to improvement, provides an indication that service improvements would be sustained, subject to external factors.

4.3 The Service has themed its improvement agenda under the following headings:

- Protocol improvements
- Training & Development
- Customer Service improvement
- Business Planning
- Communication strategy
- Performance management
- Improved workload delivery
- KPI review
- Improving our finances

4.4 Its integration of continuous improvement into all 5 perspectives of the balanced scorecard demonstrates a maturity in its continuous improvement culture, and for this reason, some details relating to improvement activity are addressed under other perspectives.

4.5 At a strategic level, the Service has been exploring the value of using externally developed models and frameworks to assist in enhancing continuous service improvement. The Service has used the on-line tool to self-assess against the Customer Service Excellence Standard (the Government standard) and is now looking to incorporate the knowledge gained into the Council's forthcoming approach using Performance Service Improvement Framework (PSIF). The Service is keen to maintain its current improvement momentum and plans to engage with this as early as possible to avoid duplication of effort. The Service's improvement agenda is extremely challenging but is being shown to be achievable by the Management through empowering colleagues to take responsibility for initiatives and giving them ownership and authority to lead projects and develop proposals on behalf of the Service.

4.6 Benchmarking activity is now well established in the Service and a number of initiatives have been developed. The Grampian Liaison Group, formerly the Service's benchmarking Partners, has become the Northern Consortium of Local Government Building Standards Providers. This group is co-ordinated by one of the Service Team Leaders. It promotes principles already established within the Service by encouraging information and knowledge sharing and development of best practice across member organisations, using a local government Improvement and Development Agencies (IDeA) Community of Practice ICT platform. The Service also works with the Northern Consortium Peer Review Group Partnership and the BSM is a member of the Scottish Association of Building Standards Managers (SABSM). He has been actively involved with its Futures Group which is developing a paper for Scottish Ministers in regards of appointment of verifiers from May 2011 onwards. The Service recognises the need to continue to benchmark against high-level performers in order to maintain its improvement momentum.

4.7 Given the challenging geographical area covered by the Service it has developed procedures for flexible and home-working to ensure that it uses resources as efficiently and effectively as possible. Each request is reviewed against the business need. The development of the shared platform for communication and file storage discussed above has made home working more practicable as staff are now

able to reduce travelling time and distance without being out of touch with Service colleagues and protocols.

4.8 All policies and procedures are reviewed regularly and are fit for purpose A small policy review group has been established to review interpretations of the standards and as part of their work they have developed a step-by-step guide of the building warrant application process. This has been valuable as an internal document for staff, helping to identify waste, duplication or inconsistencies in existing processes and procedures. The process shows the building warrant process clearly and the Service is considering displaying it on the Service website for use by customers.

- Extensive improvement plan in place to track commitments and progress
- Continuous improvement culture clearly embedded into the Service
- Ownership for service improvement is role modelled by managers and shared by staff at all levels
- Improved delivery against performance targets has been delivered and sustained.
- Mechanisms in place to promote staff engagement and shared responsibility for performance improvement
- High levels of commitment and enthusiasm for continued customer focused service delivery apparent across the Service

OVERALL MARKING – EXCELLENT

PERSPECTIVE 5 – Finance

Verifiers shall have systems in place to record costs and the management of costs against income streams for the verification process by March 2007.

Actions intended to be taken by the verifier:

- Identify verification activities through the time recording system utilising UNIFORM and other means to record verification costs. Identifying “cost to serve the customer”.
- Business Support Manager (BSM) identifies the BS support costs in running the BS Service
- Ensure re-investment of Building Warrant fee within the BS service
- Finance training plans as outcome of PDP process

Audit findings

5.1 The Service has established a time recording system that is utilised by all staff. The system is easy to use and can identify both verification and non-verification activity. Other staff outwith the direct day-to-day responsibility of the Service are also surveyed so that an estimation of their contribution to the operation can be made. For example in 2009-10 the Director spent approximately 7.5% of his time on building standards activity.

5.2 The declared building warrant fee income for 2009/10 was £1.717m. The actual cost for running the Service in the period was £1.378m.

5.3 The BSM and his Management Team are now much more involved with the finances of the Service than was the case before 2007. Finance is a standing item on each of the Service’s Management Team meetings and this supports good governance. By having this additional knowledge it helps to sustain the development of the Service as a business. The Service is well supported by the Corporate Finance colleagues.

5.4 It is committed, incrementally over the next few financial years, to retaining more of the fee income with the aim of further driving value for money and customer satisfaction. Other verifiers would benefit from this positive approach.

5.5 The Service has not yet been able to introduce a dynamic Building Standards Register. To overcome this they have promoted a weekly list to their customers through its website. Funds have been identified and there is corporate acknowledgement that progress is required to satisfy the terms of the Building (Scotland) Act 2003

- Robust and easy to use time recording system embedded
- Good financial governance arrangements established
- Pro-active and managed approach to increasing retention of fee income
- Dynamic Building Standards register to be implemented

OVERALL MARKING – GOOD

CONCLUSIONS

1. The Scottish Government Building Standards Division reviewed the verifier's balanced scorecard against evidence submitted by Highland Council's Building Standards Service for each perspective: Public Interest; Private Customer; Internal Business; Continuous Improvement and Finance. The BSD undertook the audit on 1 and 2 July 2010 and reviewed the processes and procedures against the information provided on the balanced scorecard along with the evidence submitted. The audit team produced a final report using standardised commentary and markings throughout.
2. After reviewing the balanced scorecard evidence and conducting the two-day audit, the BSD were satisfied that the Service scored good or better against all perspectives of their balanced scorecard submission. This was in marked contrast to the audit report undertaken in October 2007.
3. Strong consultative leadership that impacts on the Service is in place at all levels. This includes political members of the Council and its Chief Executive. The Service Management engenders flexible, positive and inclusive team working. This has also driven a Service that now has excellent morale, team working and a pride in delivering an excellent customer focussed service.
4. The Service has an over-riding wish to provide a consistent and predictable service to its customers. It has moved a considerable way to achieving this and it cannot be underestimated how difficult a task this has been, particularly given the challenging nature of the office network that covers such a large geographical area. This consistency and predictability of the service is being achieved through strong leadership, consistent policies, well managed and inclusive communication, strong ICT use and a willingness of all to be an integral part of the improvement approach.
5. There is a strong commitment to the training and development of staff and this leads to an embedded succession-planning culture within the Service.
6. Customer engagement is now a key focus of the Service and this is evidenced through the development of the Customer Strategy document. Engagement is achieved in multiple ways, for example through an ongoing electronic survey located on the web site or through focus groups, and this all goes a long way to support customer satisfaction and ensure that the service retains an ability to understand customer needs and expectations.
7. Continuous improvement which is driven through all Service activity was clearly evident throughout all stages of the audit process.

CONTACT DETAILS

Further information about the verification process can be found on the BSD web site at www.scotland.gov.uk/BSD. The site contains information about the work of the Division and includes a list of contacts covering key areas of work.

Scottish Government
Building Standards Division
Denholm House
Almondvale Business Park
Livingston
EH54 6GA

Tel: 01506 600400
Fax: 01506 600401



The Scottish
Government